

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTIONS 11(1), 11(4) AND 11B(1) , 11B(2) READ WITH SECTION 15EB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND REGULATION 3(1) OF THE SEBI (INVESTMENT ADVISERS) REGULATIONS, 2013 IN RESPECT OF THOUSAND KEYS, PROPRIETOR – TAPAS DAS (PAN – ANKPD3883D).

In the matter of Unregistered Investment Advisory Services

BACKGROUND:

1. The Securities and Exchange Board of India (hereinafter referred to as “the SEBI”) received a complaint dated January 22, 2022, against Thousand Keys, Proprietor – Tapas Das, *inter alia*, alleging that it called the complainant stating to be registered with SEBI, provided trading tips, charging an amount as service charge, assured profit on investment and that heavy losses were incurred by the complainant on the basis of advice received from Thousand Keys. The Complainant also provided the details of the Thousand Keys as under:

“Website-<https://www.finesolution.site/>

Mail id- info@finesolution.com

Address- 111, Mani Avenue, Opposite Bank of India,

Ujjain- 456010, Madhya Pradesh”

2. Vide email dated March 11, 2022, the complainant also submitted screenshots of payments made to Thousand Keys and screenshots of WhatsApp chats in which bank details of IDFC First Bank Account No. 1005297XXXX was specified by the Thousand Keys. From the screenshots of WhatsApp chats, SEBI observed that the Thousand Keys had provided following recommendations to the complainant:

“SELL CAMS@1825 TGT @1820”

“SELL RELIANCE@2035 TGT@2020”

3. On the basis of the above, SEBI examined the matter and the *prima facie* findings of SEBI into the affairs of the Thousand Keys were as under:

(a) When the complaint dated January 22, 2022, was received the above mentioned website was active. From the website it was observed that:

i. The Thousand Keys described itself as a research firm having a creative and dedicated research team giving trading tips at a reasonable tariff. It also states that its recommendations in trading market and valuations are based on strong technical analysis. Contact details mentioned on the aforesaid website were as under:

Contact: +91826982XXXX

Email: info@finesolution.com

ii. Thousand Keys claimed to provide services in Equity/ Derivative, Index, Commodity, Premium and HNI which are further divided into various market products such as cash, future, option, Nifty/ Bank Nifty, Bullion, etc. The said services were being offered for different time periods i.e. monthly, quarterly, half yearly and yearly with pricing ranging from Rs. 8,000/- to Rs. 4,80,000/-. Paid Trial services were offered to clients with prices ranging from Rs. 2,000/- + GST for Cash segment to Rs. 4,500/- + GST for Stock F/O segment. The website states that in paid trial the client will get one week paid demo calls and 3-4 paid trial calls daily till the valid period of the client.

iii. An IDFC Bank account bearing Account No. 1005297XXXX and IFSC Code IDFB004XXXX was displayed on the website for receiving payments/ subscription money from investors:

(b) The Know Your Customer (hereinafter referred to as “KYC”) documents, Account Opening Form, and bank statement for the aforesaid bank account as obtained from IDFC First Bank showed following details:

Table no. 1: Details of bank account of Thousand Keys

Field	Details
Account Name	Thousand Keys
Proprietor Name	Tapas Das
PAN	ANKPD3883D
Account Type	Current Account
Address	111, Mani Avenue, Opposite Bank of India, Ujjain-456010, Madhya Pradesh
Mobile	997711XXXX
Landline	0731-2520XXX
Account Opening Date	February 18, 2020
Email	Thousandkeys.tk@gmail.com
Total Credit Received	Rs 71,38,290.47/- (February 25, 2020 to April 28, 2022)

- (c) From the KYC Documents received from IDFC First Bank, it was observed that the Thousand Keys had obtained Certification of Registration of Establishment from District Labour Office, Ujjain (M.P.) on November 29, 2019.
- (d) Subsequently, vide email dated February 23, 2024, IDFC First Bank had informed SEBI that the said bank account was closed. It is also observed that the said website was currently not operational.
- (e) On perusal of web.archive.org, it was noted that screenshots of Thousand Keys' website were taken during the period February 24, 2021 to April 19, 2022. Further, from

whois.com, it was noted that the domain name was not registered currently and was up for sale. On checking the domain history, it was seen that the website had 2 years of history from August 24, 2020 to September 30, 2022. The aforesaid periods are similar to the period in which bank account activity by Thousand Keys had been observed.

- (f) On perusal of the bank statement of Thousand Keys and the details as provided by the complainant, it was observed that following credit had been received from the complainant to the bank account of Thousand Keys:

Table no. 2: Details of transactions made by complainant

Transaction Date and Time	Transaction Details	Credit	Balance
02/02/21 14:13	IMPS-MOB/Fund Trf/103314726649/MrASHISHSHA RMA/00	25,000.00	13,338.63Cr
02/02/21 14:57	UPI/MOB/103384444354/Payment from PhonePe	5,000.00	118,338.63Cr
02/02/21 17:03	UPI/MOB/103342816458/Payment from 02/02/21 PhonePe	500.00	118,838.63Cr
09/02/21 15:44	IMPS-MOB/Fund Trf/104015607679/MrASHISHSHA RMA/00	15,500.00	25,195.63Cr

- (g) That Thousand Keys, Tapas Das or Fine Solution are not registered with SEBI in any capacity.

4. Vide letter dated April 13, 2022, SEBI advised Mr Tapas Das and the Thousand Keys to provide the details of fees charged from its clients for various products / services offered by it and vide a letter dated April 27, 2022 it was, *inter alia*, submitted by Tapas Das – Proprietor: Thousand Keys as following:

“2.....That, the working of the company Thousand Keys is not related to the investment adviser or a research analyst, therefore, I being the Proprietor of Thousand Keys is not obligated to provide you with any sort of the information sought by you under Section 11(2)(ia) of SEBI Act, 1992.

.....

3. That, there is no such act done by me which requires any sort of investigation or inquiry by the Board in respect of any transaction in securities.

4. That, the allegations made in point 2 of the said letter dated April 13, 2022 is vehemently denied by me as there is no activity done by me or through my company Thousand Keys or via its website www.finesolution.site, which breach the provisions of SEBI Act or which falls under the category of investment advisory services.”

5. That, since all the allegations made upon me or my company Thousand Keys are not true in nature, therefore, I or my company is not having any sort of obligations to provide you with the information asked by you through the letter dated April 13, 2022.”

5. It was thus observed that Mr. Tapas Das – Proprietor: Thousand Keys had acknowledged that the website www.finesolution.site was being operated by him and the above credits were allegedly received by it as payment for the unregistered investment advisory services provided by it to the complainant. It was further observed that various other credit entries have been made to the said bank account containing similar terms in transaction details such as ‘fund’ and ‘payment from phonepe’ etc.
6. In light of the above, it was alleged that an amount of Rs 71,38,290/- (Seventy-one lakhs thirty-eight thousand two hundred and ninety rupees) had been received as fees from clients/ investors towards unregistered investment advisory activity of Thousand Keys.
7. Pursuant to the above examination, SEBI issued a Show Cause Notice No. SEBI/WRO/ILO/AK/OWP/31394/12024 dated October 04, 2024 (SCN) to the Thousand Keys, Proprietor – Tapas Das alleging *prima- facie* that it was providing ‘*investment advice*’ as defined under regulation 2(1)(I) of the SEBI (Investment Advisers) Regulations, 2013, (IA Regulations) to the complainants / investors and it was engaged in

the activities of an ‘*investment adviser*’ as defined under regulation 2 (m) of IA Regulations. Thus, it carried out investment advisory activities without obtaining registration of SEBI and has allegedly violated the provisions of regulation 3(1) of IA Regulations read with section 12(1) of SEBI Act.

8. The Thousand Keys, Proprietor – Tapas Das (the Noticee) was called upon to show cause as to why suitable directions including direction for refund of fees/monies collected from investors and debarment from securities market, should not be issued against the Noticee under sections 11(1), 11(4), 11B (1) of the SEBI Act, 1992 and/or penalty as deemed fit under Section 11(4A) and 11B(2) read with section 15EB of SEBI Act, 1992 should not be imposed upon the Noticee for the aforesaid violations.

9. The SCN was dispatched by Inland Speed Post at the following two addresses:

Address 1: S/O Hajarilal Das,

42, Bangali Colony, M. L. Nagar,

Ujjain- 456010, Madhya Pradesh

Address 2: 111, Mani Avenue, Opposite Bank of India,

Ujjain- 456010, Madhya Pradesh

10. While the SCN sent at **Address 2** was returned undelivered with remark “*Door locked*” as per the proof of delivery available on record, the SCN was served at **Address 1** on October 07, 2024. Vide email dated November 14, 2024 received from Mr. Manish Gupta, the Authorised Representative (AR) of Mr. Tapas Das, it was submitted that the SCN was served upon him on October 24, 2024, and thereafter, due to Diwali vacations he was unable to seek legal advice and that the counsel engaged was unwell and two months’ time was sought for submitting reply to the SCN. The matter, at relevant time, was before Dr. Anitha Anoop Chief General Manager and Quasi Judicial Authority who permitted time till November 29, 2024 for filing reply to the SCN. Mr. Manish Gupta, vide his email dated November 19, 2024 again requested for extension of time for filing reply to the SCN.

11. In the meantime, pursuant to change in quasi-judicial authority with effect from December 02, 2024, the matter was brought before me for consideration. In the interest of justice and due to such change in quasi-judicial authority, an opportunity of hearing was provided to the Noticee on December 23, 2024 at 11:00 AM with advice to file reply to the SCN on or before December 16, 2024 as last opportunity. The Noticee submitted its reply to the SCN, vide email dated December 20, 2024, as follows: -

नोटिस क्र. SEBI/WRO/ILO/AK/OW/P/31393/1/2024

दिनांक 04/10/2024

आवेदक: भारतीय प्रतिभूति और विनियम बोर्ड

विरुद्ध

अनावेदक: तापस दास

सूचना पत्र के सम्बंध में बाद उत्तर

1. यह कि, अनावेदक को माननीय बोर्ड की तरफ से एक सूचना पत्र नोटिस क्र. SEBI/WRO/ILO/AK/OW/P/31393/1/2024 दिनांक 04/10/2024 का प्राप्त हुआ है।
2. यह कि, यह बादोतर तापस दास की तरफ से श्रीमान के समक्ष प्रस्तुत किया जा रहा है।
3. यह कि, अनावेदक के विरुद्ध लगाए गए सभी आरोप असत्य होकर अस्वीकार हैं। सूचना पत्र के चरण क्र. 1 से लगायत अंत तक के सभी आरोप असत्य होकर अस्वीकार हैं, एवं अनावेदक को ऐसे किसी भी व्यापार, व्यवसाय अथवा सलाहकारी के पेशे की कोई जानकारी नहीं है।
4. यह कि, अनावेदक एक मज़दूर है व अपने परिवार के साथ उज्जैन का निवासी होकर मज़दूरी आदि का कार्य करता है।
5. यह कि, अनावेदक, श्री सूरज चौहान जी के यहाँ ऑफिस में साफ़ सफ़ाई का कार्य करता था, वर्ष 2022 के अगस्त माह में अनावेदक ने सूरज चौहान जी के यहाँ से काम छोड़ दिया था। श्री चौहान जी द्वारा अनावेदक को अपने दस्तावेज जमा कराने का निर्देश दिया गया था।
6. यह कि, अनावेदक को पैसों की जरूरत पड़ने से सूरज चौहान जी ने कहा कि तुझे बैंक से लोन दिला देता हूँ, और ऐसा बता के कुछ बैंक के कागज़ों पर दस्तखत करवा लिए थे, परंतु बाद में लोन नहीं हुआ।

और विनियम बोर्ड
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/Local Office
Indore
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7. यह कि, अनावेदक को किसी "सूचना संचालन अथवा संचालन की" कम्पनी के बारे में कोई जानकारी नहीं है एवं अनावेदक ऐसे किसी भी प्रकल्प का हिस्सा नहीं रहा है एवं पूर्णतया निरदोष है।
8. यह कि, अनावेदक को श्रीमान के सूचना पत्र से ही यह जानकारी प्राप्त हुई है की उसके दस्तावेजों का दुरुपयोग हुआ है, और कोई कंपनी उसके नाम पर संचालित की गई है। एवं अनावेदक उक्त आरोपों में संलिप्त नहीं है।
9. यह कि, अनावेदक को अंग्रेजी भाषा का ज्ञान नहीं है, एवं अनावेदक द्वारा दिनांक 27/04/2022 के पत्र पर हस्ताक्षर नहीं किए गए हैं। उक्त पत्र पर किसके हस्ताक्षर हैं इसकी जाँच बोर्ड द्वारा कराई जानी चाहिए।
10. यह कि, आपके सूचना पत्र के साथ संलग्न बैंक दस्तावेजों के अवलोकन से पता चलता है कि उसमें दस्तावेज तो अनावेदक के लगे हैं परंतु हस्ताक्षर अनावेदक के नहीं हैं, संभवतः सूरज चौहान जी द्वारा स्वयं हस्ताक्षर कर के उक्त खाते खुलवाए गए हैं।
11. यह कि, अनावेदक के रहते कंपनी में कभी शेयर मार्केट संबंधित कोई कार्य होते हुए नहीं देखा, जब तक अनावेदक कार्यरत था सूरज चौहान जी के किराना व्यवसाय संबंधित ऑफिस में काम करता था, इसीलिए अनावेदक शेयर मार्केट संबंधित व्यवसाय पर कोई भी जवाब प्रस्तुत करने में असफल है।
12. यह कि, अपने अधिवक्ता की सलाह पर अनावेदक कुछ CA's से मिला है एवं आपके सूचना पत्र के साथ संलग्न बैंक खातों की बारीकी से जाँच करवाने का प्रयास कर रहा है, जिसमें कुछ समय और लग सकता है, ताकि यह पता लगाया जा सके कि उक्त में नगद जमा आदि हटा कर कुल राशि कितनी आयी है और कितना पैसा शेयर मार्केट संबंधित है और कितना किन्हीं के व्यापार से संबंधित है।
13. यह कि, दुर्भाग्यवश श्री सूरज चौहान का देहांत कुछ ही माह पूर्व हुआ है, इसलिए जब यह सूचना पत्र प्राप्त होने के बाद अनावेदक श्री चौहान से मिलने गया तो उसे जानकारी लगी कि उनका देहांत हो गया है।
14. यह कि, आपके सूचना पत्र के साथ संलग्न व्हाट्सएप चैट का अनावेदक के साथ कोई संबंध नहीं है, आशीष शर्मा नामक किसी व्यक्ति से अनावेदक का कभी कोई संपर्क नहीं हुआ, कथित व्हाट्सएप चैट में भी कोई नंबर नहीं दिखाई दे रहा है

Tapas

जिससे अनावेदक यह पता लगा सके कि यह कथित व्हाट्सएप चैट किस व्यक्ति के है।

15. यह कि, माननीय बोर्ड द्वारा यदि 2022 में ही अनावेदक से संपर्क किया जाता तो अनावेदक बोर्ड को सूरज चौहान तक ले जा सकता था, दुर्भाग्यवश माननीय बोर्ड द्वारा 2 वर्ष की देरी करने से एवं संबंधित व्यक्ति की मृत्यु हो जाने से अनावेदक इस विषय में अपना पक्ष रखने में असफल है।

16. यह कि, अनावेदक श्रीमान बोर्ड से ज्ञात पड़ने पर विस्तृत वादोत्तर प्रस्तुत करने एवं क्रमानुसार उत्तर प्रस्तुत करने की अनुमति चाहता है।

अतः श्रीमान पूर्ण कालिक सदस्य महोदय से विनम्र निवेदन है की अनावेदक के विरुद्ध सदर सूचना पत्र को निरस्त करने की कृपा करें। यंही विनय है।

दिनांक

स्थान : इंदौर



अनावेदक

(तापस दास)

पुनः कृपया अनावेदक को अधिवक्ता के माध्यम से निजी सुनवाई का अवसर प्रदान करने की कृपा करें

12. As requested by AR of the Noticee vide email dated December 10, 2024, the date of hearing was pre-poned to December 20, 2024 at 11:00 through online mode (*webex*) when the AR and Mr. Tapas Das appeared and made submissions before me *inter alia* as under:

- (a) They denied the allegations in the SCN and submitted that Mr. Tapas Das was not aware of any business, consulting or advisory services with the name Fine Solution or Thousand Keys as alleged in the SCN.
- (b) That Mr. Tapas Das is a worker with inadequate education, does not have knowledge of English and was working for one Mr. Suraj Chauhan, to whom he submitted his documents and subsequently signed some bank documents in order to obtain a loan which didn't materialize.

- (c) That Mr. Tapas Das never opened the bank account number 1005297XXXX with IDFC First Bank and that the signatures contained in the Account Opening Form of the IDFC First Bank relied upon in the SCN and in the letter dated April 27, 2024 received by SEBI from the Thousand Keys are different from his original signature (as per his PAN Card and that put in his reply to the SCN) and that his signatures were forged by Mr. Suraj Chauhan and that he is unaware of the existence of the said bank account or the website www.finesolution.site and the same are/ were not operated by him.
- (d) That only on the receipt of the SCN dated October 04, 2024, Mr. Tapas Das got aware of misuse of his documents and the alleged investment advisory services being operated in his name.
- (e) That when he went to obtain further information from Mr. Suraj Chauhan, he got to know that Mr. Chauhan had passed away a few months back.
- (f) That he is in discussion with CA's in order to provide an analysis of the bank statement annexed with the SCN dated October 04, 2024.
- (g) The AR for the Noticee also informed that the contact details of the Noticee as mentioned on the website www.finesolution.site were not of Mr. Tapas Das and requested SEBI to undertake an investigation in order to ascertain the truth of the matter.
- (h) Apart from above, all the credit shown in the bank account relied upon was not with respect to alleged services. That he is in discussion with CAs in order to provide an analysis of the bank statement annexed with the SCN dated October 04, 2024.
- 13.** The AR of the Noticee requested for an opportunity to file additional submissions and provide exact amounts alleged as fees and commission. The said request was acceded to and time was granted till December 30, 2024, to submit the post hearing written submissions which has not been filed till date.
- 14.** As reasonable time has elapsed since hearing in the matter was concluded, I deem it appropriate to proceed to deal with allegations in the SCN and replies of Mr. Tapas Das thereto. It is pertinent to refer to the provisions of relevant Regulations and those of the SEBI Act as charged in this case. As per regulation 2(1)(m) of the IA Regulations *“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;”
The expression ‘investment advice’ has been defined in regulation 2(1)(l) of IA Regulations ‘as ‘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”

15. In this case, while in reply to the SCN there is no dispute with regard to the alleged activity, the letter dated April 27, 2022, by Mr. Tapas Das filed during examination by SEBI (*the veracity of which has been disputed by Mr. Tapas Das*), it has been stated that the alleged activities are not related to investment advisor. However, on the website www.finesolution.site it has *inter alia* been claimed that the “*Fine Solution provide research and information on Indian capital markets mainly based on Technical Analysis.*” It provides “*accurate stock tips*” which drives clients to profit. It presents its stock futures pack for traders and investors who expect good intraday profits in futures market. It was also proclaimed as a counsel to public at large that “*the derivative Strategy is the safest and the best strategy in the highly unpredictable market.*” The Fine Solution is a research firm having a creative and dedicated research team that is always ready to fulfil the needs of its clients for giving all trading tips at a reasonable tariff and it offers recommendations in trading and valuation based on strong technical analysis. The website also declares different schemes for charging tariff/fee /commission for its such activities in different segments of the securities markets and commodities derivative market as well as mentioned in para 3(a)(ii) above.
16. It is noted from material on record that the activities undertaken through the website www.finesolution.site in this case were ‘investment advice’ as recommendations relating to investing in, purchasing, selling of securities were offered thereon on payment of commissions as brought out during examination by SEBI. The persons offering such recommendations on the said website are certainly covered in the above definition of

“investment adviser” under regulation 2(1)(m) of the IA Regulations. Thus, any person who has acted as such without obtaining registration from SEBI has contravened the provisions of section 12 (1) of the SEBI Act read with Regulation 3 (1) of the IA Regulations and is liable for appropriate action under the provisions of sections 11(1), 11(4) and 11B (1), 11B (2) read with section 15EB of the SEBI Act. Section 12(1) of SEBI Act and regulation 3(1) of IA Regulations reads as under: -

SEBI ACT, 1992

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

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 in accordance with the regulations made under this Act”

IA REGULATIONS, 2013

Application for grant of certificate

“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:

Provided that a person acting as an investment adviser immediately before the commencement of these regulations may continue to do so for a period of six months from such commencement or, if it has made an application for a certificate under sub regulation (2) within the said period of six months, till the disposal of such application”.

17. I have carefully considered the documents relied upon and enclosed with the SCN. The trigger for this case is the complaint dated January 22, 2022, wherein one Mr. Ashish Sharma *inter alia*, alleged that he had received a call from a so called advisory firm from Indore which firstly confirmed to him to be registered with SEBI. The persons namely Suresh Yadav and Akash were coordinating with him and that the complainant has suffered heavy losses on account of their advice regarding his stock market trading. When the complainant asked them for refund of service charge, they asked the complainant to pay which the complainant did. However, when they did not refund, the complainant conducted his research and found that the “*this company*” is not even registered with SEBI. He pointed out *fraudulent activities* of the above said two individuals as they had “*charged*

10,000 rupees as their service charge and promised to give a false bonus call on the intraday for which they charged 40,000 rupees.’ The complainant also provided the following details in his said email:

“Website-<https://www.finesolution.site/>

Mail id- info@finesolution.com

Address- 111, Mani Avenue, Opposite Bank of India,

Ujjain- 456010, Madhya Pradesh

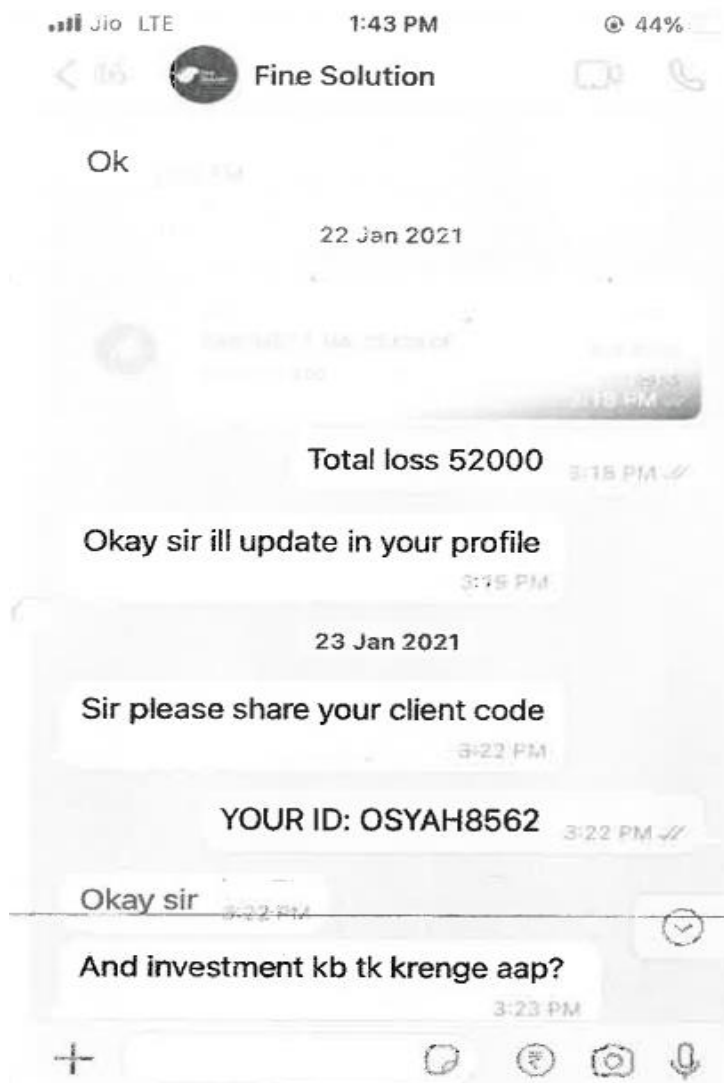
Akash Contact – 97544xxxxx

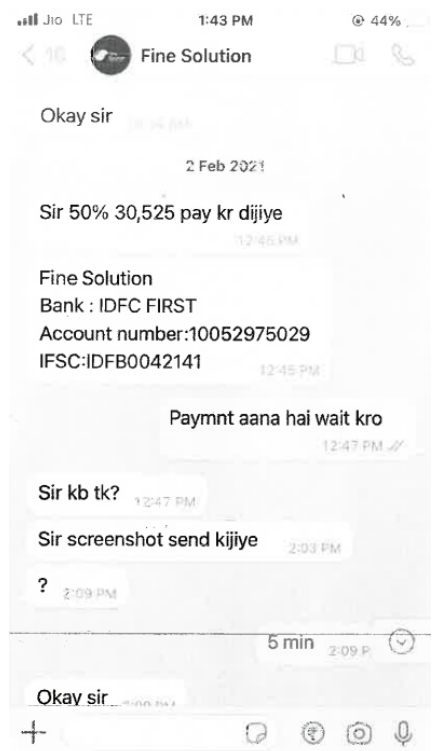
Sursh Yadav- 75876xxxxx

Whatsapp number- 82698xxxxx”

18. From the contents and tenor of the complaint it is noted that the complainant is a person who is well aware and informed investor about stock market rudiments. He, at first instance, comfortably believed the enticements of Suresh Yadav and Akash and paid monies in the bank account number 1005297XXXX provided on the above website and as shared on a WhatsApp text with him by Fine Solution but later he got inspired to do his own research. In my opinion the activities in question are *ex facie* fraudulent and such fraud has potential to induce even a well aware and informed investor as has happened in this case despite several advisories and orders of SEBI cautioning and educating the investors. I am also of the opinion that such fraudulent demeanours should entail detailed investigation and suitable findings instead of the in-house superfluous examination and light observations with regard to the unregistered investment advisory activity. In this case, there is no allegation either in examination or in SCN that the activity as alleged was a fraudulent act or was for inducing investors to invest in securities fraudulently. The only charge is that Mr. Tapas Das had engaged in investment advisory activities without obtaining registration from SEBI and earned Rs. 71,38,290/- (Seventy-one lakhs thirty-eight thousand two hundred and ninety rupees) as fees from clients/ investors towards unregistered investment advisory activities of Thousand Keys. I proceed accordingly.

19. I note that neither the website nor the complaint, anywhere, makes any reference to Mr. Tapas Das or the Thousand Keys. Rather the complaint gives details about the website <https://www.finesolution.site/> and two individuals Suresh Yadav and Akash. Vide email dated March 11, 2022, and March 15, 2022, the complainant also provided screenshots of WhatsApp texts received from “Fine Solution”. The WhatsApp texts exchanged between the complainant and the Fine Solution are as following: -







20. According to the complainant it was Suresh Yadav and Akash, the employees of Fine Solution who gave investment advices and took monies from the clients. SEBI's query dated April 13, 2022, to Thousand Keys was responded by Mr. Tapas Das on April 27, 2022 which was delivered by one Mr. Hardik Maheshwari on his behalf in SEBI office. And now it is submitted that the main culprit and master mind of the case has expired. The learned AR for the Noticee has claimed that the contact details as mentioned on the website www.finesolution.site were not of Mr. Tapas Das and requested SEBI to undertake an

investigation in order to ascertain the truth of the matter. I am of the opinion that based on the information given by the complainant, further fact finding was necessary so as to find out as to who were the other persons involved in operating the website, sending WhatsApp texts and also operating the bank account for withdrawals. In my view more efforts were needed in search of the truth by asking questions eliciting facts from complainant, persons named in the complaint and Mr. Tapas Das for a prompt action to protect the gullible investors. In this case, the examination was conducted from February 2022 till April 2022 and then halted till February 14, 2024, when status of the bank account in question was asked from the IDFC First Bank. SEBI has earlier been passing interim orders against such entities those were observed to be involved in unregistered investment advisories and have mobilised monies in the garb of fees and commissions. For example, the order dated February 07, 2020, in the matter of **Investmart- Anshuman Bhise and others** and order dated June 04, 2023, in the matter of **Kabir Financial Services Pvt. Ltd and others**. In this case, after above inquiry in April 2022, further information was gathered that the website <https://www.finesolution.site/> was closed way back on September 30, 2022. On February 22, 2024, IDFC First Bank provided the bank account statement of the bank account number 1005297XXXX for the period February 25, 2020 to April 28, 2022, i.e. the period of operation of the bank account. Subsequently, vide email dated February 23, 2024, IDFC First Bank informed SEBI that the said bank account was also closed on April 28, 2022. Coincidentally, the response of Thousand Keys – proprietor Mr. Tapas Das to SEBI's letter dated April 13, 2022 was received on April 27, 2022. The matter is thus, *fait accompli* and I am afraid that nothing will be possible to recover from the culprits if they fail to refund the monies, if directed now.

21. Be that as it may, Mr. Tapas Das can't feign ignorance and material on record shows his active involvement in the alleged activities and such activities can't be allowed to be dealt with leniently even at this stage. It is noted that the website <https://www.finesolution.site/> disclosed the bank Account No. 1005297XXXX. This is the account number in the name of Thousand Keys – proprietor name Tapas Das, PAN- ANKPD3883D, Mobile 997711xxxx landline number 0731- 2520xxx, email Thousandkeys.tk@gmail.com. This account was opened on February 18, 2020 and was operative from February 2020 to April 28, 2022 and the website was also closed on September 30, 2022. In view of this fact, the reasonable inference would be that this bank account was opened to be used for receiving

the fees and commissions in respect of the unregistered investment advisory activities undertaken by Fine Solution on its website <https://www.finesolution.site/>. Thus, although this website does not mention name of Thousand Key and uses the name Fine Solution, from the above WhatsApp texts provided by the complainant it is evident that the Fine Solution was providing investment advice and fees and commissions were received in the bank of account of Thousand Key- Proprietor Tapas Das. Further, in response to SEBI's letter dated April 13, 2022, Mr. Tapas Das- proprietor Thousand Keys vide letter dated April 27, 2022, admitted that the Thousand Keys is his proprietorship and the said website belongs to this entity. Thus, it is clear that the website was operated by the Thousand Keys- proprietor Mr. Tapas Das using the web page name Fine Solution.

22. The Learned AR also disputed the role of Mr. Tapas Das in opening of the said bank account and operating the same and disputed the veracity of the signature on the relied upon documents. In order to verify the veracity of the submissions that Mr. Tapas Das is innocent in the matter and he is not aware of the activities of Thousand Keys or Fine Solution, the Learned AR was asked during hearing on December 20, 2024 to demonstrate as to how, in response to SEBI's letter dated April 13, 2022 (Annexure I to the SCN) , Mr. Tapas Das made very emphatic submissions before SEBI's examination team and questioned SEBI's jurisdiction vide his letter dated April 27, 2022 (Annexure J to the SCN) in English and signed thereon much close to his signature as on his PAN card (part of Annexure C to the SCN) ? The Learned AR, then submitted that the said letter has neither been written nor signed by Mr. Tapas Das as he can't read or write English, except for putting his signature in English letters. He denied that the signature on the said letter dated April 27, 2022 tally with signature on PAN card of Mr. Tapas Das. Further, the address "*111, Mani Avenue, Opposite Bank of India, Ujjain- 456010, Madhya Pradesh*" does not belong to Mr. Tapas Das at all.

23. He further submitted that it was Mr. Suraj Chauhan (since deceased) who had written that letter and signed it in the name of Mr. Tapas who was a peon at the office of Mr Suraj Chauhan till August 2022. It is he, who had forged the signature of Mr. Taps Das on all documents, used them for obtaining certificate of registration of establishment of "Thousand Keys" and for opening and operating the bank account in question. His KYC documents were given to said Mr. Suraj Chauhan under *bona fide* trust and belief for

helping him to obtain the bank loan but he misused them for obtaining certificate of registration of said Thousand Keys and for opening the bank account in question. Mr. Tapas Das has no idea about the website and investment advisory services. Mr. Taps Das had no opportunity to inform SEBI as he was not aware about the contents of letter of SEBI which was responded by Mr. Suraj Chauhan on April 27, 2022 forging signature of Mr. Tapas Das. Mr. Suraj Chauhan had died few months back which may be verified by SEBI office and SEBI may conduct investigation to find out real culprits. Mr. Tapas Das was never contacted in person or call by SEBI in Ujjain which is the place of his residence and work and just few miles away from SEBI's office in Indore. Had he been contacted, he could have explained the matter at the early instance. Now that he has received the SCN, he has got opportunity to explain.

24. However, from the KYC documents and copies of account opening Forms provided by the IDFC First Bank with respect to the bank Account No. 1005297XXXX the following are noted:

- (a) The account has been opened in the name of "Thousand Keys" having address at "*111, Mani Avenue, Opposite Bank of India, Ujjain- 456010, Madhya Pradesh*" to be operated by Mr. Tapas Das having his address "*42, Bangali Colony, M. L. Nagar, Ujjain- 456010, Madhya Pradesh*";
- (b) The certificate of registration of establishment of "Thousand Keys" from District Labour Office, Ujjain (M.P.) on November 29, 2019 and its account opening form of IDFC First Bank both have the photographs of Mr. Tapas Das showing he is the person responsible for Thousand Keys;
- (c) The address of Mr. Tapas Das as given on his AADHAR card ("*42, Bangali Colony, M. L. Nagar, Ujjain- 456010, Madhya Pradesh*") and the address in the account opening form for operating the said bank account are same.
- (d) The address of "Thousand Keys" *111, Mani Avenue, Opposite Bank of India, Ujjain- 456010, Madhya Pradesh*" as noted on the copy of certification of registration of its establishment and address given in account opening form are same.

(e) Mr. Tapas Das in his signature declaration to IDFC First Bank has categorically declared change in his signature to the one as used in the account opening form.

25. The SEBI's letter dated April 13, 2022, addressed at the address "*111, Mani Avenue, Opposite Bank of India, Ujjain- 456010, Madhya Pradesh*" was returned undelivered by India Post with remark "*Door Closed*" but the copy of this letter was served at the address "*42, Bangali Colony, M. L. Nagar, Ujjain- 456010, Madhya Pradesh*" which belongs to Mr. Tapas Das. Thus, the letter was received at his address and responded on his behalf vide through an email dated April 27, 2022. The letter dated April 27, 2022 in response to SEBI's query bears the signature of Mr. Tapas Das which closely tallies with his signature on his PAN card. I, therefore, regret I cannot agree with submissions of the AR and accordingly, reject that Mr. Tapas Das was not aware of the matter till he received the SCN. His response dated April 27, 2022 confirming that the Thousand Keys and Fine Solution are his also belies his claims that he is innocent and unaware.

26. Learned AR was also asked during hearing as to why Mr. Tapas Das is claiming that all credits were not towards fees and commissions of Thousand Keys and he is using the services of a Chartered Accountant to verify the credits of amounts in the Account No. 1005297XXXX, if he is innocent and has been misused by Mr. Suraj Chauhan (since deceased)? Then Learned AR contended that SEBI has not examined the bank account in detail and has counted every credit in the said account as fee for investment advisory services and the charge is vague. He stated that he wants to proof credentials of Mr. Tapas Das by showing this mistake on the part of SEBI. However, despite time granted on his request Mr. Tapas Das has failed to provide any inputs in support of this contention.

27. Thus, it can reasonably be inferred that it is Mr. Tapas Das who himself was actively involved in all the activities in respect of the unregistered investment advisory activities of Thousand Keys/ Fine Solution. Mr. Tapas Das was knowingly party to entire episode and his concern Thousand Key- Proprietor Mr. Tapas Das was actively involved in the unregistered investment advisory activity in the name of Fine Solution through the said website. Thus, he cannot escape liability.

28. I, therefore, find that the Noticee/ Thousand Keys, Proprietor – Tapas Das was acting as an investment advisor without obtaining the necessary certificate of registration and therefore violated Section 12(1) of the SEBI Act, read with Regulation 3(1) of the IA Regulations.

29. I am of the view that such activities are prone harm the innocent investors and cannot be dealt with leniently. I am the considered view that the commensurate and proportionate directions under Sections 11(1), 11(4), 11B (1) of the SEBI Act should be issued to the Noticee in this case.

30. Taking into account all facts and circumstances of the case, I, in exercise of the powers conferred upon me in terms Sections 11(1), 11(4), 11B (1) read with Section 19 of the SEBI Act hereby issue the following directions to the Noticee, Thousand Keys, Proprietor – Tapas Das:

- (a) Thousand Keys, Proprietor – Tapas Das shall, within a period of three (3) months from the date coming into force of this direction, refund the amount of Rs. 71,38,290/- received from the complainant and other investors/ clients, as fees or consideration or in any other form, in respect of their unregistered investment advisory activities;
- (b) Thousand Keys, Proprietor – Tapas Das shall issue public notice in all editions of two National Dailies (one English and one Hindi) and in one local daily with wide circulation, detailing the modalities for refund, including the details of contact person such as names, addresses and contact details, within 15 days of coming into receipt of this direction;
- (c) The repayments to the complainants/ investors shall be effected only through Bank Demand Draft or Pay Order or electronic fund transfer or through any other appropriate banking channels, which ensures audit trails to identify the beneficiaries of repayments;
- (d) Thousand Keys, Proprietor – Tapas Das is prevented from selling his / its assets, properties and holding of mutual funds / shares / securities held by him/ it in demat and physical form except for the sole purpose of making the refunds as directed above. Further, the banks are directed to allow debit only for the purpose of making refunds to the clients/ investors/ complainants who were availing the investment advisory

services from the Noticee, as directed in this order, from the bank accounts of the Noticee;

- (e) After completing the aforesaid repayments, the Thousand Keys, Proprietor – Tapas Das shall file a report of such completion with SEBI addressed to the “Division Chief, Division of Post – Inspection Enforcement Action, Market Intermediaries Regulation and Supervision Department, SEBI Bhavan II, Plot No. C7, G Block, Bandra Kurla Complex, Bandra (East) Mumbai – 400051”, within a period of 15 days, after completion of three months from the coming into force of the directions para 30(a) and 30(b) above, duly certified by an independent Chartered Accountant and the direction at para 30(d) above shall cease to operate upon filing of such report on completion of refunds to complainants/ investors;
- (f) The remaining balance amount, if any, shall be deposited with SEBI which will be kept in an escrow account for a period of one year for distribution to clients/complainants/investors who were availing the investment advisory services from the Thousand Keys, Proprietor – Tapas Das. Thereafter, remaining amount, if any, will be deposited in the ‘Investors Protection and Education Fund’ maintained by SEBI;
- (g) In case of failure of the Thousand Keys, Proprietor – Tapas Das to comply with the aforesaid directions in sub-paragraph 30(a) and 30(e) above, SEBI, on the expiry of the stipulated time period therein from the date of coming into force of this order, may recover such amounts, from the Thousand Keys, Proprietor – Tapas Das, in accordance with Section 28A of the SEBI Act including such other provisions contained in securities laws;
- (h) The Thousand Keys, Proprietor – Tapas Das shall not undertake, either directly or indirectly, investment advisory services or any activity in the securities market as mentioned in section 12 of the SEBI Act without obtaining a certificate of registration from SEBI as required under the securities laws.
- (i) The Thousand Keys, Proprietor – Tapas is restrained from accessing the securities market, directly or indirectly, and is prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of one (1) year from the date of this order or till the expiry of one (1) year from the date of completion of refunds to complainants/ investors as directed in paragraphs 30(a) and 30(f) above, whichever is later;

(j) It is hereby clarified that if the Thousand Keys, Proprietor – Tapas Das has any open position in any exchange traded derivative contracts, as on the date of this order, he can close out/ square off such open positions within 3 months from the date of order or at the expiry of such contracts, whichever is earlier. The Thousand Keys, Proprietor – Tapas is permitted to settle the pay in and pay out obligations in respect of transactions, if any, which have taken place before the close of trading on the date of this order.

(k) The direction for refund, as given in paragraph 30(a) above, does not preclude the clients/investors to pursue the other legal remedies available to them under any other law, against the Thousand Keys, Proprietor – Tapas for refund of money or deficiency in service before any appropriate forum of competent jurisdiction.

31. The SCN also contemplates action under section 11B(4A) and 11B(2) read with section 15EB of the SEBI Act . This action is, basically, for imposition of monetary penalty under section 15EB as additional or standalone action under section 11(1), 11(4) and 11B(1). While the above directions under Sections 11(1), 11(4), 11B (1) of the SEBI Act are meant for investor protection the monetary penalty is not available for this purpose and is normally intended to act as deterrence having due regard to inclusive factors given section 15J of the SEBI Act. In the peculiar facts and circumstances of this case as discussed hereinabove, this particular case, in my view, does not deserve multiple actions. I, therefore, do not consider this case fit for imposition of monetary penalty under section 15EB of the SEBI Act.

32. This order shall come into force with immediate effect.

33. A copy of this order shall be sent to the Noticee, recognized Stock Exchanges, the Banks, Depositories and Registrar and Transfer Agents of mutual funds to ensure that the directions given above are strictly complied with.

Date: January 17, 2025

Place: Mumbai

**SANTOSH SHUKLA
CHIEF GENERAL MANAGER
SECURITIES AND EXCHANGE BOARD OF INDIA**