



QUASI-JUDICIAL CELL -2

E-mail: qjc2@sebi.gov.in

SEBI/HO/QJC/QJC-2/P/OW/2025/0000028807/1

November 14, 2025

By SPAD & E-mail

Name and address of Noticee	Mr. Yash Garg (Proprietor of Yash Trading Academy) (PAN: ASCPG7653D) Address 1 : S/o Vivek Garg, H No. 4A 336-337, Avas Vikas Colony, Buddhi Vihar Majhola, Near Bhatia General Store, Moradabad, Uttar Pradesh – 244001 Address 2 : Spazio Living, Balaji Homes, Sector 48, Gurugram, Haryana – 122003 Email ID : yashgarg2009@gmail.com Mobile: +91 8755054666 / 9319039200
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Show Cause Notice under Sections 11(1), 11(4), 11(4A), 11B(1) and 11B(2) of Securities and Exchange Board of India Act, 1992 read with Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 with respect to Mr. Yash Garg (Proprietor of Yash Trading Academy)

Background

1. Securities and Exchange Board of India ('SEBI') received a complaint vide email dated May 02, 2022 (*Annexure-1*) alleging that the complainant had subscribed to the monthly and yearly plan offered by Mr. Yash Garg (Proprietor of Yash Trading Academy) (hereinafter referred to as 'Noticee') on a profit-sharing basis for trading in the securities market and that while availing the services of the Noticee during the period from December 20, 2021 to February 01, 2022 he was cheated for an amount of Rs.2,77,690/- by the Noticee. It was further submitted by the complainant that the Noticee is running a fake Yash Trading Academy ('YTA') and claims it to be a SEBI registered intermediary. The complainant has shared the screenshots of WhatsApp, Telegram, Facebook and YouTube channels through which the Noticee offered the alleged '*unregistered services*' (investment calls and demat account handling).

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2. Subsequent to receipt of the complaint, SEBI examined the matter. In view of the findings of the examination, the facts constituting allegations are as follows.
3. During examination the Noticee responded vide emails dated June 12, 2024 and July 07, 2024 (*Annexure-2*) that he started the Telegram channels *Yashtradingacademy*, *YTA* and *YTA Premium* to provide portfolio services however now those channels are closed. He also submitted that he collected fees/profits from clients in his bank accounts. Vide the said emails he also submitted that the mobile numbers 9319039200 and 8755054666 belong to him.
4. It is observed that the abovementioned Telegram channels were used by the Noticee to provide investment calls and the Noticee has also submitted during examination (*Annexure-2*) that he used to trade on behalf of certain clients ("*clients used to share capital with me*") while some clients shared their demat account details which he used to trade in the securities market on a 50% profit sharing basis.
5. It is observed that the mobile number (9319039200) of the Noticee is appearing in the said Telegram channels which are claiming to provide various services including 'Premium Calls' and 'Account Handling Services' upon payment and/or profit sharing basis.
6. The Noticee vide email dated March 28, 2023 (*Annexure-2*) also submitted that he offered three services: Calls with 10k Per Year Plan, Demat handling with profit sharing 50-50 and Learning Programme: 5,000.
7. Based on the above, it is alleged that the telegram channels appearing in **Table A** below were managed by the Noticee since the same has been accepted by him and his phone number was also appearing on the said channels.



8. It is noted that, as per the complaint, the website linked to the above-mentioned Telegram channels was www.yashtradingacademy.com. During examination, it was noted that there is a registered SEBI intermediary, which is running a legitimate website with the same name "Yash trading Academy" with the website yashtradingacademy.in. However, the subject of the present SCN i.e. the Telegram channels listed at Table A below, is not related to the said registered entity.
9. From the social media channels, the screenshots of which were shared by the complainant, (Annexure-1), the following is observed:

TABLE A

Telegram Channel	No. of Subscribers	Claims made on the Telegram channel
YTA Premium	133	Stock tips observed on this channel One day account handling charges- Rs 1000 Guaranteed profit Minimum Investment Required 20,000 Profit Ratio 50/50 Charges 1000 per day 100% profit guaranteed otherwise full refund without any questions Monthly 11000 profit ration 50/50 Yearly 75000 profit ratio 80/20 Monthly 51000 profit ration 90/10 For paid services: https://api.whatsapp.com/send?phone=919319039200
Banknifty Nifty Option	269.2k	Stock tips observed in this channel
Yash Trading Academy	211.4k	THIS CHANNEL IS OWNED AND CONTROLLED BY NISM AND SEBI REGD. TEAM

Telegram Channel	No. of Subscribers	Claims made on the Telegram channel
		We provide: - Banknifty Calls - Portfolio Management Services - Trading and Techniques Classes Live Trade with Yash Daily Monthly: 10,000/- for today only It was observed that the channel was created on October 11, 2021
YTA Premium Calls	98	SEBI REGISTERED We provide: - Banknifty calls - Portfolio Management Services - Trading and Techniques Classes <u>Created by Yash, 02/10/2021</u> <u>Monthly charges Rs.1,000: Index Option calls , stock option calls, futures calls, BTST/STBT calls</u> <u>Yearly charges 15000: Index Option calls , stock option calls, futures calls, BTST/STBT calls</u>
Intraday blaster- YTA	89	We provide premium calls Account handling services Etc. <u>3,50,182 profit earn by our paid and learning subscriber in just 1 month</u>





Telegram Channel	No. of Subscribers	Claims made on the Telegram channel
		<u>The WhatsApp group for YTA connects to the Telegram channel of Intraday Blaster</u> <u>This Telegram channel also mentions the phone number 9319039200</u> Tips also observed on this channel We are going to launch our premium paid channel for paid members only in which you will get premium calls with proper SL and target 1500 per month 99% accuracy
YASHTRADINGACADEMY	152	We provide premium calls, Monthly: Rs. 5,000 YTA CALLS: 2500/month YTA account handling services: 2500/month Sureshot future signals: 2500/ week Yearly: Rs. 25,000 Monthly: Rs. 10,000 Charges: 3000 per call For payments: 9319039200 YTA calls @ 25000/ mont YTA account handling services @2500/ month Sureshot future signals@2500/ week Minimum Investment: 50,000 Profit ration: 50/50 We provide: 1. Premium calls





Telegram Channel	No. of Subscribers	Claims made on the Telegram channel
		2. Account handling services 3. YTA special learning programmes Stock tips were also observed
YTA	21.9k	We provide premium calls Account handling services YTA special learning One day account handling Rs 1000 Guaranteed profit Minimum Investment Required 30,000 Profit Ratio 50/50 Charges 1000 per day i. YTA premium Account Handling Charges: Monthly: 35,000 (profit ration 70/30, minimum investment required Rs.50,000), Christmas Special: Rs. 21,000 (profit ratio 50/50, minimum investment required Rs.1,00,000), Yearly (profit ratio 90/10, minimum investment required Rs. 50,000) ii. <u>Yash Trading Academy:</u> Monthly – Rs.10,000 (Index Option Calls, Stock Option Calls, Future Calls, BTST/STBT Calls) Yearly- Rs. 15,000 (Index Option Calls, Stock Option Calls, Future Calls, BTST/STBT Calls, Zero to Hero Calls) Our Services: Premium Calls, Account Handling, Learn & Earn Yash Garg, Founder & CEO Address: Unit-161-B, 1st Floor, JMD Megapolis, Sohna Rd, Sector 48, Gurugram, Haryana, 122001, India

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The copies of screenshot of the abovementioned channels are provided as Annexure-1

10. In the telegram channel 'Intraday Blaster' with 63 subscribers following text is appearing, 'AWESOME PROFIT BOOKED BY INTRADAYBLASTER® PAID ACCOUNT HANDLING TEAM ON 40K INVESTMENT'. The text further provides a WhatsApp link to mobile number (9319039200) for buying services. The text reads as, 'FOR PAID ALGO SERVICES <https://api.whatsapp.com/send?phone=919319039200>'. In another screenshot of 'Intraday Blaster ®' with 92 subscribers the message reads, 'FOR ENQUIRES: <https://api.whatsapp.com/send?phone=919319039200>'. Screenshots of two telegram channels namely *Intraday Blaster* and *Intraday Blaster® - YTA* were observed to have similar display image. (Annexure 1)
11. From the screenshot of the telegram channel *YASH TRADING ACADEMY* with 161 subscribers, it is observed that the mobile number '9319039200' is mentioned for making the payment in order to start receiving investment calls. The text reads 'CHARGES: 3000 PER CALL NOT EVEN A SINGLE RUPEE DISCOUNT'. In the same screenshot one more message is appearing saying, 'STOCK OPTION BUY VEDL 415 CE CMP 12-12.50 TGT OPEN'. This text reflects the investment call provided to the subscribers of the said telegram channel. (Annexure 1)
12. In the telegram channel called *YTA®* with 21.8k subscribers, a message is found to be forwarded from the telegram channel *Intraday Blaster* saying "Start Your Account Handling Once Again With Us and will Assure you the handsome returns on a daily basis with 100% consistency... Happy Earnings with Intraday Blaster from 4th April 2022, Monday." In the same screenshot, one more message is forwarded from telegram channel *YASHTRADINGACADEMY®* informing the services offered by *Intraday Blaster* which includes Premium Calls, Account Handling Services and Loss Recovery (Special). (Annexure 1)

As



13. In the telegram channel of YTA® PREMIUM with 145 subscribers, the message read as, *'Those who are paid clients of YTA for Premium Calls Channel Kindly message me on Whatsapp 9319039200 for the New Channel Link. This Channel is Closed. Regards, YASH GARG'. (Annexure 1)*
14. Therefore, from the Table A and the discussion above, it is observed that the above-mentioned Telegram channels were providing investments calls upon payment of charges (monthly, yearly, weekly etc.). Further, the said channels were also soliciting 'account handling services' based on 'profit sharing'. The Noticee vide email dated March 28, 2023 has also accepted the same.
15. Based on the above information it is alleged that the above-mentioned Telegram channels, which were being operated by the Noticee, as accepted by him, were being used to provide paid trading calls and to promulgate other paid services viz. account handling. These channels also display a common logo used by the Noticee across various social media platforms except Intraday Blasters and Banknifty (Annexure-1).

Receipt of consideration from clients by the Noticee for unregistered services

16. The Noticee vide email dated July 07, 2024 has accepted receiving payments in lieu of the unregistered services and admitted having credit transactions in the bank accounts of Axis bank, AU Bank, Yes Bank and IDFC Bank both as advisory fees and profit sharing/commission. The earliest credit entry for the advisory services is observed to be in November 01, 2019 (Annexure-2).
17. The bank account of Noticee were examined and out of the 11 bank accounts associated with the PAN of the Noticee, it is observed that in 4 bank accounts (Axis bank, IDFC Bank, Yes Bank and AU Bank) multiple credit transactions having narration with certain keywords such as jackpot call, account handling monthly, weekly account handling monthly charges, 12k for 1 month pro tips and 5k for learning Cour Jaipur_Centr, account

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handling fee, Account maintenance deposit Jaipur_cent, trade, trading, yearly subsc, YTA learning, gurudakshina, yearly plan fee, yes gang. charges, pay, comm 1st, todays trade, 23rd day commission, advisory, for premium account payment, for trading investment, for account handling, today revenue sharing, today benefits, 21st jan full, 19th jan full, 20th jan part, for trading, trading, YTA etc. from various clients were observed.

18. Therefore, the credits in the aforesaid four bank accounts were analysed and identified and the details of the same is given in Table B and C below. The transactions in the said 4 bank accounts of Noticee were examined from November 01, 2019 onwards as the earliest transaction related to unregistered services is observed from the said date. The relevant extracts of bank statements of the said four bank accounts are placed as *Annexure-3*.
19. Since the Noticee was also taking share in profits from clients which the Noticee was charging for account handling services, the credit entries could not be verified based on the fees charged by the Noticee alone.
20. Based on the above, it is alleged that the following amounts were collected by the Noticee as fees and profit commission in lieu of the unregistered services (advisory and portfolio management) offered by him:

Table B

Bank Name	Bank Account Number	Total Credit Amount (in Rs.)	Credits observed which are not considered as fees (in Rs.)
Axis Bank a/c	913010018553235	1,30,20,700.45	Self Transfer (35,12,083.05) Credit from Zerodha and other brokers (26,10,281.62, 7,31,489.05 and 30,000) Cash Deposits (4,95,401) Dream 11 (52,322) Flipkart and Swiggy (10,874 and 2,483) Interest Paid (1,731)
IDFC a/c no.			Zerodha (55,000)

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Bank Name	Bank Account Number	Total Credit Amount (in Rs.)	Credits observed which are not considered as fees (in Rs.)
	10049717030	19,36,410.67	EPFO (41,665) Refunds (12,582) Flipkart (1,399) Interest Paid (580)
Yes Bank a/c	447810000838	24,74,773.18	Self-transfer (2,91,025) Zerodha (1,37,659.53) Cash Deposits (24,500) Dream 11 (5,584) Interest Paid (95)
AU Bank a/c	A21112105349079 55	19,87,690.00	Self-Transfer (8,56,015) Zerodha (2,56,040) RD Premature Closure (6,547) Interest Paid (710)
Total Amount		1,94,19,574.30 (I)	91,36,066.25 (II)

Table C

Sr No.	Bank account	Transaction period (where payments of consideration for unregistered services observed)	Credit transactions alleged as consideration for unregistered services Total Credits (I) – Credits not considered as fees (II) (in Rs.)	Account Status
1	Axis Bank a/c 913010018553235	01.11.2019 to 25.12.2022	55,74,035.73	Active
2	IDFC a/c no. 10049717030	29.11.2019 to 22.03.2022	23,63,547.18	Active
3	Yes Bank a/c 447810000838	20.07.2022 to 10.04.2023	14,77,547.14	Closed on 30.09.2023
4	AU Bank a/c A2111210534907955	12.09.2021 to 20.01.2022	8,68,378.00	Active
TOTAL			1,02,83,508.05	





21. From the tables above, it is observed that a sum of atleast Rs.1,02,83,508.05 was collected as fees and profit commission in lieu of the unregistered services offered by the Noticee. Thus, it is alleged that the consideration of atleast Rs.1,02,83,508.05 was collected by the Noticee in pursuance of the unregistered services (investment calls and demat account handling).
22. In this regard, reference may be made to the following provisions of the SEBI (Investment Advisers) Regulations, 2013 ('IA Regulations') and SEBI (Portfolio Managers) Regulations, 2020 ('PMS Regulations') which was prevailing at the relevant time when the unregistered services were provided by the Noticee as discussed in the previous paragraphs:

IA Regulations

Regulation 2(1)(l)

"investment advice" means advice relating to investing in, purchasing, selling or otherwise dealing in securities and investment products and advice on investment portfolio containing securities and 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)

"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;

PMS Regulations

Regulation 2(1)(o)

"portfolio manager" means a body corporate, which pursuant to a contract with a client, advises or directs or undertakes on behalf of the client (whether as a discretionary portfolio manager or otherwise) the management or administration of a portfolio of securities or goods or funds of the client, as the case may be;





Provided that the Portfolio Manager may deal in goods received in delivery against physical settlement of commodity derivatives.

23. It is observed that various packages were offered by the Noticee for both investment advisory and portfolio management through the Telegram channels as discussed in Table A and previous paragraphs.

24. Hence, it is alleged that the Noticee was providing trading calls which amount to investment advice upon payment of consideration and therefore it is alleged that the Noticee was acting as an *investment adviser* in terms of regulation 2(1) (m) of IA Regulations. Further, from the compliant submitted by the complainant as well as the statement of the Noticee, it is noted that the Noticee was soliciting '*account handling services*' based on '*profit sharing*'. It is noted that the Noticee was handling the demat account of clients and sharing in the profits accrued through trading in the securities market through their demat accounts. Therefore, it is alleged that the activity undertaken by the Noticee indicates that the Noticee was acting as a *portfolio manager* as defined in regulation 2(1)(o) of PMS Regulations.

25. During SEBI investigation all the social media handles and website of www.yashtradingacademy.com, the screenshots of which were provided by the complainant were found to be inactive.

26. It is found that the Noticee was offering investment advisory and portfolio management services, without having requisite registration with SEBI as 'Investment Advisor' and 'Portfolio Manager'. Moreover, no entity in the name of '*Yash Trading Academy having proprietor Mr. Yash Garg*' is registered with SEBI. Hence, by providing the services of investment advisor and portfolio management without the requisite registration with SEBI, the Noticee is alleged to have violated Section 12(1) of SEBI Act, 1992 read with regulation 3(1) of IA Regulations and regulation 3 of PMS Regulations.



27. The relevant provisions of law in this regard are reproduced below:

SEBI Act, 1992:

"12. Registration of stock brokers, sub-brokers, share transfer agents, etc.

(1) No stock broker, subbroker, 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:"

IA Regulations:

"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:"

PMS Regulations:

"Registration as portfolio manager.

3. No person shall act as a portfolio manager unless it has obtained a certificate of registration from the Board under these regulations."

False and misleading claims through the Telegram channels:

28. It is observed that apart from offering unregistered investment advisory services and portfolio management services, the Telegram Channels operated by the Noitcee, as given in Table A and previous paragraphs, also, made claims of high profits allegedly earned through the services offered on the said Telegram channels (Refer Annexure 1). A few instances are given below:

- i) The Telegram Channel *YTA Premium* claimed *"Guaranteed profit"* and *"100% profit guaranteed otherwise full refund"*. It also claimed *"Approx 15lakh plus booked for our paid client"*.
- ii) The channel *"Yash Trading Academy"* claimed that *"THIS CHANNEL IS OWNED AND CONTROLLED BY NISM AND SEBI REGD. TEAM"*

- iii) The channel *YASHTRADINGACADEMY* also made the above-mentioned claim and was running offers named “*SURESHOT FUTURE SIGNALS- 2500/week*” which ostensibly indicates high accuracy of the calls provided. Then at the end a whatsapp link of mobile number 9319039200 is provided for making bookings.
- iv) The telegram channel, *YASH TRADING ACADEMY* with 148 subscribers claimed that “*THIS CHANNEL IS OWNED AND CONROL BY NISM and SEBI REGISTERED YTA TEAM*” also made representation to its subscribers that the ‘*YTA PREMIUM ACCOUNT HANDLING*’ will result in guaranteed profits. In this regard, it is observed that the said telegram channel made claim that premium account handling services provide 0% risk / 100% guaranteed profit in written/ Profit :20% your capital fixed per month.

29. Further, the Noticee was also offering discounts on the channels in order to induce investors to avail his services (*Refer Annexure I*). A few examples of the same are provided below:

A. In the telegram channel of *YTA* ® with 21.8k subscribers a message is forwarded from *YASHTRADINGACADEMY*® stating ‘100% DISCOUNT ONLY FOR FIRST 3 BOOKINGS MINIMUM INVESTMENT: 50,000 PROFIT RATION: 50/50 *100% fees waived off For Bookings: <https://api.whatsapp.com/send?phone+919319039200> “WEEKEND ONE TIME MAHA MEGA DEAL!! GET GOOD DEAL PAY 1 & GET 3 MONTHS OFFER! EARN MONEY CONSISTENTLY WITH RIGHT RECOMMENDATION EITHER NIFTY OR BANKNIFTY .JST RQ.ONLY 30K INVESTMENT. START NOW GRAB OFFER!! CALL NOW OR TELEGRAM ON = +91-8610106207 WWW.BANKNIFTYOPTION.IN Offer valid till tomorrow only

B. In another telegram channel called *YTA*® with 21.8k subscribers, the text reads, ‘Start Your Account Handling With Once Again With Us And Will Assure you the handsome returns on a daily basis with 100% consistency’. The said channel thereafter forwards a message from the channel *YASHTRADINGACADEMY* which reads, ‘1. Premium Calls 2. Account Handling Services 3. Special Learning Programme 4. Loss Recovery (Special)’

C. In another screenshot of YTA® with 21.9k subscribers the message was forwarded from YASHTRADINGACADEMY® stating 'Special offer One Day Account Handling 1,000 only Guaranteed Profit Minimum Investment Required:30,000 Profit Ratio 50/50 Charges:1,000 per day For Enquiry: <https://api.whatsapp.com/send?phone+919319039200>'.

30. From the above it is alleged that the Noticee was offering unrealistic and assured returns to investors and making claims of consistent guaranteed profits upto 100% on his stock tips/account handling. Further, it is also alleged that the Noticee was offering discounts in order to induce investors to avail his services.

31. It is a well established fact that the investment advice related to investments in stocks/derivatives, commodity derivatives, etc., are subject to market risk and such returns cannot be guaranteed. It is alleged that the Noticee sold the services to the clients making misrepresentation about the Noticee being a SEBI registered intermediary as well as falsely making promise of guaranteed return to the clients.

32. Thus, it is further alleged these deceptive activities of the Noticee are *fraudulent* in nature and are covered under the definition of *fraud* under regulation 2(1)(c) (1) & (3) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("PFUTP Regulations") and also amount to mis-selling of services related to securities market. In view of the above, the Noticee is alleged to be in violation of Section 12A(a), (b) and (c) of the SEBI Act read with Regulations 3(a), (b), (c), (d), 4(2) (k) and (s) of PFUTP Regulations.

33. The relevant extracts of the provisions are given below:

SEBI Act



“12A. Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

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 recognized 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;”*

PFUTP Regulations

“2. Definitions

(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 doesnot believe it to be true;*

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*
- (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.*

4. Prohibition of manipulative, fraudulent and unfair trade practices

(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*
- (iii) *knowingly concealing the associated risk, or*
- (iv) *not taking reasonable care to ensure suitability of the securities or service to the buyer;"*



Alleged violations by the Noticee

34. As mentioned above, the Noticee was not registered with SEBI as an Investment Advisor under the IA Regulations. The Noticee does not hold any certificate of registration or authorization to offer investment advice from SEBI. Similarly, the Noticee was not registered with SEBI as Portfolio Manager under the PMS Regulations. The Noticee does not hold any certificate of registration or authorization to offer portfolio management services from SEBI.
35. In view of the above, the Noticee is alleged to have engaged in the activities of providing investment advice and portfolio management services without obtaining the requisite registration from SEBI and is alleged to be in violation of Section 12(1) of SEBI Act read with Regulation 3(1) of the IA Regulations, 2013 and Regulation 3 of PMS Regulations. The Noticee has further made false and misleading representation of SEBI registration and guaranteed returns through various telegram channels and sold their his unregistered services to clients knowing well that the guaranteed returns to the clients are false and misleading.
36. In view of the above, the Noticee is liable to be proceeded for the violations of Section 12(1) of SEBI Act, 1992 read with regulation 3(1) of IA Regulations and consequential penalty under Section 15EB of SEBI Act, 1992 r/w section 11(4A), 11B(2) of SEBI Act, 1992 and appropriate directions under Sections 11(1), 11(4) and 11B(1) of SEBI Act, 1992.
37. Further, the Noticee is liable to be proceeded for the violations of Section 12(1) of SEBI Act, 1992 read with regulation 3 of PMS Regulations and consequential penalty under Section 15HB of SEBI Act, 1992 r/w section 11(4A), 11B(2) of SEBI Act, 1992 and appropriate directions under Sections 11(1), 11(4) and 11B(1) of SEBI Act, 1992.
38. Further, the Noticee is liable to be proceeded for the violations of Section 12A(a), (b) and (c) of the SEBI Act read with Regulations 3(a), (b), (c), (d), 4(2) (k) and (s) of PFUTP Regulations and consequential penalty under Section 15HA of SEBI Act r/w section

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11(4A), 11B(2) of SEBI Act, 1992 and appropriate directions under Sections 11(4) and 11B(1) of SEBI Act.

Show Cause

39. In view of the allegations as stated above, the Noticee is hereby called upon to show cause as to why suitable directions, for the above violations, including directions under Sections 11(1), 11(4) and 11B(1) of the SEBI Act, 1992 including any incidental directions thereto, for a prohibition on them for an appropriate period from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, directions not to be associated with any registered intermediary/ listed entity in the securities market, in any manner whatsoever for an appropriate period, and a direction to refund the amount collected from the investors/clients as fee or consideration (as mentioned at paragraph 21) should not be issued against him.

40. The Noticee is also called upon to show cause why inquiry should not be held against him under Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995. If, after considering the cause, if any, shown by the Noticee, if an inquiry is held, the Noticee will show cause, as to why the penalty under Section 15EB, 15HA and 15HB of the SEBI Act, 1992 be not imposed upon him under Section 11(4A), 11B(2) of SEBI Act, 1992 for the violations alleged herein above.

41. The reply of the Noticee, if any, along with relevant supporting documents, should reach SEBI within 21 days of the date of receipt of this notice at the following address:

Securities and Exchange Board of India
SEBI Bhavan II, Plot No. C/7, "G" Block,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

42. The Noticee is advised to keep SEBI informed about the change in their correspondence addresses, if any, and provide updated email-ids and phone numbers, till the proceedings

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are complete. The Noticee is 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.

43. This Show Cause Notice is without prejudice to the rights of SEBI to issue any notice and to initiate any other proceedings/actions for the aforesaid violations in terms of SEBI Act and rules or regulations made there under.

44. The Noticee may also note that a settlement mechanism is provided under the SEBI (Settlement Proceedings) Regulations, 2018. If the Noticee wish 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.

45. The Noticee may note that the copy of the documents relied upon in this show cause notice are annexed as per the list of annexures.



AISHEE SENGUPTA
Deputy General Manager



List of Annexures

Annexure No. to SCN	Details of Annexure
1	Complaint alongwith screenshots of social media platforms of Noticee
2	Emails dated March 28, 2023, July 07, 2024 and June 12, 2024 of the Noticee
3	Bank transactions considered as payment received towards advisory and account handling activities by the Noticee

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