

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

Under Section 12 (3) of the Securities and Exchange Board of India Act, 1992 read with Regulation 27 of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008

In respect of

Sr. No.	Name of the Noticee	SEBI Registration No.
1.	Monetary Solutions – Proprietor Mr. Ankit Vyas	INA000002785

In the matter of Monetary Solutions – Proprietor Mr. Ankit Vyas

BACKGROUND

1. Monetary Solutions–Proprietor Mr. Ankit Vyas (hereinafter referred to as “**Noticee**”) is registered as an Investment Adviser with the Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”). The present proceeding has originated from the Enquiry Report dated July 18, 2024, submitted by the Designated Authority (hereinafter referred to as “**DA**”), in terms of the applicable provisions of the SEBI (Intermediaries) Regulations, 2008 (hereinafter referred to as “**Intermediaries Regulations**”).
2. SEBI had conducted an inspection of the Noticee for the period from April 1, 2020 to September 19, 2022 (hereinafter referred to as “**inspection period**” / “**IP**”) in order to examine compliance of the applicable regulatory requirements stipulated under, *inter alia*, SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as “**IA Regulations**”) and Circulars and Guidelines framed thereunder.

3. The summary of contraventions alleged to have been committed by the Noticee and the corresponding provisions of SEBI Regulations and SEBI Circulars are given in the table below:

Table 1

S. No.	Alleged violations	Regulatory provisions
1	Employees of the IA were not in compliance with the qualification requirements.	Regulation 15 (13) read with Regulation 7 of IA Regulations and Clause 1, 2 and 8 of Code of Conduct for Investment Advisers as specified under Third Schedule read with Regulation 15(9) of IA Regulations.
2	Failure to maintain records and call recordings.	Regulation 19(1) and 19(2), and Clause 1, 2, 8 and 9 of Code of Conduct for Investment Advisers as specified under the Third Schedule read with Regulation 15(9) of IA Regulations, Clause 2(ii) and 2(vi) of SEBI Circular Ref No. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 ('2020 Circular') and Regulation 16 and 17 of IA Regulations.
3	Similar Products sold for the Concurrent Period	Regulations 3 (d), 4 (1) and 4 (2) (s) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("PFUTP Regulations") read with Section 12A (c) of Securities and Exchange Board of India Act, 1992 ("SEBI Act") and Clause 1 and 2 of Code of Conduct for IA as specified under Third Schedule of Regulation 15(9) of IA Regulations read with Regulation 15(1) thereof.
4	Fees received from clients to personal account of compliance officer Mr. Ankit Vyas	Clause 1 and 2 of Code of Conduct as specified in Schedule III read with Regulation 15(9) of IA Regulations read with Regulation 25(1) and (2) and Clause 1, 8 and 9 of Code of Conduct as specified in Schedule III read with Regulation 15 (9) of IA Regulations.

5	Providing Free Trial to Clients	Paragraph 1(i) of SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2019/169 dated December 27, 2019 ('2019 Circular'), Clause 8 and 9 of the Code of Conduct as mentioned in Schedule III read with Regulation 15 (9) of the IA Regulations.
6	Unfair Amount of Fees Charged from Client and faulty suitability assessment	Regulation 15 (1), 17 (b), (d) and (e) of IA Regulations read with Clause 1, 2 and 6 of the Code of Conduct for IA as specified under Third Schedule read with Regulation 15(9) of IA Regulations.
7	The questions in the risk profiling questionnaire were vague and misleading in nature.	Regulation 16 (d) (i) and (ii) of IA Regulations and Clause 1, 2 and 8 of the Code of Conduct for IA as specified under Third Schedule read with Regulation 15 (9) of IA Regulations.
8	IA's operations are conducted from an office not registered as Registered Office/Branch Office	Regulation 13(b) of IA Regulations and Clause 1,8 and 9 of Code of Conduct for Investment Advisers as specified under Third Schedule read with regulation 15(9) of IA Regulations.
9	Publishing of Investor Charter	Paragraph 2 and 4 of SEBI Circular No. SEBI/HO/IMD/IMD-II/CIS/P/CIR/2 dated December 13, 2021 ('2021 Circular') and Clause 8 and 9 of Code of Conduct for IA as specified under Third Schedule read with regulation 15(9) of IA Regulations.
10	Fake Reviews about Monetary Solutions through his Website	Regulation 3(d),4(1) and 4(2)(k) of PFUTP Regulations read with Section 12A (c) of SEBI Act, 1992 and Clause 1 and 2 of Code of Conduct as mentioned in Schedule III read with Regulation 15(9) of IA Regulations.

4. Based on the findings of the said inspection, a Designated Authority (hereinafter referred to as **"DA"**) was appointed to inquire into and to submit a report pertaining to the aforesaid allegations. The DA issued a show-cause notice dated March 18, 2024 (hereinafter referred to as **"SCN"**) to the Noticee

under Regulation 25(1) of the Intermediaries Regulations to show cause as to why appropriate recommendation should not be made against it in terms of Regulation 26 of the Intermediaries Regulations. The Noticee was advised to submit his reply, if any, within 21 days of receipt of the notice.

5. In response to the allegations mentioned in Table 1 above, the Noticee, vide his letter dated May 02, 2024 submitted a reply to the SCN. Pursuant to the receipt of the said reply, an opportunity of personal hearing was granted to the Noticee by the DA on May 13, 2024, which was availed by the Noticee through an authorized representative. Further, the Noticee filed his additional submissions vide letter dated May 30, 2024. The Noticee requested for another opportunity of personal hearing in the matter, which was granted by the DA, and availed by him on June 5, 2024. Thereafter, the Noticee filed his further submissions/ documents vide emails dated June 6, 2024 and June 7, 2024.
6. After considering the allegations levelled in the show-cause notice, reply filed by the Noticee and the material available on record, the DA submitted the Enquiry Report dated July 18, 2024 and made the following recommendation:

“99. In view of the above observations and the violations committed by the Noticee, in terms of Regulation 26 of the Intermediaries Regulations, I hereby recommend that the Noticee (SEBI Registration No. INA000002785) may be prohibited from on boarding new clients for a period of 6 month.”
7. The DA report was forwarded to the Noticee in terms of Regulation 27(1) of the Intermediaries Regulations vide a Post Enquiry Show Cause Notice dated August 12, 2024 (hereinafter referred to as “**Post Enquiry SCN**”) whereby the Noticee was advised to file his reply to the Post Enquiry SCN along with supporting documents, if any.
8. The Post Enquiry SCN sent physically, returned undelivered. Thereafter, the SCN was sent to an alternate address but the same also returned undelivered with the remark ‘*refused to accept*’. However, the digitally signed Post Enquiry SCN was served upon the Noticee on the registered email ID (ankit.golu.vyas@gmail.com). The proof of delivery is on record. Additionally,

the Noticee was also sent a reminder vide email dated December 17, 2024 and was advised to make his submissions on or before December 23, 2024. I note from the material available on record that the Noticee has failed to make any submissions as regards the Post Enquiry SCN.

CONSIDERATION AND FINDINGS:

9. I have carefully perused the Enquiry Report issued to the Noticee along with the Post-Enquiry SCN, the SCN issued by the DA and other material available on record. In the instant proceedings, the DA has recommended that the Noticee be prohibited from onboarding new clients for a period of six months.
10. I shall now proceed to deal with the allegations against the Noticee under the following heads:

A. Employees of the Noticee were not in compliance with the qualification and certification requirements

11. During the course of inspection, it was noted that 6 employees, alongwith the Noticee, did not have the requisite qualification and certifications and were involved in providing investment advice to the clients. In view of the above, it was alleged that Noticee violated Regulation 15 (13) read with Regulation 7 of IA Regulations and Clause 1, 2 and 8 of Code of Conduct for Investment Advisers as specified under Third Schedule read with Regulation 15(9) of IA Regulations.
12. The aforesaid provisions mandate that an investment adviser and persons associated with investment advice shall have, at all times, a certification from NISM. Further, an investment adviser shall also act honestly, fairly, with due skill, care and diligence in the best interests of his clients and in the integrity of the market and shall comply with all applicable regulatory requirements.
13. During the course of proceedings before the DA, the Noticee, vide email dated June 6, 2024, submitted the evidence of certificates as regards three

individuals, namely, Mr. Ankit Vyas (Noticee himself), Mr. Gaurav Pathak, and Mr. Shubham Shrivastava. However, I note from the material available on record that the Noticee has failed to submit the evidence as regards the following individuals (except in respect of 2 instances mentioned in the table below) -

Table 2

S. No.	Name of the Employee	NISM-Series-X-A: Investment Adviser (Level 1)	NISM-Series-X-B: Investment Adviser (Level 2)
1	Mr. Jaspreet Singh	No	Yes
2	Mr. Akshay Soni	No	Yes
3	Mr. Rahul Panwar	No	No
4	Ms. Komal Soni	No	No

14. It is seen from the above table that Mr. Jaspreet Singh and Mr. Akshay Soni did not have the '*NISM-Series-X-A: Investment Adviser (Level 1) Certification*', whereas Mr. Rahul Panwar and Ms. Komal Soni did not have both '*NISM-Series-X-A: Investment Adviser (Level 1)*' and '*NISM-Series-X-B: Investment Adviser (Level 2) Certificate*'. Further, it is not the case of the Noticee that the aforesaid individuals were not employees of the Noticee. Therefore, on the basis of the submissions made by the Noticee before the DA and other material available on record, I find that the above four employees of the Noticee were involved in providing investment advisory services without having requisite NISM certifications.

15. In view of the above, I agree with the findings of the DA that the Noticee has violated Regulation 15(13) read with Regulation 7 of the IA Regulations and Clause 1, 2 and 8 of Code of Conduct for Investment Advisers as specified under Third Schedule read with Regulation 15(9) of IA Regulations.

B. Failure to maintain records and call recordings.

16. During inspection it was observed that the Noticee had charged fees from his clients without entering into any agreement with the clients and had not maintained call recordings, copy of agreements, KYC documents, invoices, risk profiling and email communications with clients. Therefore, it was alleged that Noticee violated Regulations 19(1) and 19(2) and Clause 1, 2, 8 and 9 of Code of Conduct for Investment Advisers as specified under the Third Schedule read with Regulation 15(9) of IA Regulations, Clause 2(ii) and 2(vi) of the 2020 Circular and Regulations 16 and 17 of IA Regulations.
17. In terms of Regulation 19 of the IA Regulations, investment advisers are obliged to maintain the records stipulated in the said provision, either in physical form or in electronic form, for a minimum period of five years. Further, as per Clauses 1, 2, 8, and 9 of the Code of Conduct, the investment advisers shall act honestly, fairly and with due skill, care and diligence in the best interests of his clients.
18. In this regard, during the course of inspection, client master data for FY 2020-2021 and 2021-2022 was sought from the Noticee. The Noticee provided the client master data for FY 2020-21 and 2021-22 wherein the fee for the services provided to the clients was mentioned. However, the duration of service for any client was not provided by the Noticee. Further, vide letter dated September 20, 2022 (submitted during inspection) Noticee submitted that “...*I do not have any data before March 12, 2022 as all data got erased due to hard disk failure. Further, data in Client relationship Module (CRM) is not available prior to July 01, 2022 and so we could not extract Client Master from CRM...*”.
19. The Noticee was also advised to submit records of investment advice provided, written or oral, and also the rationale for arriving at such investment advice, duly signed and dated. However, vide letter dated September 21, 2022 (submitted during inspection) the Noticee submitted that he did not have any

document showing basis/ rationale for providing tips/ investment advice and he had never maintained any such document.

20. The Noticee was further advised to submit the investment advisory agreements entered between the Noticee and the clients, in terms of Paragraph 2(ii) of the 2020 Circular and regulation 19(1) of the IA Regulations. However, the Noticee, vide letter dated September 20, 2022, submitted that “...*Out of 630 clients served during the inspection period, they have taken payments for advisory services without executing agreement with any client and they have never executed any agreement with any client...*”.
21. In this regard, the Noticee submitted before the DA that the data which was being maintained and stored by it was in a hard disc, however the data was lost due to hard disk failure and the hard disk had been seized by SEBI. However, the said submissions were not accepted by the DA due to lack of any corroborative evidence supporting the claims of the Noticee.
22. I note from the material available before me that the Noticee was advised to provide details (copy of agreement, KYC documents, invoices, Risk Profiling, email communications, call recordings, etc.) of 30 sample clients during the course of inspection. However, the Noticee submitted KYC documents, invoices and Risk Profiling details for only 20 clients and no details were provided for other 10 clients, viz., Dibya Ranjan Swain, Boreddy Shiva Reddy, Manoj Kumar Manakadan, Manoj Kumar Dubey, Nirmala Kadu, Gulabrao Bhavaskar, Mohd Hashim, Rajesh Kumar Jha, Rahul Shinde and Raja Lahane. Further, w.r.t. the 20 clients for whom details were provided by the Noticee, email communications, call recordings and agreement copies were not provided by the Noticee. Thus, in view of the above, it is deduced that the Noticee has provided services to the abovementioned 10 clients without entering into agreements and without carrying out KYC, Risk Profiling and suitability assessment. Further, for the 20 clients for whom details have been provided, email communications, call recordings and agreement copies were not provided by the Noticee, which exhibits non-maintenance of the records on

part of the Noticee as required by the IA Regulations read with the SEBI Circulars.

23. Further, as per Noticee's own submission, his Client Relationship Module (CRM) was not available prior to July 01, 2022 and he never maintained any document showing basis for providing tips/investment advice, never executed any agreement with any client and did not record calls for any client.
24. Considering the above, I find that the Noticee has violated Regulation 19(1) and 19(2) and Clauses 1, 2, 8 and 9 of Code of Conduct for Investment Advisers as specified under the Third Schedule read with Regulation 15(9) of IA Regulations and Clause 2(ii) and 2(vi) of the 2020 Circular and Regulation 16 and 17 of IA Regulations.

C. Similar products sold for concurrent period:

25. It has been alleged that the Noticee sold similar products for a concurrent period to his clients. Noticee allegedly sold the same product to his clients, within a short span of time, and for overlapping services, durations and also sold the same service multiple times to the same clients. In view of the same, the Noticee allegedly defrauded his clients in order to maximize his revenue generation at the expense of his clients in violation of Clauses 1 and 2 of Code of Conduct as specified in Schedule III of Regulation 15(9) read with Regulation 15(1) of IA Regulations.
26. In the present set of facts, I note that the Noticee provided overlapping services to the following two clients:

Table 3

Name of Investor	Service Name	Invoice Date	Start Date	End Date	Fees (in ₹)
Puroshottam Mahobia	Evergreen Combo New	06/12/2019	11/08/2020	02/11/2020	20,000

Name of Investor	Service Name	Invoice Date	Start Date	End Date	Fees (in ₹)
Puroshottam Mahobia	Evergreen Combo New	26/11/2019	28/07/2020	23/10/2020	21,000
Gudemaranahalli Ramaiah Narayan	MS Cash	18/10/2021	19/10/2021	25/10/2021	5,000
Gudemaranahalli Ramaiah Narayan	MS Cash	18/10/2021	19/10/2021	19/11/2021	25,000

27. It is seen from the above table that the Noticee sold the '*Evergreen Combo New Advisory*' product/ service to Mr. Purushottam Mahobia for the period August 11, 2020 to November 02, 2020 and then again for the period July 28, 2020 to October 23, 2020 (i.e., overlapping period of August 11, 2020 to October 23, 2020) for fees of ₹20,000/- and 21,000/-, respectively. Further, the Noticee sold '*MS Cash Advisory*' product/ services to Mr. Gudemaranahalli Ramaiah Narayan for the period October 19, 2021 to October 25, 2021 and October 19, 2021 to November 19, 2021 (i.e., overlapping period of October 19, 2021 to October 25, 2021) for a fee of ₹5,000/- and 25,000/-, respectively.

28. In this regard, the Noticee submitted before the DA that there was a typographical error in the data which has led to confusion. However, the submission was not corroborated by any supporting evidence or the correct data and the DA has accordingly did not accepted the same. Taking note of the said facts, I agree with the observations of the DA that the Noticee was selling same advisory products/ services multiple times with overlapping subscription period, with the objective of extracting maximum amount of fees/ commission from the clients. Such act of the Noticee was in breach of the obligation cast upon him in terms of the IA Regulations to act in a fiduciary capacity and in the best interest of his clients.

D. Fees received from clients to personal account of compliance officer Mr. Ankit Vyas:

29. The Noticee, who identified himself as the compliance officer of his sole proprietorship, is alleged to have received the fees from his clients in his personal account. The said act of the Noticee was in violation of Clause 1 and 2 of Code of Conduct as specified in Schedule III read with Regulation 15(9) of IA Regulations. Further, it is also alleged that the Noticee did not provide complete information to the inspecting authority regarding the fee received by him and accordingly violated Regulation 25 (1) and (2) and Clause 1, 8 and 9 of Code of Conduct as specified in Schedule III read with Regulation 15(9) of IA Regulations.
30. During the course of inspection, while going through the email communications exchanged between the clients and the Noticee i.e., Mr. Ankit Vyas, it was observed that fees was also being received in an ICICI Bank Account. The Noticee was accordingly advised to explain the same and vide letter dated September 21, 2022, the Noticee submitted as under;

“...I hereby submit that other than my bank account with HDFC Bank and Axis Bank Ltd (which are mentioned on website), I also used to accept fees in my ICICI Bank Account (a/c num- 657005529877). Further, it may be noted that my mobile num- 8223888886 is linked to my aforementioned ICICI Bank account number on Google pay...”

31. In response to the PIQ, the Noticee submitted Client master for FY 20-21 and FY 21-22 wherein fee received from only HDFC Bank and Axis Bank Ltd was mentioned. Accordingly, the Client Master submitted by the IA in response to PIQ was incomplete as it did not contain details of clients who had deposited fees in the ICICI Bank Account and therefore, the inspection team inferred that the IA had submitted false information to the inspection team.

32. In this regard, the Noticee was advised to inform the correct amount of fees received by the IA. In response to the same, IA vide his letter dated September 22, 2022, submitted the following:

“...I hereby submit that the advisory fees collected by the IA is collected in the following three bank accounts and all the credit amount in these three accounts is solely towards investment advisory fees:

Bank Name	Fees Collected
<i>HDFC 2020-2021</i>	<i>21,27,912</i>
<i>Axis 2020-2021</i>	<i>16,72,088</i>
<i>ICICI 2020-2021</i>	<i>14,42,000</i>
<i>HDFC 2021-2022</i>	<i>50,27,488</i>
<i>Axis 2021-2022</i>	<i>14,53,581</i>
<i>ICICI 2021-2022</i>	<i>4,67,000</i>
<i>HDFC APR 2022- SEP 2022</i>	<i>34,48,000</i>
<i>AXIS APR 2022- SEP 2022</i>	<i>8,54,000</i>
<i>ICICI APR 2022- SEP 2022</i>	<i>2,37,000</i>

33. I observe from the documents / information available that Noticee received fees in three banks accounts, i.e., HDFC Bank, Axis Bank and ICICI Bank. While the information of HDFC Bank account and Axis Bank account were available on the website of the Noticee, no information regarding ICICI Bank was made publically available to the investors. Further, the Noticee failed to disclose the said information upfront during the course of inspection. I am of the view that as a registered entity, the Noticee ought to have made a complete and true disclosure on his website as regards the bank accounts used by him to collect fees from his clients. In this regard, although the Noticee has submitted before the DA that there is no bar on receiving the fee directly in his personal account, I am of the view that the Noticee should have made true and complete disclosures to its clients.

34. In view of the above, I agree with the observations of the DA that the Noticee has violated Clause 1 and 2 of Code of Conduct as specified in Schedule III read with Regulation 15(9) of IA Regulations. Further, as the Noticee did not provide complete information to the inspecting authority, it has also violated Regulation 25 (1) and (2) and Clause 1, 8 and 9 of Code of Conduct as specified in Schedule III read with Regulation 15(9) of the IA Regulations.

E. Providing Free Trial to Clients:

35. The Noticee is also alleged to have provided free trial to his clients in violation of paragraph 1(i) of the 2019 Circular and Clause 8 and 9 of the Code of Conduct as mentioned in Schedule III read with Regulation 15(9) of IA Regulations.
36. In terms of the aforesaid provisions, the Noticee ought to have not provided free trial for any products/services to prospective clients. I note from the material available on record that the Noticee was offering free trial to his clients in his onboarding emails. A sample of such an instance is noted as under:

*“...Monetary Solution investment adviser offers **2 days Free Trial and evaluation for our clients to ensure that our products and services will meet their needs before they pay for a subscription.** By accepting and taking advantage of the free trial and making a payment for the subscription...”*

37. It is noted that similar approach was adopted by the Noticee in respect of the other clients also and the Noticee in his response before the DA, did not dispute the same. The Noticee submitted before the DA that it had maintained a standard format of emails to deal with clients and no free trials were provided to the clients pursuant to issuance of the aforesaid SEBI Circular. However, as noted by the DA, the Noticee has failed to take any effort to remove the aforesaid standard paragraph and has not made any submissions as regard rectification of the same. In view of the above, I find that the Noticee was, in fact, providing free trials to his clients and was therefore in violation of

paragraph 1(i) of the 2019 Circular and Clause 1 and 2 of the Code of Conduct as mentioned in Schedule III read with Regulation 15(9) of the IA Regulations.

F. The questions in the risk profiling questionnaire were vague and misleading in nature.

38. It was observed during the course of inspection that the Risk Profiling Questionnaire (RPF) of the Noticee had certain questions which were misleading in nature, which was in violation of Regulation 16 (d) (i) and (ii) of the IA Regulations and Clauses 1, 2 and 8 of the Code of Conduct for the IA as specified under Third Schedule read with Regulation 15 (9) of the IA Regulations.

39. In terms of the IA Regulations, investment advisers are obliged to ensure that the questionnaire is fair, clear and not misleading or vague. In this regard, the misleading questions included in the RPF were as under:

“Q1: Would you invest where a small return is earned associated with small risk instead of a high return associated with high risk?”

Q2: When market is not performing well would you like to invest in more risky investment instead of less risky investment to earn high return?

Q3: High risk is associated with high return, medium risk is associated with medium returns and low risk is associated with low returns? What risk can you bear (not prefer)?”

40. Additionally, question No. 20 of the questionnaire, which asks the client about the willingness to take risk, one of the options is *“With high risk comes high return, so strongly prefer”*.

41. In this regard, the Noticee submitted before the DA that no standard format or guidelines in respect of risk profiling questionnaires have been published by SEBI. However, the said submission was rejected by the DA as the IA Regulations clearly require the risk profiling questionnaires to be not vague and misleading.

42. In view of the aforesaid and on perusal of the questions noted above including the option for question no. 20 of the RPF, I am of the view that the Noticee was seeking to mislead and entice his clients to fill the RPF in a particular direction. It is important to note that an unbiased and fair RPF gives the true picture of the risk appetite of a client and becomes the foundation upon which unbiased and appropriate investment advice is given. The Noticee, in the present case, has failed to uphold the spirit with which RPFs are to be prepared and has therefore violated Regulation 16 (d) (i) and (ii) of IA Regulations and Clauses 1, 2 and 8 of the Code of Conduct for IA as specified under Third Schedule read with Regulation 15 (9) of the IA Regulations.

G. Conducting operations from an unregistered office:

43. The Noticee has further been alleged to have conducted his operations from address not registered with SEBI which was in violation of Regulation 13(b) of IA Regulations and Clause 1, 8 and 9 of Code of Conduct for Investment Advisers as specified under Third Schedule read with Regulation 15(9) of IA Regulations.

44. I note from the material available on record that the registered office of the Noticee is at “2nd Floor 63-64 Gali No 1 Kailash Marg, Daliya Bhakal Malharganj, INDORE, MADHYA PRADESH, 452001”. However, during inspection, it was found that the Noticee was operating through a branch located in Udaipur. The same was observed from documents such as salary sheets for employees of Monetary Solutions (Udaipur Branch) and list of interested candidates willing to re-join the Udaipur branch. In addition to the said documents, the Noticee also admitted as under, vide email dated September 22, 2022:

“...I hereby submit that, Shri Abhishek Dave, was working with Monetary Solution Investment Advisor and he was handling Monetary Solution- Udaipur Branch. Monetary Solution- Udaipur Branch was functional for a period of October 2017-July 2018. Salary details and attendance details of employees working at Udaipur

branch for certain months are present in emails forwarded to the Inspection Team today from Abhishek Dave's email ID (copy enclosed). I also submit that, I will submit copy of agreement, rent receipts and other relevant documents with respect to Monetary Solution Udaipur Branch to the Inspection Team within 7 working days over email..."

45. In view of the aforesaid, I agree with the observations of the DA that the Noticee was operating from an address other than the one registered with SEBI at the time of registration. Accordingly, the Noticee was in violation of Regulation 13(b) of the IA Regulations and Clause 1, 8 and 9 of Code of Conduct for Investment Advisers as specified under Third Schedule read with Regulation 15(9) of the IA Regulations.

H. Failure to publish investor charter:

46. It was further noted during the course of inspection that the Noticee had neither disclosed the Investor Charter on his website nor provided a link to lodge complaints on the SCORES platform. The omissions on part of the Noticee were in violation of paragraph 2 and 4 of the 2021 Circular and Clause 8 and 9 of Code of Conduct for Investment Advisers as specified under Third Schedule read with Regulation 15(9) of the IA Regulations. The said provision required the Noticee to display an investor charter on his website and a link to lodge complaints on the SCORES website.
47. The Noticee, during the course of inspection, had admitted to not having displayed the investor charter on his website. Vide email dated September 20, 2022, he submitted as under:

"...I have not displayed investor charter on my website as required under SEBI Circular dated December 13, 2021..."

48. The DA noted that the website of the Noticee was not traceable anymore and no evidence had been provided by the Noticee to support his claims.
49. Accordingly, in view of the aforesaid admission of the Noticee and absence of any evidence to the contrary, I agree with the observations of the DA that the

Noticee has not disclosed the investor charter on his website and has not provided the link to lodge complaints on SCORES. Therefore, the Noticee is in violation of Paragraphs 2 and 4 of the 2021 Circular and Clauses 8 and 9 of Code of Conduct for Investment Advisers as specified under Third Schedule read with regulation 15(9) of the IA Regulations.

I. Fake Reviews about Monetary Solutions through the Website:

50. During the course of inspection, it was further observed that the website of the Noticee had fake positive testimonials from the clients. The same was allegedly in violation of Regulations 3(d), 4(1) and 4(2)(k) of the PFUTP Regulations read with Section 12A(c) of the SEBI Act as well as Clause 1 and 2 of the Code of Conduct as mentioned in Schedule III read with Regulation 15(9) of the IA Regulations.
51. The essence of the aforesaid provisions is that no person shall directly or indirectly 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 and disseminating information which the disseminator knows to be false or misleading is fraudulent or an unfair trade practice. Further, an investment adviser shall act honestly, fairly, with due skill, care and diligence in the best interests of his clients and integrity of the market and shall ensure that his advice is offered after thorough analysis and taking into account available alternatives.
52. On the basis of material available on record, I note that following testimonials were published on the website of the Noticee:

Table No. 4

ID	Testimonial
Alaison Benny	Good service. Nice dealing. Experienced licenced financial advisor helping me to trade. I am doing an average of 25 lakhs business per day with them and I am fully satisfied. Worthy for money services.

Mahendra Singh	Its best advisory company in indore. I am getting best follow-up by Mr. Avinash.
Pratimatw	Your service is very nice. Company is provided best trading call and investment services for trading is share market.

53. In this regard, vide letter dated September 21, 2022, the Noticee admitted as under to the inspecting authority:

“...testimonials being shown on the website of monetary solution investment advisor are only for advertisement purpose and they are not our clients and are fake testimonials...”

54. Before the DA, the Noticee retracted his statement dated September 21, 2022 but, at the same time, failed to submit any material to show the genuineness of the testimonials appearing on his website. Owing to the fact that the testimonials were made on the website of the Noticee and that he failed to submit any evidence to show that the persons who made these testimonials were his clients, the DA found that the violation of regulations 3(d), 4(1) and 4(2)(k) of the PFUTP Regulations and Section 12A(c) of the SEBI Act stood established against the Noticee.

55. In view of the above, I agree with the observations of the DA that the Noticee was inducing the investors to take investment advice from him using incorrect/ fake testimonials. Therefore, I find that the Noticee has violated Regulations 3(d), 4(1) and 4(2)(k) of PFUTP Regulations read with Section 12A(c) of SEBI Act. Further, by such acts, Noticee has also violated Clause 1 and 2 of the Code of Conduct as mentioned in Schedule III read with Regulation 15(9) of IA Regulations.

CONCLUSION

56. To conclude, I find the Noticee to have committed the below-mentioned violations:

- a. The employees of the Noticee did not comply with the certification requirements in terms with the IA Regulations;
- b. The Noticee failed to maintain records in terms of the IA Regulations;
- c. The Noticee has sold similar products to his clients for concurrent periods;
- d. The Noticee received fees from the clients in his personal bank;
- e. The Noticee provided free trial to his clients;
- f. The risk profiling questionnaire had misleading/ vague questions;
- g. The Noticee was functioning from an address other than the registered address;
- h. The Noticee failed to publish investor charter on his website; and
- i. The Noticee published fake testimonials on his website.

57. Having found the Noticee to have committed the violations as aforesaid, I am inclined to agree with the recommendation made by the DA.

DIRECTIONS

58. In view of the above, I, in exercise of the powers conferred upon me under Section 19 of the SEBI Act, 1992 read with Regulation 27(5) of the Intermediaries regulations, prohibit the Noticee, Monetary Solutions- Proprietor Mr. Ankit Vyas from on-boarding new clients for a period of six months.

59. A copy of the Order shall be served on the Noticee and the concerned Market Infrastructure Institutions for their information and record.

Sd/-

DATE: May 27, 2025

AMARJEET SINGH

PLACE: MUMBAI

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA