



**भारतीय प्रतिभूति
और विनिमय बोर्ड**
**Securities and Exchange
Board of India**

GENERAL MANAGER

Eastern Regional Office

SEBI/ERO/VSS/GB/OW/P/2023/28762/2

July 17, 2023

To,

Noticee No.	Name of the Noticee	Address
1.	M/s A S Traders (Proprietor – Mr. Vicky Alam) (PAN: CMKPA6523N)	1st Street, Church Road Ranchi Main Road Ranchi, Jharkhand - 834001
2.	Mr. Durgesh Kumar	C/O Sachindanand Saw, Raja Bazar, Patel Nagar, Jehanabad, Bihar - 804408

(The aforesaid entities are hereinafter referred to by their respective names/ serial numbers or collectively as “the Noticees”)

Sub: Show Cause Notice under sections 11(1), 11(4), 11B (1), 11(4A) and 11B (2) read with Section 15EB and Section 15HA of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) read with Rule 4 (1) of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of M/s. A S Traders (Proprietor - Mr. Vicky Alam) and Mr. Durgesh Kumar.

1. Securities and Exchange Board of India (hereinafter referred to as ‘SEBI’) had received a complaint against **M/s. A S Traders (Proprietor – Mr. Vicky Alam)** from a complainant on May 27, 2021, wherein it was inter-alia alleged that Top Researcher Panel is a fraud company and collected money of INR 4,80,000 in 3 installments on the pretext of fake commitments of unrealistic/guaranteed returns by investing in share market, and further the entity asked the complainant to pay INR 2,40,000 additionally to receive INR 45,00,000 as a profit; when the complainant refused to pay additional amount and asked them to return money, they refused to pay back to the complainant. The complainant has provided the details of payment of INR 4,02,000 made to IDFC First Bank and INR 80,000 made to



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HDFC Bank in which the money was transferred. The complainant has also provided email details provided by Noticees (The copy of complaint is placed at **Annexure – A**).

2. In view of the above complaint on SCORES against Top Researcher Panel, the complainant was contacted over telephone and vide e-mails, the complainant was advised to provide the following documents as evidence in support of his complaint. In his reply, the complainant has submitted the copies of email received from Top Researcher Panel sending the details of plans provided by them, screenshots of payments, screenshots of WhatsApp chats, company website URL, contact details/bank account details, FIR filed with Bengaluru City Police.
3. Pursuant to the receipt of the above information , an examination was conducted in respect of the activities of the Top Researcher Panel wherein it was noted that a website with the domain name <http://topresearcherpanel.com/> was browsed/perused for information, and it is observed that the same is currently not active.
4. The e-mails received by the complainant from Top Researcher Panel (info@topresearcherpanel.com) were perused, and it was observed that Top Researcher Panel had shared all the details of plans through its emails and some of the screenshots of the plans shared by emails are placed at **Annexure - B**. Further, Top Researcher Panel had, *inter alia*, disclosed the following in their emails:
 - a. E-mail on Growth Investment Plan:

"Here the mail is to inform you the Growth Investment Plan.

This Plan helps you to growth your overall investments and a guaranteed return will provided by us.

We work with various kinds of strategies to delight the customers by providing continues support in the market.

Our recommendation are highly accurate and gives consistence profit in the market.

As discussed, here we are sending you the offer details for the plan

which was informed by our market expert,





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Service Name : GROWTH INVESTMENT PLAN

Service

Amount : 4,50,000 Rs.+ 18% tax

Service Tenure : 90 Days

Return : 22.50L

Investment

Required : 1.20L

Subscription : 20% (90,000 Rs.)

Note: 1.) If you will subscribe on the same day of registration you will get 15 days extra service free as per discussed with your profile manager.

Amount will be pay in given bank account

HDFC BANK

50200054696800

HDFC0002610

DURGESH KUMAR

CURRENT ACCOUNT”

b. E-mail on Power Investment Plan:

“Here the mail is to inform you the Power Investment Plan.

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Our recommendation are highly accurate and gives consistence profit in the market.

As discussed, here we are sending you the offer details for the plan which was informed by our market expert,

Service Name : POWER INVESTMENT PLAN

Investment

Amount : 7,50,000 Rs.

Initial Investment

Required : 3,75,000 Rs.





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Service Tenure : 25- 30 Days

Return : 37 Lakh Guaranteed Return + 7.50 Lakh (Investment Amount)

No of Payout : 3

Note : 1. remaining investment amount (3.75L) you have to transfer after first payout.

2.) You will get minimum 19L in second payout

Amount will be pay in given bank account

A.S TRADERS

10067184871

IDFB0060344

CURRENT A/C

IDFC FIRST BANK"

- It is mentioned in the note to the email sent by the Top Researcher Panel that in case the client subscribes on the same day of registration, he will get 15 days extra service free. This implies that the Top Researcher Panel was charging a fee to the clients for its service.
- The pricing details and bank account details for making payment were mentioned for these packages in the email of top Researcher Panel. The details of the bank accounts mentioned in the complaint are tabulated below:

Sl. No.	Bank	Account Name	Account No.	IFSC Code
1.	IDFC First Bank	A S Traders	10067184871	IDFB0060344
2.	HDFC bank	Durgesh Kumar	50200054696800	HDFC0002610

- In order to gather additional information on Top Researcher Panel's activity and for examining the same, Bank account statement, Account Opening Form (AOF) and KYC were sought from various banks. From the analysis of KYC, Account Opening Form and Bank Account statement provided by IDFC First Bank, HDFC Bank and ICICI Bank, it is noted as under:





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Sr. No	Bank Name & A/C No	Account Name	Name of Proprietor	Date of Account Opening	Date of last transaction	Account Status	Amount credited in the A/c in Rs.
1.	IDFC First Bank A/c No.- 10067184871	A S Traders	Vicky Alam	15/02/2021	05/06/2021	-	1,22,62,677
2.	HDFC Bank A/C No 502000054696800	Durgesh Kumar	-	03/03/2021	22/01/2022	-	62,35,705
3.	ICICI Bank A/c No.- 735305500085	A S Traders	Vicky Alam	29/05/2021	29/07/2021	-	25,52,016
	Total						2,10,50,398/-

8. The details of observations made from the above table are stated below:

- It appears from IDFC First Bank and ICICI Bank that these account belongs to M/s A S Traders for which Mr. Vicky Alam is the Proprietor.
- The copy of account opening form of IDFC First Bank shows that the line of business of A S Traders is Retail Business in Textiles/Garments.
- It appears from HDFC Bank Account that the bank account belongs to Mr. Durgesh Kumar and it is observed that the amount of Rs. 62,35,705/- which was credited to HDFC Bank Account is towards investment advisory services.
- It appears that all credit entries after opening of bank accounts in the IDFC First Bank, HDFC Bank and ICICI Bank account is pertaining to unregistered investment advisory.

9. It is further noted from the bank account statements that several credit entries were made in the accounts with description as 'trading', 'stock market', 'investment', 'fees', 'brokerage', 'trading', 'fee regarding share call', 'share broker payment', share market





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tips', 'share market registration', 'share call', 'months plan', 'share market tips', 'intraday' etc., which appears to be in the nature of fees collected for investment advisory activities. The details of the A/c received from banks are placed at **Annexure C.** ~~(In C-D)~~

10. From the above, prima facie, it appears that A S Traders, its proprietor Mr. Vicky Alam and Mr. Durgesh Kumar, who are using the name of Top Researcher Panel, are involved in unregistered investment advisory activities without obtaining registration from SEBI.
11. The Noticees have defrauded the complainant and the complainant had deposited Rs. 4,82,000/- in Noticee's IDFC First Bank and HDFC Bank account as fee. From the analysis of account statements of IDFC First Bank and HDFC Bank account, it is observed that the same has been credited in Noticee's IDFC First Bank and HDFC Bank account. Further, Noticee has a website <http://topresearcherpanel.com/> which is inactive. The Noticees, through emails shared the details of various plans. The Noticees also claimed that it employs various strategies in the share market, and their recommendations are highly accurate, thereby knowingly misrepresented that it is an expert in markets. The entity even assured guaranteed returns and fraudulently collected monies from investors as the assurance lured the investors and shared the details of fees for account handling services along with profit details, capital required and validity of the plan. This implies that the Noticees was charging a fee to the clients for its services.
12. The term 'investment adviser' has been defined under Regulation 2 (m) of the SEBI (Investment Adviser) Regulations, 2013 (hereinafter referred to as 'IA Regulations, 2013'). Regulation 3(1) of the said regulations casts a prohibition on any person to act as an investment adviser or hold itself out as an investment adviser without obtaining the registration from SEBI. Further, 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 the IA





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Regulations, 2013. In this respect, the relevant provisions are reproduced herein below:

Section 12(1) of SEBI Act

“No stock broker, sub-broker, share transfer agent, banker to an issue, trustee of trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager, investment adviser and such other intermediary who may be associated with securities market shall buy, sell or deal in securities except under, and in accordance with, the conditions of a certificate of registration obtained from the Board in accordance with the regulations made under this Act”

Regulation 2 (m) of the IA Regulations

“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”

Regulation 3(1) of the IA Regulations

“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”.

13. 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 the Noticees have carried out investment advisory activities without obtaining registration of SEBI.





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14. The aforesaid examination reveals that the Noticees 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.
15. It appears that the Noticees had fraudulently represented that it provides account handling services, and manage capital by trading in markets. The Noticees even assured guaranteed returns and fraudulently collected monies from investors as the assurance lured the investors. Evidently, the Noticees were knowingly concealing the fact that they are not registered with SEBI as an investment adviser, and had also misrepresented about its expertise in investment advisory thereby luring and inducing investors to deal in the markets by availing its services with the objective of enhancing their income. The conduct of the Noticees through the aforementioned activities is alleged to be 'fraud' in terms of the Regulation 2(1)(c) of PFUTP Regulations, 2003.
16. In view of the above, it is alleged that the Noticees have violated Regulations 3(b), (c), (d), 4(1), 4(2) (k), 4(2)(s) of SEBI PFUTP Regulations, 2003 read with Section 12 A (a), (b) and (c) of the SEBI Act, 1992.
17. Further, it is alleged that Noticees were engaged in the activities of an 'investment adviser' as defined under regulation 2 (m) of the IA Regulations and holding itself out as an investment adviser, without having necessary registration, in violation of Section 12(1) of the SEBI Act read with Regulation 3(1) of the IA Regulations, 2013 and Regulation 3 (b), (c), (d), 4(1) and 4(2) (k), 4(2)(s) of PFUTP Regulations, 2003 read with section 12A (a), (b), (c) of SEBI Act, 1992. Relevant provisions of the said regulations are given below:

Regulation 3. Prohibition of certain dealings in securities

No person shall directly or indirectly-

(a)





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- (b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
- (c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
- (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 of PFUTP Regulations - Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a 4 [manipulative,] fraudulent or an unfair trade practice in securities 5 [markets]. 6 [Explanation.—For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market.

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

...

(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;

..

(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





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- (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 of the SEBI Act

12A. No person shall directly or indirectly

- (a) *use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognised stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;*
(b) *employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange;*
(c) *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*

18. The Noticees are hereby called upon to show cause as to why suitable directions under sections 11(1), 11(4), 11(4A), 11B(1) and 11B(2) read with sections 15EB and 15HA of the SEBI Act, direction of refund of fees/monies collected from the investors should not be issued against them for the violations as alleged herein above. The Noticee is also called upon to show cause as to why inquiry should not be held against them in terms of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and penalty be not imposed upon them under Section 11 (4A) and 11B (2) read with Section 15EB and 15HA of the SEBI Act, 1992 for the violations alleged herein above.

19. 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 S. S.
Securities and Exchange Board of India
Eastern Regional Office
L & T Chambers, 3rd Floor, 16 Camac Street,
Kolkata – 700017
West Bengal
Tel: +91 +91 33 2302 3000. Ext: 3136, 3132.



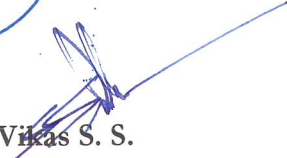


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20. Noticees may also send reply through email at the following email id at vikas@sebi.gov.in and gunjanb@sebi.gov.in.
21. If personal hearing before the Quasi-Judicial Authority, SEBI is desired, it shall be indicated in the reply accordingly.
22. The Noticees are advised to keep SEBI informed about the change in its/his correspondence address, if any, and provide updated email-id and phone numbers, till the proceedings in the extant matter are complete.
23. Noticees are also advised to submit a 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.
24. The Noticees may also note that a settlement mechanism is provided under the SEBI (Settlement Proceedings) Regulations, 2018. If the Noticees wish to opt for the settlement process, they may apply for the same in the manner given in the aforesaid regulations under intimation to the undersigned. Further, the Noticees may note that filing of settlement application does not confer any right to seek the settlement of the proceedings.




Vikas S. S.

Enclosures: As above



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July 17, 2023

To,

Noticee No.	Name of the Noticee	Address
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2.	Mr. Durgesh Kumar	C/O Sachindanand Saw, Raja Bazar, Patel Nagar, Jehanabad, Bihar - 804408

(The aforesaid entities are hereinafter referred to by their respective names/ serial numbers or collectively as “the Noticees”)

Sub: Show Cause Notice under sections 11(1), 11(4), 11B (1), 11(4A) and 11B (2) read with Section 15EB and Section 15HA of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) read with Rule 4 (1) of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of M/s. A S Traders (Proprietor - Mr. Vicky Alam) and Mr. Durgesh Kumar.

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) had received a complaint against **M/s. A S Traders (Proprietor – Mr. Vicky Alam) from a complainant** on May 27, 2021, wherein it was inter-alia alleged that Top Researcher Panel is a fraud company and collected money of INR 4,80,000 in 3 installments on the pretext of fake commitments of unrealistic/guaranteed returns by investing in share market, and further the entity asked the complainant to pay INR 2,40,000 additionally to receive INR 45,00,000 as a profit; when the complainant refused to pay additional amount and asked them to return money, they refused to pay back to the complainant. The complainant has provided the details of payment of INR 4,02,000 made to IDFC First Bank and INR 80,000 made to

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2. In view of the above complaint on SCORES against Top Researcher Panel, the complainant was contacted over telephone and vide e-mails, the complainant was advised to provide the following documents as evidence in support of his complaint. In his reply, the complainant has submitted the copies of email received from Top Researcher Panel sending the details of plans provided by them, screenshots of payments, screenshots of WhatsApp chats, company website URL, contact details/bank account details, FIR filed with Bengaluru City Police.
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Service Name : GROWTH INVESTMENT PLAN

Service

Amount : 4,50,000 Rs. + 18% tax

Service Tenure : 90 Days

Return : 22.50L

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Note: 1.) If you will subscribe on the same day of registration you will get 15 days extra service free as per discussed with your profile manager.

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Note : 1.remaining investment amount (3.75L) you have to transfer after first payout.

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7. In order to gather additional information on Top Researcher Panel's activity and for examining the same, Bank account statement, Account Opening Form (AOF) and KYC were sought from various banks. From the analysis of KYC, Account Opening Form and Bank Account statement provided by IDFC First Bank, HDFC Bank and ICICI Bank, it is noted as under:





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	Total						2,10,50,398/-

8. The details of observations made from the above table are stated below:

- It appears from IDFC First Bank and ICICI Bank that these account belongs to M/s A S Traders for which Mr. Vicky Alam is the Proprietor.
- The copy of account opening form of IDFC First Bank shows that the line of business of A S Traders is Retail Business in Textiles/Garments.
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tips', 'share market registration', 'share call', 'months plan', 'share market tips', 'intraday' etc., which appears to be in the nature of fees collected for investment advisory activities. The details of the A/c received from banks are placed at **Annexure C, (In C-D)**

10. From the above, prima facie, it appears that A S Traders, its proprietor Mr. Vicky Alam and Mr. Durgesh Kumar, who are using the name of Top Researcher Panel, are involved in unregistered investment advisory activities without obtaining registration from SEBI.

11. The Noticees have defrauded the complainant and the complainant had deposited Rs. 4,82,000/- in Noticee's IDFC First Bank and HDFC Bank account as fee. From the analysis of account statements of IDFC First Bank and HDFC Bank account, it is observed that the same has been credited in Noticee's IDFC First Bank and HDFC Bank account. Further, Noticee has a website <http://topresearcherpanel.com/> which is inactive. The Noticees, through emails shared the details of various plans. The Noticees also claimed that it employs various strategies in the share market, and their recommendations are highly accurate, thereby knowingly misrepresented that it is an expert in markets. The entity even assured guaranteed returns and fraudulently collected monies from investors as the assurance lured the investors and shared the details of fees for account handling services along with profit details, capital required and validity of the plan. This implies that the Noticees was charging a fee to the clients for its services.

12. The term 'investment adviser' has been defined under Regulation 2 (m) of the SEBI (Investment Adviser) Regulations, 2013 (hereinafter referred to as 'IA Regulations, 2013'). Regulation 3(1) of the said regulations casts a prohibition on any person to act as an investment adviser or hold itself out as an investment adviser without obtaining the registration from SEBI. Further, 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 the IA





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Regulations, 2013. In this respect, the relevant provisions are reproduced herein below:

Section 12(1) of SEBI Act

“No stock broker, sub-broker, share transfer agent, banker to an issue, trustee of trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager, investment adviser and such other intermediary who may be associated with securities market shall buy, sell or deal in securities except under, and in accordance with, the conditions of a certificate of registration obtained from the Board in accordance with the regulations made under this Act”

Regulation 2 (m) of the IA Regulations

“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”

Regulation 3(1) of the IA Regulations

“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”.

13. 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 the Noticees have carried out investment advisory activities without obtaining registration of SEBI.





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14. The aforesaid examination reveals that the Noticees 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.
15. It appears that the Noticees had fraudulently represented that it provides account handling services, and manage capital by trading in markets. The Noticees even assured guaranteed returns and fraudulently collected monies from investors as the assurance lured the investors. Evidently, the Noticees were knowingly concealing the fact that they are not registered with SEBI as an investment adviser, and had also misrepresented about its expertise in investment advisory thereby luring and inducing investors to deal in the markets by availing its services with the objective of enhancing their income. The conduct of the Noticees through the aforementioned activities is alleged to be 'fraud' in terms of the Regulation 2(1)(c) of PFUTP Regulations, 2003.
16. In view of the above, it is alleged that the Noticees have violated Regulations 3(b), (c), (d), 4(1), 4(2) (k), 4(2)(s) of SEBI PFUTP Regulations, 2003 read with Section 12 A (a), (b) and (c) of the SEBI Act, 1992.
17. Further, it is alleged that Noticees were engaged in the activities of an 'investment adviser' as defined under regulation 2 (m) of the IA Regulations and holding itself out as an investment adviser, without having necessary registration, in violation of Section 12(1) of the SEBI Act read with Regulation 3(1) of the IA Regulations, 2013 and Regulation 3 (b), (c), (d), 4(1) and 4(2) (k), 4(2)(s) of PFUTP Regulations, 2003 read with section 12A (a), (b), (c) of SEBI Act, 1992. Relevant provisions of the said regulations are given below:

Regulation 3. Prohibition of certain dealings in securities

No person shall directly or indirectly-

(a)





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- (b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
- (c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
- (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 of PFUTP Regulations - Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a 4 [manipulative,] fraudulent or an unfair trade practice in securities 5 [markets]. 6 [Explanation.—For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market.

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

...

(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;

..

(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





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- (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 of the SEBI Act

12A. No person shall directly or indirectly

- (a) *use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognised stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;*
- (b) *employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange;*
- (c) *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*

18. The Noticees are hereby called upon to show cause as to why suitable directions under sections 11(1), 11(4), 11(4A), 11B(1) and 11B(2) read with sections 15EB and 15HA of the SEBI Act, direction of refund of fees/monies collected from the investors should not be issued against them for the violations as alleged herein above. The Noticee is also called upon to show cause as to why inquiry should not be held against them in terms of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and penalty be not imposed upon them under Section 11 (4A) and 11B (2) read with Section 15EB and 15HA of the SEBI Act, 1992 for the violations alleged herein above.

19. 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 S. S.
Securities and Exchange Board of India
Eastern Regional Office
L & T Chambers, 3rd Floor, 16 Camac Street,
Kolkata – 700017
West Bengal
Tel: +91 +91 33 2302 3000. Ext: 3136, 3132.

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20. Noticees may also send reply through email at the following email id at vikas@sebi.gov.in and gunjanb@sebi.gov.in.
21. If personal hearing before the Quasi-Judicial Authority, SEBI is desired, it shall be indicated in the reply accordingly.
22. The Noticees are advised to keep SEBI informed about the change in its/his correspondence address, if any, and provide updated email-id and phone numbers, till the proceedings in the extant matter are complete.
23. Noticees are also advised to submit a 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.
24. The Noticees may also note that a settlement mechanism is provided under the SEBI (Settlement Proceedings) Regulations, 2018. If the Noticees wish to opt for the settlement process, they may apply for the same in the manner given in the aforesaid regulations under intimation to the undersigned. Further, the Noticees may note that filing of settlement application does not confer any right to seek the settlement of the proceedings.




Vikas S. S.

Enclosures: As above