



397

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

DEPUTY GENERAL MANAGER
INDORE LOCAL OFFICE

SEBI/WRO/ILO/NM/OW/P/29581 /1/2022

July 20, 2022

To,

Noticee no.	Noticee name	Address
1.	M/s Bourse India Investment Advisor (PAN: AANFB7695P)	(i) G-51, Bakhtawar Ram Nagar, Tilak Nagar Main Road, Indore, Madhya Pradesh – 452018. Also at: (ii) Shop No. 15, EB -303, Scheme No. 94, Infront of Bombay Hospital, Indore, Madhya Pradesh – 452001. (iii) 307, Navneet Plaza, Third Floor, 5/2 Old Palasia, Indore Madhya Pradesh – 452018. (iv) 504, The Mark Building, Saket Square, Old Palasia, Indore, Madhya Pradesh - 452001
2.	Mr. Shenkey Chaurasia Partner- M/s Bourse India Investment Advisor (PAN: ATJPC5720H)	273, Hirdenagar (Part-1) Gram – Hiradenagar, Tehsil – Mandla, Madhya Pradesh – 481661.

Page 1 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर – 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



396

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

3. ✓	Mr. Aakash Joshi Partner- M/s Bourse India Investment Advisor (PAN: AINPJ4355Q)	S/o. Balkrishna Joshi Ghar No. 261-A, Trimurti Nagar Subhas Chandra Bose Statue, Dhar, Madhya Pradesh - 454001.
4.	Mr. Hariom Sharan Patel Partner- M/s Bourse India Investment Advisor (PAN: BFLPP9443M)	Village Malaigawan, PO - Patcha, Rewa Madhya Pradesh - 486001
5.	Mr. Gaurav Kumar Partner - M/s Bourse India Investment Advisor (PAN: CSTPK6551R)	S/o. Rampal Singh, H.No. 1/3495 Krishna Marg, Loni Road Behind Indra Pyau Ram Nagar Extn, Shahdara East Delhi, Delhi - 110032

Subject: Show Cause Notice under Sections 11(1), 11(4), 11(4A), 11(B)(1) and 11(B)(2) read with Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995- In the matter of M/s Bourse India Investment Advisor

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") received a complaint on its SCORES platform against a SEBI registered Investment Adviser (IA) namely BIS Capital Investment Advisor wherein, the complainant has *inter-alia*, alleged that he has been cheated by Bourse India Advisory (a separate entity), as the complainant had not been given proper service by the said entity. He had also enclosed the screenshot of the company's website with his complaint. Copy of the complaint is annexed hereto and marked as **Annexure A**.
2. On examination, it was noticed that the website of the entity as mentioned in the complaint - www.bourseindia.com, was found to be inactive. Accordingly, the archived pages of the website were downloaded from web.archive.org to gather information Screenshots of the webpages are annexed hereto and marked as **Annexure B**). Further, examination of information available from the downloaded website, it has been noticed that the website contained the following:
 - (a) *Welcome To Bourseindia.Com - Stock Advisory Company In Indore- BourseIndia Financial Services is newly incorporated Indian Trading Analysis Providing Company with an investment philosophy Focused on delivering*

Page 2 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफैक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



superior performance through strong ethics of professionalism and productivity. We always strive for professional excellence in the execution of all our Activities by having a updated view of customer's requirements. we believe in integrity which gives us a notion and Enthusiasm to conduct our business by providing high return to our investors. As we have a deep-rooted understanding of Indian Capital markets it is our core responsibility to provide the institutionalize trade pattern to our clients.

Why Choose Us?-As a company we have been providing services for long-time for longtime.

We Reach Global-we are committed to strengthen our competitiveness through a focus on Global economic growth.

OUR MISSION-Our goal is to become the preferred company to all of our traders and investors.

- (b) We Follow "Know your Client" Principle. Along with Analysis we believe that we need to synchronize the Dreams of Our Clients with their Financial Situation by presenting the optimized Investment Services.

We understand very well about the complexities a trader faces right from receiving the expert advice till the execution of the trade. We very well understand the importance of Speed, Accuracy and consistency at which message is to be passed to the trader in order to maximize the benefits.

Bourse India provides experts Recommendations for Stock Cash, Stock Futures, Stock Option and traded in both NSE and BSE. Our Expertise also lies in Trading in all form of Commodities (MCX & NCDEX) and FOREX Segments.

EQUITY DERIVATIVE - STOCK FUTURE

Basic Stock Future- Derivatives are specifically and relatively new and advanced financial instruments in the Indian stock market. Besides the fact that it needs more risk management, this product generates the highest number of trades, its being the solemn instrument, in which the financial institutions trade. In this service BourseIndia provides intraday Basic stock futures trading tips to traders. Our research team works extensively in identifying the movement in future market on intraday basis and provides traders with intraday trading recommendations to enable them to earn maximum returns with nominal risk tolerance. The service features of this package follows:

Service Features

- Intraday tips in Equity Future traded in NSE/BSE
- We provide you around 3-4 Intraday Future Market call
- Recommended Investment of up to Rs >=50,000 as margin money
- Updates on important news & information

Live market tips-Via SMS, Yahoo Messenger.

Sample Call-Basic Future: BUY PNB IN NSE FUTURE ABOVE 740 TGT 744, 750 SL 736

Updates- Basic Future: BUY PNB IN NSE FUTURE DID OUR FIRST TGT OF 744. BOOK PARTIAL PROFIT

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफैक्स : 0731-2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



435

435

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

3. The said website also mentioned the pricing details for availing services in respect of various segments like Equity, Equity Derivative, Index Derivative, Commodity, Currency Derivative etc., and these packages ranged from INR 6,500/- to INR 1,75,000/-.
4. The website further provided mechanism to make payment in the bank account no. 091605500399, held with ICICI Bank or the bank account no. 33967632040, held with the State Bank of India. The website also provided option to make payments via payment gateway EBS.
5. Accordingly, information was sought by SEBI from ICICI Bank, State Bank of India and EBS
6. Vide email dated July 03, 2020, EBS submitted the merchant application form, KYC, transaction statement and other details pertaining to the Noticee no. 1. Copy of the said email and other documents are annexed hereto and marked as **Annexure C**.
7. The aforesaid documents furnished by EBS revealed the following regarding the Merchant account held with it:

Company name: Bourse India Investment Advisor

PG website: www.bourseindia.com

Contact person name: Mr. Hariom Sharan Patel

Contact person Email ID: hariom@bourseindia.com

Contact person Mobile No.: 9907454759

Business Address: EB-303, Scheme-94, In front of Bombay Hospital, City - Indore, State - Madhya Pradesh, PIN - 452001.

Email: info@bourseindia.com

Tel No.: 0731-6066071

Date of incorporation: 16/04/2014

Brief description about the products / services you intend to sell online - Equity / Equity Derivatives / Commodities / Currency Derivatives Services

PAN: AANFB7695P

Business filling status: Partnership

8. Further, EBS also submitted a copy of the Amendatory Agreement dated September 10, 2015 wherein amendments have been made to the existing Master Merchant Service Agreement dated May 21, 2014, executed with Bourse India Investment Advisor (Notice no.1). The following amendments were made to the existing contract*:

S. No.	Amendment Field	From	To
--------	-----------------	------	----

Page 4 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिनय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731-2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



436 428

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

1	Domain Change	No Changes	
2	Company Name Change	Bourse India Investment Advisor	BIS Capital Investment Advisor
3	Change in Constitution	Partnership	Proprietor
4	Bank Details Changes	A/c Name - Bourse India Investment Advisor Bank Name - ICICI Bank A/c No. - 091605500399 IFSC - ICIC0000916 Branch - Ratlam Kothi, Indore	A/c Name - BIS Capital Investment Advisor Bank Name - ICICI Bank A/c No. - 657305500424 IFSC - ICIC0006573 Branch - Saket Nagar, Indore
5	Address Change	307, Navneet Plaza, Third Floor, 5/2, Old Palasia, Indore, Madhya Pradesh - 452018.	504, The Mark Building, Saket Square, Old Palasia, Indore, Madhya Pradesh.

*Amendments to come into effect from the date of agreement

9. The copy of the document submitted to EBS at the time of registration viz., copy of Gumasta Certificate of Bourse India Investment Advisor, KYC details of partners of Bourse India Investment - Mr. Aakash Joshi, Mr. Shenkey Chourasia, Mr. Hariom Sharan Patel & Mr. Gaurav Kumar; and the copy of documents submitted at the time of carrying out the aforesaid Amendatory Agreement, viz., copy of cancelled cheque for A/c No. - 657305500424, letter from ICICI Bank for confirmation of Current A/c No. - 657305500424, self-confirmation letter from BIS Capital Investment Advisor for confirmation of Current A/c no. - 657305500424, copy of Gumasta Certificate of BIS Capital Investment Advisor, copy of rent agreement dated July 06, 2015, are all collectively annexed hereto and marked as **Annexure D**.
10. Further, from the transaction statement submitted by EBS, it was observed that during the period from May 22, 2014 to January 13, 2017, credits amounting to INR 1,14,30,923/- were received in the merchant account of Bourse India Investment Advisor / BIS Capital Investment Advisor (*as per the amendatory agreement, after September 10, 2015, credits were received in the name of BIS Capital Investment Advisor*), which included the payments made by the complainant to the account opened and owned by Noticee no. 1.
11. Further, ICICI Bank vide its email dated July 15, 2020 furnished the copy of KYC, Account Opening Forms (AOF) and account statements of bank account no. 091605500399 & 657305500424. Copy of the said documents is annexed hereto and marked as **Annexure E**.
12. The aforesaid documents furnished by ICICI Bank revealed the following information:
Account details for A/c No. - 091605500399

Page 5 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



435
429

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

Particulars	Details
A/c Name	M/s Bourse India Investment Advisor
A/c Type	Current Account
PAN	AANFB7695P
Constitution	Partnership
Communication address	EB-303, Scheme no. 94, Infront of Bombay Hospital, Indore - 452001, Madhya Pradesh.
Mobile no.	9407075770
Email id	shenkey06@gmail.com
Date of Incorporation	16/04/2014
Authorized Signatory	Shenkey Chaurasia (Partner)
Type of Industry	Consultancy in Shares & Commodity Market
Nature of Business	Services
Ownership details	1) Shenkey Chaurasia (Partner) PAN: ATJPC5720H Residential Address: 273, Hirdenagar (Part-1), Gram-Hiradenagar, Tehsil-Mandal, Madhya Pradesh-481661 2) Aakash Joshi (Partner) PAN: AINPJ4355Q Residential Address: Ghar no.261-A, Trimurti Nagar, Subhas Chandra Bose Statue, Dhar, Madhya Pradesh-454001 3) Hariom Sharan Patel (Partner) PAN: BFLPP9443M Residential Address: Village- Malaigawan, PO-Patcha, Rewa, Madhya Pradesh-486001 4) Gaurav Kumar (Partner) Passport No.: K8868419 Residential Address: 1/3495, Ram Nagar Extension, Loni Road, Shahdara, Delhi-110032
Bank statement	Period of statement - 10/05/2014 to 12/01/2016 Credits received during the period - INR 83,94,221.70/- Account closure date - 12/01/2016

Page 6 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड़, इन्दौर - 452010 (म.प्र.)
दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : Indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)
Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



434

428

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

Account details for A/c no - 657305500424

Particulars	Details
A/c Name	M/s BIS Capital Investment Advisor
A/c Type	Current Account
PAN	BFLPP9443M
Constitution	Sole Proprietorship
Communication address	504, The Mark Building, Saket Square, Indore, Madhya Pradesh-452001
Residence address	Village - Malaigawan, PO - Pateha, Rewa, Madhya Pradesh -486001.
Mobile no.	8109010109
Email id	info@biscapital.com
Date of Incorporation	15/06/2015
Authorized Signatory	Hariom Sharan Patel (Proprietor)
Type of Industry	Financial Advisory Services
Nature of Business	Services
Type of profession	Advisory
Bank statement	Period of statement - 10/09/2015 to 27/02/2017 Credits received during the period - INR 72,61,982.72/- Last transaction date - 27/02/2017

13. Similarly, the documents furnished by State Bank of India with respect to the bank account no. 33967632040 (copy annexed hereto and marked as **Annexure F**) revealed the following details:

Particulars	Details
A/c Name	M/s Bourse India Investment Advisor
A/c Type	Current Account
PAN	AANFB7695P
Constitution	Partnership
Communication address	Shop No. - 15, EB-303, Scheme no. 94, In front of Bombay Hospital, Indore - 452001, Madhya Pradesh.
Mobile no.	9407075770
Email id	shenkey06@gmail.com
Date of Incorporation	16/04/2014

Page 7 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)
दूरभाष : 0731-2557003/04/05 टेलीफैक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)
Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



433

425

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

Particulars	Details
Mode of operation	Any one
Nature of Business	Stock Market Advisor
Authorized Signatory	Hariom Sharan Patel and Aakash Joshi (any one)
Ownership details	1) Shenkey Chaurasia (Partner) PAN: ATJPC5720H Residential Address: 273, Hirdenagar (Part-1), Gram-Hiradenagar, Tehsil-Mandal, Madhya Pradesh-481661 2) Aakash Joshi (Partner) PAN: AINPJ4355Q Residential Address: Ghar no.261-A, Trimurti Nagar, Subhas Chandra Bose Statue, Dhar, Madhya Pradesh-454001 3) Hariom Sharan Patel (Partner) PAN: BFLPP9443M Residential Address: Village- Malaigawan, PO-Pateha, Rewa, Madhya Pradesh-486001 4) Gaurav Kumar (Partner) PAN: CSTPK6551R Residential Address: 1/3495, Ram Nagar Extension, Loni Road, Shahdara, Delhi-110032
Bank statement	Period of statement - 15/07/2014 to 02/12/2015 Credits received during the period - INR 22,85,265/- Account closure date - 02/12/2015

14. The examination of SEBI also revealed that Hariom Sharan Patel, Proprietor of BIS Capital Investment Advisor (hereinafter referred to as "BIS Capital") is registered with SEBI. Further, the following information was also gathered from the said registration documents:

- The aforesaid registration was obtained from SEBI on August 18, 2015.
- As per the declaration submitted by Mr. Hariom Sharan Patel along with the application dated July 09, 2015, he has declared that he was not involved in investment advisory business prior to making the said application. Copy of the same is annexed hereto and marked as **Annexure G**.

Page 8 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731-2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



424
432

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

c) The registered website of the entity, as submitted at the time of registration was www.biscapital.com.

15. As per the "Whois" report retrieved from website-DomainBigdata.com, it was observed that the website creation date for the websites of Bourse India & BIS Capital are (Copy of the report is annexed hereto and marked as **Annexure H**)-

Entity Name	Website URL*	Creation date
Bourse India	www.bourseindia.com	March 09, 2014
BIS Capital	www.biscapital.com	May 15, 2015

*Both the websites are currently inactive

16. From the disclosures made on the website www.bourseindia.com, bank account details and the account statements, documents furnished by EBS payment gateway, the above stated factual details, the following is *prima facie* observed:

- a) Noticee no.1 was involved in providing investment advisory services through its website www.bourseindia.com.
- b) Noticee no.1 is a partnership concern with 4 partners- a). Mr. Shenkey Chaurasia (PAN: ATJPC5720H), b). Mr. Aakash Joshi (PAN: AINPJ4355Q), c). Mr. Hariom Sharan Patel (PAN: BFLPP9443M) & d). Mr. Gaurav Kumar (PAN: CSTPK6551R).
- c) The total credits received in the bank accounts of Noticee no. 1, as per the bank statements received from ICICI & SBI, are tabulated below-

S. No.	A/c Name	A/c Number	Period of statement	Credits received (in INR)	A/c closure date
1.	M/s Bourse India Investment Advisor	091605500399	10/05/2014 to 12/01/2016	83,94,221.70/-	12/01/2016
2.	M/s Bourse India Investment Advisor	33967632040	15/07/2014 to 02/12/2015	22,85,265/-	02/12/2015
Total				1,06,79,486.70/-	

d) It can be seen from the above table that the Noticee no. 1 has mobilized INR 1,06,79,486/- in both the accounts.

Page 9 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड़, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



431
423

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

- e) The Noticee no. 1 is not registered with SEBI as an investment adviser while rendering advisory services in securities market during the relevant period. Subsequently, one of the partners of Noticee no. 1 viz., Mr. Hariom Sharan Patel, i.e., Noticee no.4 in capacity of Proprietor of his firm viz., BIS Capital Investment Advisor, has got registered as an Investment Advisor with SEBI w.e.f. August 18, 2015.
- f) The examination of the application filed by Noticee no. 4 seeking the aforesaid registration indicates that it has been declared therein that Noticee no. 4 was not involved in investment advisory business prior to making the aforesaid application.
- g) It is noted from the bank account transactions of Noticee no. 1, that it was receiving credits till December 2015 (through NEFT transactions / payment gateway EBS), even after Mr. Hariom Sharan Patel had obtained registration from SEBI for his proprietorship concern - BIS Capital w.e.f. August 18, 2015.
17. In view of the aforesaid factual details which indicate that the Noticee no. 1 was holding itself out as an investment adviser, it is *alleged* that the Noticees viz., Bourse India & its partners viz. Mr. Shenkey Chaurasia, Mr. Aakash Joshi, Mr. Hariom Sharan Patel & Mr. Gaurav Kumar were engaged in 'investment advisory' activities without obtaining the certification of registration from SEBI as an investment adviser. Therefore, it is alleged that the Noticees have violated Regulation 3(1) of SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as "IA Regulations") read with Section 12(1) of the SEBI Act, 1992 (hereinafter referred to as "the SEBI Act"). Further, the amounts credited in the bank accounts directly or through payment gateway are also alleged to be received as fee towards the services rendered as investment advisor.
18. Further, the Noticees through the website viz. www.bourseindia.com, knowingly misrepresented that it is a stock advisory company which provide expert recommendations for Stock Cash, Stock Futures, Stock Options, etc., and has concealed the truth that it was not authorized to make recommendation and provide advisory services to investors to deal in securities market and, therefore, induced the general public to deal in securities. The said activities are, *prima facie*, fraudulent and fall d under the definition of 'fraud' under Regulation 2(1)(c) of the PFUTP Regulations. Therefore, it is alleged that the Noticees have violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act and Regulations 3 (a), (b), (c) and (d), 4(1) and 4(2)(k) of the PFUTP Regulations.
19. In light of the above, the aforesaid Noticees are hereby called upon to show cause as to why suitable directions under Sections 11(1), 11(4), 11(B) (1) of the SEBI Act, 1992 including direction of refund

Page 10 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



430
4/20

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

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

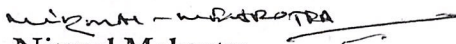
20. The written submissions of the Noticees, if any, along with documentary evidences that the Noticees choose to rely upon in support of their submissions, should reach the undersigned, at the address given below and also in softcopy (in MS Word format) by e-mail at email-ids amitn@sebi.gov.in, and nirmalm@sebi.gov.in, within 21 days from the date of receipt of this Notice, failing which it shall be construed that Noticees have no reply to submit and the matter shall be proceeded on the basis of the material available on record.

**Securities and Exchange Board of India
Indore Local Office**

**104-105, Satguru Parinay, Opposite C-21 Mall,
A.B. Road, Indore - 452010, Madhya Pradesh.**

21. The Noticees may also indicate in its reply whether it is desirous of a personal hearing before the Whole Time Member, SEBI, in the matter. The Noticees are advised to keep SEBI informed about the change in their correspondence address, if any, till the proceedings in the extant matter are complete.
22. The Noticees are also advised to keep SEBI informed about the change in the correspondence address, if any, and provide updated email-id and phone numbers, till the proceedings are complete. Noticees are also advised to submit a photocopy of Income Tax Permanent Account Number Card (PAN card), bank account details, demat account details, mutual fund investment details, etc. along with details of other movable and immovable assets for our record.
23. The Noticees may also note that a settlement mechanism is provided under the SEBI (Settlement Proceedings) Regulations, 2018. If the Noticees wish to opt for the settlement process, they may apply for the same in the manner given in the aforesaid regulations under intimation to the undersigned. Further, the Noticees may note that filing of settlement application does not confer any right to seek the settlement of the proceedings.

Yours faithfully,


Nirmal Mehrotra

Enclosures: As above

Page 11 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



429

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

Documents	Annexure
Copy of the complaint from Mr. Shashidhara N.	A
Screenshots of the webpages www.bourseindia.com.	B
Merchant details submitted by EBS payment gateway.	C
AOF / KYC details shared by ICICI Bank with respect to Bank Account Nos. 091605500399 & 657305500424.	D
Bank statement provided by SBI with respect to account no. 33967632040	E
Declaration submitted by Mr. Hariom Sharan Patel along with his application for seeking SEBI registration.	F
Website creation date for the websites of Bourse India & BIS Capital as the "Whois" report.	G
Result from search made on SEBI's website regarding registration of Bourse India.	H

Page 12 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड़, इन्दौर - 452010 (म.प्र.)
दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)
Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



५०८

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

The relevant provisions of the IA Regulations, PFUTP Regulations and the SEBI Act are reproduced hereunder:

Relevant provisions of IA Regulations:

Regulation 2(m) of IA Regulations defines 'investment adviser' as under:

"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.

Regulation 3(1) of IA Regulations specifies the following:

"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."

Relevant provisions of PFUTP Regulations:

2. (1) In these Regulations, unless the context otherwise requires,—

(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 does not believe it to be true;
- (3) an active concealment of a fact by a person having knowledge or belief of the fact;
- (4) a promise made without any intention of performing it;
- (5) a representation made in a reckless and careless manner whether it be true or false;
- (6) any such act or omission as any other law specifically declares to be fraudulent,

Page 13 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



429
419

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

- (7) deceptive behaviour by a person depriving another of informed consent or full participation,
- (8) a false statement made without reasonable ground for believing it to be true.
- (9) the act of an issuer of securities giving out misinformation that affects the market price of the security, resulting in investors being effectively misled even though they did not rely on the statement itself or anything derived from it other than the market price.

And "fraudulent" shall be construed accordingly; Nothing contained in this clause shall apply to any general comments made in good faith in regard to— (a) the economic policy of the government (b) the economic situation of the country (c) trends in the securities market or (d) any other matter of a like nature whether such comments are made in public or in private;

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

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

Page 14 of 15

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफेक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in

104 & 105, 1st Floor, Satguru Parinay. Opp. C-21 Mall, A.B. Road, Indore - 452010 (M.P.)

Phone : 0731-2557003/04/05, Telefax : 0731 - 2557002 E-mail : indore-lo@sebi.gov.in



426
2/18

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

(k) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading and which is designed or likely to influence the decision of investors dealing in securities;

Relevant provisions of the SEBI Act:

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

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

12A. No person shall directly or indirectly—

- (a) use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a 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;

स्थानीय कार्यालय-इन्दौर / Local Office - Indore

104-105, प्रथम मंजिल, सतगुरु परिणय, सी-21 मॉल के सामने, ए.बी. रोड, इन्दौर - 452010 (म.प्र.)

दूरभाष : 0731-2557003/04/05 टेलीफैक्स : 0731- 2557002 E-mail : indore-lo@sebi.gov.in