



GENERAL MANAGER
Eastern Regional Office

SEBI/ERO/VSS/GB/P/OW/2024/17546/1
May 24, 2024

To,

Siddharth Pandey
S/O. Om Prakash Pandey
84/6, Bhairav Dutta Lane, Nandi Bagan, Howrah, Pin code – 711106
Mobile No. 00917003381212/ Father Mobile No. 0091 89812 80288
Email: snigdhafinancialadvisory@gmail.com

Sub: Show Cause Notice under Sections 11(1), 11(4), 11(4A), 11B (1), 11B(2) read with 15EB & 15 HA and 11D of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) read with Rule 4(1) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of Siddharth Pandey / Snigdha Equity Advisory

1. Securities and Exchange Board of India (hereinafter referred to as ‘SEBI’) had received a complaint (*Annexure I*) vide email dated March 10, 2023 from Mohammad Shijauddin. The complainant alleged that he is a victim of online fraud. It has been stated that he invested Rs. 2 lakhs in August 2022 with Siddharth Pandey (PAN CEPPP8065P) (hereinafter referred as the ‘Noticee’) in an assured return membership plan, but did not receive the returns as promised.

Information provided by the complainant (Annexure I)

2. The complainant stated that he received a call from a person who identified himself to be Vijay. The details of plan as provided in the body of the email is as given below:

Plan: Assured Return Membership
Assured return of 10% on monthly basis
25th to 30th of every month – Settlement Period
Funds required - 1 lac minimum

Details of the entity/person against whom allegation is made

Siddharth Pandey, S/O Om Prakash Pandey
84/6, Bhairav Dutta Lane, Nandi Bagan, Howrah, Pin code – 711106
Mobile No. 00917003381212/ Father Mobile No. 0091 89812 80288
Email: snigdhafinancialadvisory@gmail.com
Facebook/ Whatsapp website: Snigdha Equity Advisory

The complainant has enclosed the documents mentioned below with his email complaint:

- i. Copy of front page of his Bank Passbook – Federal Bank



- ii. Screenshot of payment of Rs. 5000/- to Siddharth Pandey on 23 Jan 2022.
- iii. Transaction particulars including proof of payment reg. payment of Rs. 30,000/- to Siddharth Pandey on 27 May 2022.
- iv. Copy of PAN Card of Mohammed Shijauddin (complainant)
- v. Copy of Aadhar Card of Mohammed Shijauddin
- vi. Copy of Aadhar Card of Siddharth Pandey
- vii. Transaction particulars including proof of payment reg. payment of Rs. 1,70,000/- to Siddharth Pandey on 30 Aug 2022.
- viii. Copy of PAN Card of Siddharth Pandey
- ix. Extract of Whatsapp chat with Siddharth Pandey from date 09/04/2021 to 16/02/2023.

Communication with the Noticee (Annexure 2)

3. Email dated August 22, 2023 and subsequent reminder email dated September 13, 2023 were sent by SEBI to the Noticee advising him to provide the details with respect to the advisory services allegedly being provided by him. However, no reply was received from the Noticee. Letter dated August 21, 2023 was also sent seeking details with respect to advisory and/or other services, which was delivered to the Noticee on August 24, 2023 as per the details on India Post Website, however, it is observed that no reply has been received from the Noticee as on date.
4. During the examination it is observed that the Noticee does not have any website. However, a profile was found with the name – *Snigdha Equity Advisory Cash on Facebook*. which was created as an individual profile and not a page/community. The said Facebook profile has three friends as on date – viz *Snigdha Equity's Cash Segment, Snigdha Equity Advisory and Siddharth Pandey*. The profile *Snigdha Equity Advisory* further mentions that it provides Intraday, BTST, Positional Calls in Equity Cash segment only. The contact number provided on the said Facebook profile is 7003381212. It has been observed that *Snigdha Equity Advisory* is a locked profile on Facebook, and hence screenshot of the said page could not be taken. However, screenshot of the former profile on Facebook is enclosed as (*Annexure 3*).
5. In order to further examine the complaint, copy of Whatsapp Chat submitted by the complainant (*Annexure 4*) was perused, and it is, prima facie, observed that the Noticee is holding himself out as an investment advisor, offering investment advisory services as evinced by the below extract. It is observed that the Noticee also mentions that he provides intraday calls with 85% accuracy:

09/04/2021, 5:02 am - Sidharth Pandey Call: I provide daily 2 INTRADAY calls with 85% accuracy (EQUITY cash Segment only)

CHARGES

Rs.75/- per Trading day

Rs.250/- Weekly



RS.800/- MONTHLY
RS.2000/- for 3 month's

09/04/2021, 5:03 am - Mohammed Shijauddin: I prefer for 1 month
09/04/2021, 5:05 am - Mohammed Shijauddin: Provide your account details to transfer amount
09/04/2021, 5:38 am - Sidharth Pandey Call: *.ACCOUNT TRANSFER*

KOTAK MAHINDRA BANK
NAME - SIDDHARTH PANDEY
A/C - 7712635155
IFSC - KKBK0006566

18/04/2021, 5:28 pm - Sidharth Pandey Call: FLASH OFFER

RS.3000/- FOR 1 YEAR
INTRESTED THEN PLEASE COMPLETE YOUR PAYMENT PROCESS & SHARE
SCREENSHOT
THANK YOU

21/04/2021, 7:31 am - Sidharth Pandey Call: RAMNAVMI OFFER
RS.1800/- FOR 6 MONTH'S (OCTOBER 2021)
Intrested then please complete your Payment process &Share Screenshot
Thank you

28/04/2021, 6:51 pm - Sidharth Pandey Call: 3 month's FLASH MEMBERSHIP OFFER
RS.1500/- for 3 month's
Intrested then please complete your Payment process &Share Screenshot before 9.30am

30/04/2021, 9:35 pm - Sidharth Pandey Call: Hello your MEMBERSHIP is VALID till 10.05.2021
Satisfied & intrested to Further then Please complete your Payment process &Share Screenshot
before 10.05.2021

CHARGES
RS.800/- MONTHLY
RS.1200/- for 2 month's
RS.2500/- for 6 months
Thank you

01/05/2021, 1:40 pm - Sidharth Pandey Call: Hello
If you have any QUERY related your PORTFOLIO stocks
Please Feel to Ask
Thank you 😊

02/05/2021, 8:42 am - Sidharth Pandey Call: FLASH OFFER
RS.3600/- FOR 1 YEAR

02/05/2021, 7:42 pm - Mohammed Shijauddin: Namaste sirji, I have snowman 2500 shares @ 56
02/05/2021, 7:42 pm - Mohammed Shijauddin: Should I hold it for long term
02/05/2021, 7:52 pm - Sidharth Pandey Call: Namaste 🙏



02/05/2021, 7:53 pm - Sidharth Pandey Call: Yes absolutely you can hold it for long term
Prospective EXPECTED 30 to 40% move as POSITIONAL

04/05/2021, 5:50 pm - Sidharth Pandey Call: Hello

Your MONTHLY MEMBERSHIP is VALID till 10.05.2021

Satisfied & intrested to continue then please complete your Payment process &Share Screenshot

CHARGES

RS.800/- MONTHLY

RS.1200/- for month's

RS.2500/- for 6 month's

Rs.4000/ for 1 year

Thank you 🙏😊

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09/05/2021, 12:36 pm - Sidharth Pandey Call: Hello your MONTHLY MEMBERSHIP is VALID
till Tomorrow.

Satisfied & Intrested to continue then please complete your Payment process &Share Screenshot

CHARGES

Rs.75/- per Trading day

Rs.250/- Weekly

RS.800/- MONTHLY

RS.3000/- for 6 month's

Thank you 😊

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22/01/2022, 5:58 pm - Sidharth Pandey Call: New Year offer is Going to Close interested then
Please complete Your Payment Process and share screenshot

Rs.5000/- for 2 Years

Rs.10000/- for 5 Years

23/01/2022, 6:23 pm - Mohammed Shijauddin: Please add me your whastup subscription group

23/01/2022, 6:23 pm - Sidharth Pandey Call: Done

6. Further, the Whatsapp chats reflect the investment related advises given by the Noticee to the complainant, details of which are as given below:

25/01/2022, 12:37 pm - Sidharth Pandey Call: BUY ☞ GREAVES COTTON

CMP 202

TARGET 235+

SL 188

✍



BUY 490+ quantity

25/01/2022, 12:38 pm - Mohammed Shijauddin: OK THANKS SIRJI

25/01/2022, 12:38 pm - Sidharth Pandey Call: BUY SOBHA

CMP 864

TARGET 935+

SL 840

BUY 115 Quantity

28/01/2022, 10:42 am - Mohammed Shijauddin: Sir ji any recommendations to buy to gain in budget

28/01/2022, 10:47 am - Mohammed Shijauddin: Shall I buy gnfc

28/01/2022, 10:47 am - Sidharth Pandey Call: GNFC

CMP 476

TARGET 510+

28/01/2022, 10:47 am - Sidharth Pandey Call: Yes

7. It is also observed that the Noticee had launched an assured returns scheme. The extract of chats indicating the same is as below:

JOIN(ARM)

ASSURED RETURN MEMBERSHIP

Fund Required ₹ 50k minimum

Monthly Assured Return ₹10%

Profit or Loss not to worry You will get Your Assured 10% Return on monthly Basis

You need to Share Fund With me and 5th to 10th of every month will be Settlement Period

Charges: 25% of Profit Sharing

For more details: Intrested member's msg me personally

8. The Complainant has further provided the proofs of payments made into the account of the Noticee details of which are as below :

Name of Account holder	Name of Bank	Bank account No.	Dt. of transaction	Amount deposited by the complainant (in Rs.)
Siddharth Pandey	Kotak Mahindra Bank	7712635155	23-01-2022	5,000/-



Siddharth Pandey	Kotak Mahindra Bank	7712635155	27-05-2022	30,000/-
Siddharth Pandey	Kotak Mahindra Bank	7712635155	30-08-2022	1,70,000/-

9. In order to gather additional information on the Noticee's activity and for examining the same, KYC (Account Opening Forms – AOF) and transaction statements of bank accounts of the Noticee were sought from various banks based on the PAN - CEPPP8065P which belongs to the Noticee. Accordingly, information was received from HDFC Bank, Kotak Bank, ICICI Bank, Axis Bank. Brief summary of the said information so received from the said bank is as under:

Name of Bank	Account No.	Date of account opening	Date of last transaction	Balance as on date of last transaction
Kotak Mahindra Bank	7712635155	12-06-2018	31-03-2023	4.00
ICICI Bank	000601554014	14-10-2014	30-06-2023	577
Axis Bank	916010021351539	02-06-2016	21-01-2017	0.00
HDFC Bank	NIL	N.A.	N.A.	N.A.

10. Upon analysis of the information, the following is observed:

- 10.1 ICICI Bank account 000601554014 appears to be a salary account of the Noticee and the name of his employer is mentioned as "Savera Marketing Agency Pvt. Ltd." The Entries mainly pertain to salary credit and miscellaneous shopping and cash withdrawals. Therefore, no amount has been considered towards investment advisory activities for this particular ICICI bank account. It is observed that a total amount of Rs. 86,145/- was credited into the ICICI Bank account of the Noticee during the period: 07/11/2014 to 30/06/2023).
- 10.2 With respect to the Axis Bank account no. 916010021351539, it is observed that the said account contains 18 entries for the period 18/04/2016 to 03/08/2017, and the reflected against the said entries are meagre. An amount of Rs-24,551/- has been observed to have been credited into the Axis account during the examination period. Therefore, these transaction have not been considered towards unregistered investment advisory activities.
- 10.3 As per the Whatsapp chat, it is observed that, the Noticee claims to provide daily, weekly, monthly, yearly, 2 years, 3years and lifetime investment advisory services. The fees



charged by the Noticee for his advisory services rang from Rs. 75/-for providing intraday calls for 1 day to Rs. 25,000/- for availing lifetime advisory services. He changes the applicable fees on a random basic- Offering new rates during festivals or offering discount at random to lure customers. It is observed that multiple UPI payments have been received from several persons in to the Kotak Mahindra bank account bearing no. 7712635155 held by the Noticee.

- 10.4 Credit entries below Rs.75/-, interest payments, fees and certain refund credits have been excluded from consideration for the purpose of ascertaining the amount collected through illegal investment advisory services. On analysis of the bank account statement of the bank account held by the Noticee with Kotak Mahindra Bank, it is observed that there are several credit entries with relevant narrations pertaining to securities market-viz 'share', 'call', 'intra', 'week', 'daily', 'month', 'year', 'market', 'stock', 'membership', 'subscription' etc. Further, it is noted that the amount paid by the complainant i.e Mohammed Shijauddin has been traced in the said bank account statement without any specific narration. In view of the same, it is possible that not all credit entries would contain the aforesaid narrations, however such amounts have been collected from public in the guise of investment advisory services. It is observed from the WhatsApp chat that it mentions the mode of payment as GOOGLE PAY/PHONE PAY/PAYTM - 9038685860, UPI ID- snigdha12345@kotak.
11. Thus from the bank statement it is observed that Rs. 32,77,942/- was credited into the Kotak Mahindra Bank account of the Noticee. Out of Rs. 32,77,942/- credit, it is alleged that approximately Rs. 27,67,172/- appears to be from unregistered investment advisory activities. The same is identified based on the key words observed in the narration of the statements, and patterns of payments observed. Further, multiple credit entries from numerous persons have been made in to the Kotak Mahindra Bank account of the Noticee. The oldest such credit into the account was on 7/4/2019, and the latest such credit is on 2/3/2023 which has been considered for the purpose of ascertaining the amount collected through illegal investment advisory activities.
12. Below is the break-up for the total amount alleged to be collected under Investment Advisory activity which is being considered as INR 26,64,776/-:

Sl. No	Name of Bank	Date of Account Opening	Amount credited in the A/c in Rs.	Amount considered under IA activity in Rs. (approximate)	Date of last trans	Available balance in Rs.
1.	Kotak Mahindra Bank A/c No. 7712635155	12-06-2018	32,77,942	27,67,172	31-03-2023	4.00
2.	ICICI Bank A/c No. 000601554014	14-10-2014	86,145	0	30-06-2023	577



3.	Axis Bank A/c No. 916010021351539	02-06-2016	24,551	0	21-01-2017	0
	Total		33,88,638	27,67,172		581

13. It is therefore alleged that the Noticee is involved in providing investment advisory services without obtaining registration from SEBI as required under section 12(1) of the SEBI Act read with Regulation 3(1) of SEBI (Investment Advisers) Regulations, 2013 (IA Regulations, 2013). Further, it is observed that the Noticee by way of conducting investment advisory activities without obtaining requisite registration from SEBI, has collected fees of Rs. 27,67,172/- during the period May 27, 2019 to March 31, 2023.

14. It is further observed from the WhatsApp chats provided by the complainant that the Noticee has claimed to provide assured returns on amount invested with him. Such claim to provide a specific return on client's investment or to claim guaranteed profit, is an active concealment of the material fact that every investment in the market is subject to market risk. This act of conveying specific returns or certainty of profit is alleged to be for the purpose of luring customers in the net, thereby increasing the income by influencing the clients to avail of his advisory services. In light of the same, the act to actively conceal material information, is a non-genuine and a deceptive act and has been made with an intent to influence the client to avail its advisory services and deal in securities.

Thus, it is alleged that by rendering investment advice, the Noticee has fraudulently influenced the decisions of investors in dealing in securities and thereby violated the provisions of Section 12A (c) of SEBI Act, 1992 read with Regulation 3(a) (d), 4(1) and 4(2) (k), (o), (s) of SEBI (PFUTP) Regulations, 2003 and Regulation 2(l)(m) of SEBI (IA) Regulations, 2013.

15. The above provisions have been reproduced as under for reference:

Section 12(1) of SEBI Act of 1992

"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 ..."

Regulation 3 (1) of SEBI (IA) Regulations, 2013

"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 2(1)(l) of SEBI (IA) Regulations, 2013



"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;

Regulation 2(1)(m) of SEBI (IA) Regulations, 2013

"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;

Regulation 2(1)(c) of PFUTP Regulations, 2003

"2(1) In these regulations, unless the context otherwise

c) "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 fact 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 behaviour 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; "

Regulation 3(a) and (d) of PFUTP Regulations, 2003

"3. Prohibition of certain dealings in securities

No person shall directly or indirectly—

(a) buy, sell or otherwise deal in securities in a fraudulent manner;

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(d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under."

Regulation 4(1), 4(2)(k)(o),(s) of PFTUP Regulations, 2003

"4(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a [manipulative,] fraudulent or an unfair trade practice in securities [markets].

4(2) "Dealing in securities shall be deemed to be a [manipulative] fraudulent or an unfair trade practice if it involves any of the following] :—

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....

(k) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading in a reckless or careless manner and which is designed to, or likely to influence the decision of investors dealing in securities;

....

....

(o) fraudulent inducement of any person by a market participant to deal in securities with the objective of enhancing his brokerage or commission or income;

.....

(s) mis-selling of securities or services relating to securities market;

Explanation-For the purpose of this clause, "mis-selling" means sale of securities or services relating to securities market by any person, directly or indirectly, by—

(i) knowingly making a false or misleading statement, or

(ii) knowingly concealing or omitting material facts, or

(iii) knowingly concealing the associated risk, or

(iv) not taking reasonable care to ensure suitability of the securities or service to the buyer."

Section 12A (c) of SEBI Act

"Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control

12A. No person shall directly or indirectly

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engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder."

16. In the view of above, the Noticee is hereby called upon to show cause as to why suitable directions under Sections 11(1), 11(4), 11B (1) and 11D of the SEBI Act, 1992, including direction to refund the monies collected from the investors towards fees collected from them for the unregistered investment advisory services and monetary penalty ,under Section 11(4A), and 11B(2) read with Section 15EB & 15 HA of the SEBI Act, 1992 be not issued against him for the alleged violation of the provisions of law as mentioned above.



17. 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:

Shri Vikas SS,
General Manager – SEBI,
L&T Chambers, 3rd Floor, 16 Camac Street,
Kolkata - 700017, West Bengal
Email: vikas@sebi.gov.in ; gunjanb@sebi.gov.in

18. If personal hearing before the Quasi Judicial Authority (QJA) is desired, it shall be indicated in the reply accordingly. The Noticee is advised to keep SEBI informed about the change in his correspondence address, if any, and provide updated email-id and phone numbers, till the proceedings are complete. The noticee is also advised to submit photocopy of Income Tax Permanent Account Number Card(PAN card), bank account details, demat account details, mutual fund investment details, etc. along with details of other movable and immovable assets for our record

19. The Noticee may also note that a settlement mechanism is provided under the SEBI (Settlement Proceedings) Regulations, 2018. If the Noticee wishes to opt for the settlement process, he may apply for the same in the manner given in the aforesaid regulations under intimation to the undersigned. Further, the Noticee may note that filing of settlement application does not confer any right to seek the settlement of the proceedings.



Vikas SS



Enclosures: As mentioned above

Enclosure	Description
Annexure 1	Copy of complaint along with the attachments
Annexure 2	Copies of communication with the Noticee
Annexure 3	Screenshot of Facebook profile
Annexure 4	Copy of Whatsapp chat submitted by the complainant