



भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

SPEED POST WITH ACK DUE

DEPUTY GENERAL MANAGER
NORTHERN REGIONAL OFFICE

SEBI/NRO/NRO/NRO/OW/P/2023/39037/1

September 18, 2023

Mrityunjay Kumar
PAN- CDEPK3717K
Back of Patna Museum, Vidyapati Colony,
Vijay Printing Press, Q. No.-7,
Patna-800001

Sub: Show Cause Notice under Section 11 (4) 11 (4A), 11 B (1), 11 B (2), of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") for violation of Section 12(1) of the SEBI Act and Regulation 3 (1) of the SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred as "IA Regulations")- and imposition of penalty under Section 15HB of the SEBI Act for the said violations in the matter of Future Intraday Positional Long Term Capital OPC Private Limited.

1. SEBI has received various complaints dated March 26, 2019, May 02, 2019, November 19, 2019 and January 08, 2020 (**Annexure-A**) from Shri Arun Nair T.P. in respect of M/s Future Intraday Positional Long Term Capital OPC Private Limited (hereinafter referred to as "FIPL") and its Director Mr. Mrityunjay Kumar (hereinafter collectively referred to as "Entities/entities") wherein he has inter-alia alleged that he has been a victim of the said entities running an investment advisory firm. As checked from MCA database, the said company was an unlisted private one-person company incorporated on December 16, 2014 with registered address in Delhi which has been 'strike off' as on date as per MCA website.
2. The complainant has submitted that he has come in contact of the said entities, M/s Future Intraday Positional Long Term Capital OPC Private Limited (hereinafter referred to as "FIPL") and its Director Mr. Mrityunjay Kumar, in around 2015. The entities approached him through phone and opened a Demat Account on his behalf in broking firm CD Equiresearch Pvt. Ltd. The complainant submitted that the entities collected money from him for investments and submitted fake ledger statements for the transactions executed on behalf

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“हम हिन्दी पत्राचार का स्वागत करते हैं।”

प्रादेशिक कार्यालय : पाँचवा तल, बैंक ऑफ बड़ौदा भवन, 16, संसद मार्ग, नई दिल्ली- 110001 दूरभाष (Telephone): 011-23724001-06 फैक्स (Fax): 23724006 & 8
REGIONAL OFFICE : 5TH FLOOR, BANK OF BARODA BUILDING, 16, SANSAD MARG, NEW DELHI - 110001

प्रधान कार्यालय : सेबी भवन, प्लॉट सं. सी-4 'अ', जी-ब्लॉक, बान्द्रा कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व) मुंबई-400051 दूरभाष (Telephone): 022-26449000 फैक्स (Fax): 022-26449001 to 26449022
Head Office : SEBI Bhavan, Plot No. C-4A, G-Block, Bandra Kurla Complex, Bandra (E) Mumbai-400051 Web. : www.sebi.gov.in





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investments and submitted fake ledger statements for the transactions executed on behalf of the complainant. The complainant has provided an email dated November 22, 2018 issued by the said broking firm that mentions that there is no transaction in his account from the date of account opening, the same was also confirmed by the exchanges *vide* their emails dated September 19, 2022 (**Annexure B**). 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 entities (**Annexure C**).

3. The complainant further submitted that, subsequently, the entities informed the complainant that their accounts were frozen by SEBI and demanded money from the complainant under the same pretext. In this regard, the entities 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. The documents submitted by the complainant viz. complaint letters, date wise breakup of amounts deposited in the accounts of the entities, emails and letters from the entities demanding money from the complainant, fake ledger statements, screenshot of website www.futureiplcapital.com (hereinafter referred to as "website") and LinkedIn page of the entities etc. are annexed (**Annexure D**).
4. It is observed that, the aforementioned website is not operational, accordingly, archived pages of the website were perused. Last available archived page of the website is of August 2018. Details of different pages on the website are placed at (**Annexure E**). From the extracts of website (**Annexure F**) and LinkedIn page (**Annexure G**), it is observed that the Noticee has held 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 entities are not registered with SEBI in any capacity (**Annexure H**). From points III. (a) and (B) 1. of the Memorandum of Association (MOA) of FIPL (**Annexure I**), it is 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.





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5. 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 **(Annexure J)**.
6. It was observed that the Noticee has offered to the complainant investment advisors services for consideration. Noticee had opened a Demat account for the complainant and taken money from the complainant 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.
7. Thereafter, SEBI sought information about accounts of the Noticee and FIPL. In response there to ICICI Bank, HDFC Bank, YES Bank and SBI Bank provided information **(Annexure K)**. As per the KYC details bank accounts of the entities, letters dated 28.12.2021 and reminder email dated 08.03.2022 seeking information in respect of the services provided, fees collected etc. were sent at the available addresses of the entities. The said letters returned undelivered. Mr. Mrityunjay Kumar vide email dated 22.03.2022 and 16.03.2022 replied to the said letters and inter-alia submitted that **(Annexure L)**-

"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 license 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 (admission of the entity in respect of providing unregistered investment advisory)

Incorporation Date : 16 th December 2014.

Name and Address-Mrityunjay kumar, Q.no-7 vidyapati colony patna-800001, miryanpi@gmail.com (7780012701), this company i m single owner.

Most importantly, as you are asking for the company details so I won't be able to provide you now because company is already shut down in FY 2015-2016, if you want to provide me details i need some time to collect the previous details so allow me atleast 1 month time so that i can get all the details of my previous company."





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He also provided the copy of MCA incorporation certificate. No further reply was received from the entities.

8. 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 is 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.
9. From the analysis of the aforesaid bank statements it is observed that the complainant has indeed paid a sum of Rs.41,20,010/- to the Noticee (Out of the details of Rs. 41,38,510/- as submitted by the complainant). Further, it is noted that several entries with narrations suggest receipt of money for trading/advising/carrying out activities pertaining to securities markets:

Date of_ transaction	Narration	Bank Account Number	Credit_ Amount (Rs.)
22/04/2015	BIL/000756261863/optin tip/NSP	ICICI Bank, Account number- 182505000114	4,000
15/07/2015	INB tips	SBI Bank, Account Number- 32126575979	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/N SP	ICICI Bank, Account Number- 347505000079	37,500
19/01/2018	BIL/001376527884/Investment/N SP		13,150





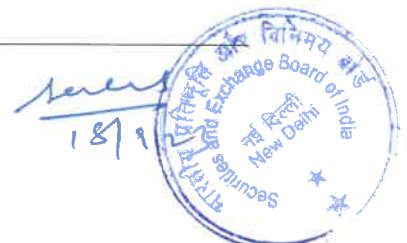
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Date of_ transaction	Narration	Bank Account Number	Credit_ Amount (Rs.)
20/01/2018	NEFT-N020180457107891-SYED MOHAMMAD SAIF-investme		50,000

From the above table, it is noted that the notice was acted as an investment advisor without obtaining certificate of registration.

10. As the notice failed to provide information about details of its clients, amount of fees charged etc. therefore, it is observed that the Noticee collected Rs. 1,84,64,929.84/-, amount of credit in the said bank accounts, as fees while holding out and acting as an investment advisory services.
11. In view of the above, it is alleged that the Noticee by holding out and acting as investment adviser without obtaining certificate of registration from SEBI has violated Section 12 (1) of the SEBI Act, 1992 read with Regulation 3 (1) of the SEBI IA Regulations.
12. It is noted that the notice carried on business of investment advisory in the name of FIPL. Further, it is noted that the notice being sole director of FIPL, which was over 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.
13. In view of the above, the Noticee is called upon to show cause as to why suitable directions including directions for debarment, restraint and refund sections 11B (1), 11 (4), of the SEBI Act, 1992, should not be issued against him and (ii) Why Penalty under Section 15 HB of the SEBI Act should not be imposed on the notices under Section 11B(2) AND 11(4A) of the SEBI Act, for the alleged violations stated hereinabove.
14. The reply of the Noticee, if any, should reach the undersigned, at the address given below, as well as through email at virsaahabs@sebi.gov.in and anupams@sebi.gov.in (in MS-Word format), within 21 days from the date of receipt of this notice, failing which it shall be





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construed that the Noticee has no reply to submit and the matter shall be proceeded on the basis of the material available on record.

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Northern Regional Office,

8th floor, Plate B, Tower 1,

NBCC Complex,

East Kidwai Nagar, New Delhi - 110023.

15. If you are desirous of a personal hearing before the Competent Authority, SEBI, the same may be intimated accordingly.
16. You are advised to keep SEBI informed about the change in your correspondence address, if any, and provide updated email-id and phone numbers, till the proceedings are complete. Documents relied upon in the present notice have been annexed as per the list of enclosures.
17. You may also note that a settlement mechanism is provided under the SEBI (Settlement Proceedings) Regulations, 2018. If you wish to opt for the settlement process, you may apply for the same in the manner given in the aforesaid regulations under intimation to the undersigned


Vir Sahab Singh



Enc.-As above

1. **Annexure-A** - various complaints dated March 26, 2019, May 02, 2019, November 19, 2019 and January 08, 2020.
2. **Annexure B** - emails dated September 19, 2022
3. **Annexure C** - Details of deposit of Rs. 41,38,510/- during calendar years 2015-2017 for investments in the bank accounts of the entities.
4. **Annexure D** - Documents submitted by the complainant viz. emails and letters from the entities demanding money from the complainant, fake ledger statements, screenshot of website www.futureiplcapital.com (hereinafter referred to as "website") and LinkedIn page of the entities etc.



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5. **Annexure E** - Details of different pages on the website.
6. **Annexure F** - Extracts of website
7. **Annexure G** - Extracts of LinkedIn page
8. **Annexure H** - SEBI registered intermediaries' database
9. **Annexure I** - Memorandum of Association of the FIPL
10. **Annexure J** - Company / LLP Master data of MCA
11. **Annexure K** - Information from Bank
12. **Annexure L** - Letter and email to and reply email from Mrityunjay Kumar

