



QJA/SS/WRO|RRD/WRO-DIV-1|RRD-WRO/31529/2025-26

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTIONS 11(1), 11(4) AND 11B (1), 11B(2) READ WITH SECTION 15HB AND 15EB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995 IN RESPECT OF RAHUL DANGI, PROPRIETOR OF MARKET GAINER AND STAR INFOTECH IT SOLUTIONS (PAN – DZZPD2477M).

In the matter of Unregistered Investment Advisory Services

BACKGROUND:

1. The Securities and Exchange Board of India ('SEBI') received two complaints – one against Market Gainer ('MG') (Proprietor: Rahul Dangi) vide e-mail dated July 07, 2020 and another against Star Infotech IT Solutions ('SIITS') (Proprietor: Rahul Dangi) vide letter dated June 06, 2023. The complaints, *inter alia*, alleged as follows:
 - i. A representative of MG had called the complainant for providing tips/call on securities market and gave assurance for profit on every call/tips. MG had charged the complainant Rs. 2,000 for providing calls. Thereafter, MG had done trading in the complainant's accounts and had booked loss.
 - ii. SIITS had called the complainant in first week of May 2023 and convinced him to take company services for which SIITS took fees from the complainant. The complainant did not receive proper services and when he complained about the same he was asked to pay more. The complainant was provided 2 days' services and on May 08, 2023 SIITS took more money from the complainant in the name of Jackpot Call but the complainant did not receive any service. The complainant did not receive any proper Stop Loss/target or service and incurred heavy losses. After 6-7 days, the entity stopped responding to his calls.
2. The complainants had further provided screenshots of Whatsapp chat held with MG/SIITS. From the screenshots, it was observed that MG was providing tips/calls to the complainant to buy/sell in the stock market as follows:



“BUY NIFTY 2ND JUL 10400 CE AT 58 SL 38 TGT 88/98- QTY. 10 LOTS”

“Buy same 21500 ce only above 320 SL 277. Target open.”

“Buy bn 21600 ce 2nd jul”

Similarly, SIITS was providing tips as below:

“420 ka target lga lijiye”

“Sir aap. Ik km kijiye 380 ka target lga lijiye”

SIITS was also observed to be providing assurance of recovering the losses incurred by complainant.

3. The complainant had also provided copy of two e-mails received from the e-mail id ‘info@starinfotechitsolutions.com’, which is the e-mail id for contact mentioned on the website of SIITS. From the email, it was observed that SIITS was providing tips regarding Index Options for 5 months (May 10, 2023 – October 09, 2023) and charging Rs. 3,50,000. Further, it was mentioned in the e-mails that SIITS had already received the service amount of Rs. 1,50,000 and the remaining amount was Rs. 2,00,000. Screenshots of payment of Rs. 50,000 made on May 10, 2023 and payment of Rs. 5 and Rs. 99,995 made on May 11, 2023 to SIITS were also provided by the complainant.
4. On the basis of the above, SEBI examined the matter and the *prima facie* findings of SEBI into the affairs of the MG and SIITS were as under:
 - i. None of MG, SIITS or Rahul Dangi (the proprietor of MG and SIITS) are registered with SEBI in any capacity.
 - ii. The website “www.marketgainer.in” was created on July 25, 2017.
 - iii. From the screenshots taken of the website of MG, it was observed that the website stated the following:
 - The company provides recommendations for Stocks, Cash and F&O trades in NSE and commodities, bullion, metals and agro-commodities traded in MCX, NCDEX.
 - The company works with various kinds of strategies to delight the customers by providing continuous profit in the market.



- The company offers diversified range of services as per the investments of an investor, trader and broker.
 - Under Services tab in website, the following are displayed:
 - *Stock Cash Tips*
 - *Stock Futures Tips*
 - *Nifty Future Tips*
 - *Option Tips*
 - *Base Metals*
 - *Energy Pack*
- iv. Further, the website hosted a client testimonial stating that commodity tips are excellent and he realized that Market Gainer is the best commodity tips provider in India. The testimonial further stated *“Hats off to your Research Team for providing so accurate commodity tips.”*
- v. A page on the website displayed pricing structure for various services provided by MG as follows:
- *Stock Cash Tips*

“In this service we provide you the Best Products ever for market gainer is Stock Cash Tips or Equity Tips. In this service you can get Daily 2-3 Equity Tips calls and highly beneficial for normal traders who do not have much knowledge in the Indian stock market. In these calls we recommend Stock cash market tips calls, all the stocks we will recommend will be leading stocks of good companies of India. All the stock and share tips calls provided under this package will be 100 % intraday basis tips calls.”
 - *Stock Future Tips*

“The Most demanded product, Stock Futures Tips are one way to hedge your investments so that no single market fluctuation can ruin your portfolio. This service is especially for future market traders. Stock futures trading can provide new opportunities for managing the price risks inherent in volatile stock markets as well as profiting from expected price movements in these markets, at very nominal cost.”



- vi. The website “www.starinfotechsolutions.com” was created on January 07, 2023.
- vii. From the screenshots taken of the website of SIITS, it was observed that the website stated the following:
- The company provides various services, viz., API Bridge, Auto Buy & Sell Signal, Strategy Development, Algo Trading, etc.
 - The company has displayed 8,500 customers, 23,000 web visitors and 1,500 call back requests on its website.
 - Further under Services>Custom Services tab on the website, the following are displayed:
 - *Trial Services*
 - *Stock Cash Tips*
 - *Stock Future Tips*
 - *Stock Option Tips*
 - *Index Option Tips*
 - *Commodity Tips*
 - *Nifty Future*
 - Under Stock Cash Tips, following are displayed:
 - *Stock Cash Tips Normal*
 - *Stock Cash Premium*
 - *Stock Cash HNI*
 - *Stock Cash Customised Pack*
 - It is further stated that they are best research firm for stock cash tips. Star Infotech provides stock cash tips, free stock cash tips, positional tips, Intraday Trading Strategies
 - Under Stock Future Tips, following are displayed:
 - *Stock Future Tips Normal*
 - *Stock Future Tips Premium*
 - *Stock Future Tips HNI*
 - *Stock Future Tips Customised Pack*
 - The features for Stock Future Tips are also displayed under Index Option Tips, Commodity Tips and Nifty Future.



5. Further, the websites ‘www.marketgainer.in’, ‘www.starinfotechitsolutions.com’ and Whatsapp chats with complainants mentioned the following bank accounts for receiving payments from clients for providing stock market tips:

Sl. No	Bank Name	Account No	Account Name
1	ICICI Bank	05*****53	Market Gainer (Proprietor: Rahul Dangi)
2	Axis Bank	92*****81	Star Infotech IT Solutions (Proprietor: Rahul Dangi)
3	HDFC Bank	50*****81	Star Infotech IT Solutions (Proprietor: Rahul Dangi)

6. Additionally, it was observed from the bank statements (Axis and HDFC Bank) of SIITS that the money has also been transferred to the bank account number 11*****65 held in the name of Rahul Dangi with ICICI Bank. On perusal of the bank statement of abovementioned 4 bank accounts of SIITS/MG/Rahul Dangi and the details as provided by the complainants, it was observed that following credit had been received in the bank accounts of SIITS/MG/ Rahul Dangi:-

Bank Name	Account Number	Account Name	Period of Bank Statement	Total Credit Amount (in Rs.)
ICICI Bank	05*****53	Market Gainer (Proprietor: Rahul Dangi)	06/01/2018-02/09/2020	59,89,989.01
ICICI Bank	11*****65	Rahul Dangi	30/07/2019-18/12/2023	6,42,626 [#]
Axis Bank	92*****81	Star Infotech IT Solutions (Proprietor: Rahul Dangi)	14/12/2022-14/03/2024	52, 33,258.01
HDFC Bank	50*****81	Star Infotech IT Solutions (Proprietor: Rahul Dangi)	09/02/2023-14/03/2024	1, 60, 83,091.60
Total				2,79,48,964.62

#Credit considered based on the narration indicating investment advisory fees/charges/deposits in bank statement



7. SEBI, vide letters dated December 03, 2021 and June 28, 2024, advised SIITS, MG and Rahul Dangi to provide information regarding the details of its investment advisory activities. However, no reply was received from SIITS/MG /Rahul Dangi.

SCN AND HEARING

8. Pursuant to the above examination, SEBI issued a Show Cause Notice ('SCN') No. SEBI/WRO/ILO/AK/OWP/01208/1/2025 dated January 10, 2025 to Market Gainer (Proprietor Rahul Dangi) and Star Infotech IT Solutions (Proprietor Rahul Dangi) alleging that they were engaged in providing Stock Market Tips without obtaining registration from SEBI in violation of Section 12(1) of the SEBI Act, 1992 ('the SEBI Act') read with regulation 3(1) of SEBI (Investment Advisers) Regulations, 2013 ('the IA Regulations').
9. MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) were called upon to show cause as to why suitable directions including direction to refund, under Sections 11(1), 11(4), and 11B (1) of the SEBI Act, 1992 be not issued against it and/or penalty as deemed fit under Section 11(4A) and 11B (2) read with Sections 15HB and Section 15EB of the SEBI Act, 1992 should not be imposed upon them. The SCN was dispatched by Inland Speed Post at the following two addresses:

Address 1: 335, Vidihsa Road, Kalyan Nagar, Huzur, Bhopal, Madhya Pradesh – 462037

Address 2: BTM Layout, 2nd Main, 1st Cross, Bangalore – 560078, Karnataka

10. The SCN sent to both the addresses returned undelivered. The SCN could not be delivered through Market Infrastructure Institutions as well. Thereafter, the SCN was published in Times of India (Bangalore and Bhopal edition), Vijaya Karnataka (Bangalore Edition) and Patrika (Bhopal Edition) on April 10, 2025. However, no response to the SCN has been received from the MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi). Thereafter, a Hearing Notice was published in Times of India (Bangalore and Bhopal edition), Vijaya Karnataka (Bangalore Edition) and Patrika (Bhopal Edition) on May 21, 2025 providing MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) with an opportunity of personal hearing on May 28, 2025. However, MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) did not appear for hearing. Further, no communication whatsoever has been received from MG



(Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) till date. Thus, it is noted that he has chosen not to respond in these proceedings despite service of notices upon him.

11. It is noted that the MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) have neither filed any reply nor have availed the opportunity of personal hearing despite service of notices upon them. In the facts and circumstances of this case, I am of the view that MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) have nothing to submit and in terms of rule 4(7) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ('the Adjudication Rules') the matter can be proceeded *ex-parte* on the basis of material available on record. In absence of any response from the MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi), it is presumed that they have admitted the charge of provisions as alleged in the case. In this regard, the observations of Hon'ble Securities Appellate Tribunal (SAT) in the matter of **Classic Credit Ltd. vs. SEBI (Appeal No. 68 of 2003 decided on December 08, 2006)** are relevant to rely upon wherein it has observed that- "*... the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show cause notice were admitted by them*". Further, the Hon'ble SAT in the matter of **Sanjay Kumar Tayal & Others vs SEBI (Appeal No. 68 of 2013 decided on February 11, 2014)**, has, *inter alia*, observed that: "*... appellants have neither filed reply to show cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges levelled against them in the show cause notices...*" Similarly, Hon'ble SAT in the matter of **Dave Harihar Kirtibhai vs SEBI (Appeal No. 181 of 214 dated December 19, 2014)**, observed that: "*...further, it is being increasingly observed by the Tribunal that many persons/entities do not appear before SEBI (Respondent) to submit reply to SCN or, even worse, do not accept notices/letters of Respondent and when orders are passed ex-parte by Respondent, appear before Tribunal in appeal and claim non- receipt of notice and do not appear and/or submit reply to SCN but claim violation of principles of natural justice due to not being provided opportunity to reply to SCN or not provided personal hearing. This leads to unnecessary and avoidable loss of time and resources on part of all concerned and should be eschewed, to say the least. Hence, this case is being decided on basis of material before this Tribunal...*"



CONSIDERATION OF ISSUES AND FINDINGS

12. In view of the above, I find that MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) are deliberately keeping away from the proceedings and have apparently admitted the allegations in the SCN. I have carefully considered the allegations and charges levelled against MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) and relevant material relied upon in this case. It is pertinent to refer to the applicable provisions the SEBI Act and the IA Regulations and as charged in this case. Section 12(1) of the SEBI Act which starts with a negative command provides as under: -

“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”*

13. Regulation 3(1) of the IA Regulations, also mandates that 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 the said Regulations. Regulation 3(1) reads as under:

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”.

14. The word “investment adviser” has been defined in regulation 2(1)(m) of the IA Regulations to mean “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 the 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. Thus, any person who acts as an investment adviser or holds out to be acting as such without obtaining registration from SEBI contravenes the provisions of section 12(1) of the SEBI Act and 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 15HB (before March 08, 2019) and Section 15EB (March 08, 2019 onwards) of the SEBI Act read with rule 4 of the Adjudication Rules.
16. In the instant case, the charge is that the MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) had engaged in investment advisory activities without obtaining registration from SEBI and collected Rs. 2,79,48,965 (Two Crore Seventy-Nine Lakh Forty-Eight Thousand Nine Hundred and Sixty-Five Rupees) as fees during January 2018 to March 2024 from clients/investors towards their unregistered investment advisory activities. The Whatsapp chats show payment of money to MG and SIITS in ICICI bank account number 05xxxxxxxxx53 and Axis Bank account number 92xxxxxxxxxxx81, respectively. The emails received from info@starinfotechitsolutions.com wherein SIITS was providing tips related to security market products confirm that the MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) were engaged in giving investment advice for fees and charges to their clients. The material on record shows that they allured clients by making calls enticing them to take their services for tips/calls in securities market. The clients either suffered losses or did not receive proper services.



17. I further note that the website of MG provided various services, viz., Stock Cash Tips, Stock Futures Tips, Nifty Future Tips, Option Tips, Agri Commodity etc. along with client testimonials of the services provided. The website snapshots serve as evidence of the services provided by MG, some of which are reproduced as follows:

About The Market Gainer

Market Gainer basically provides the recommendations for Stocks- Cash and F&O traded in NSE and commodities bullion, metals and agro-commodities traded in MCX, NCDEX. We work with various kinds of strategies to delight the customers by providing continues profit in the market. We offer diversified range of services as per the investments of an investor, trader and broker. We strictly follow the basic principles of investment.

We provide the recommendation on technical basis by keeping eyes on fundamentals with appropriate risk & reward ratio. We always keep transparency in our services & make realistic commitment to our clients.

We provide recommendations to our clients through SMS and Voice. Our SMS facility is a very efficient system ensuring the instant delivery of Message without any loss of time. So, the clients get adequate time to enter into the trade and fetch the maximum profit.

When clients come to us, we try to guide them and make them understand how this particular stock will give more return. Our team of experienced technical analyst across our country make sure under any condition clients investments should gain profit. Over the years we have seen we are growing well, many of our clients are repeatedly coming to us.

Finding the right time to invest in a particular stock is a key to success. One has to maintain the basic principles of investment, is to buy low and sell high. Best time to buy the stock whose fundamental are good when the prices are as low. This is the key factors and tips that you need to look at when finding the best time to buy the best stocks of your choice.



OUR SERVICES

- > Stock Cash Tips
- > Stock Futures Tips
- > Nifty Future Tips
- > Option Tips
- > Base Metals
- > Energy Pack
- > Agri Commodity



Commodity

We offer the promise of high success rates NCDEX calls. In the Agri Pack we recommend for those who trade in agro products such as Cardamom, Coriander, Jeera, Pepper, Turmeric, Soy Bean, Chana, guar. We provide tips calls on the basis of Our Highly Experienced and qualitative tips of the market trends, our predictions are highly accurate and deemed reliable by investors and traders.

- ✓ We cover agri commodities like Jeera, Chana, Cardamom, Guar gum, Guar seed, Turmeric etc.
- ✓ 2-3 recommendation daily.
- ✓ 2 TGS & 1 SL
- ✓ Medium of the calls would be SMS & Messenger
- ✓ Timely Entry & Exit Updates
- ✓ Proper Follow ups of calls on messenger & Phone



Future Tips

Nifty Future is a very volatile category of Indian stock market. No one knows where it will go on an intraday basis. Our tips analyst will give proper feedback on Nifty Future in the intraday market. We are having a good track record in nifty and our clients are earning good money with this. Nifty is easy to trade so most of Indian traders like to trade in Nifty Future. So TradeNinja is having a product Nifty Future for its clients. We are giving 1 or 2 calls daily in Nifty Future Tips. So if you are looking for Nifty Future tips calls then do not wait. Subscribe with us at nominal cost and high returns.

- ✓ Best 1-2 calls on an Intraday basis.
- ✓ We provide Nifty & Bank Nifty Trend
- ✓ 100% Pure Intraday Calls
- ✓ Proper follow up through SMS and Messenger
- ✓ 2 Target & 1 Stoploss
- ✓ 24/7 customer support



Option Tips

The most genuine product we are having in Option tips calls. Under this you will get Stock & Index Options tips calls, on an intraday basis no positional calls will be given by us in this package. Options Trading is not an easy task.

Our team looks after all your trading needs in this service and provides you the best in the market. This package is good value for money. All Options tips calls provided under this section will be 100% Intraday. No holding calls will be given. You can get this service at very nominal cost by credit card or netbanking facility and start trading instantly.

- ✓ 2-3 Stock Option & 1 Index Option calls/Day.
- ✓ We provide Nifty & Bank Nifty Trend
- ✓ 100% Pure Intraday Calls
- ✓ Proper follow up through SMS and Chat room
- ✓ 2 Target & 1 Stoploss
- ✓ 24/7 customer support





CLIENT TESTIMONIALS

// Good and highly accurate Recommendations. Your Commodity Tips by are excellent. From the Free Trial itself I realized that MARKET GAINER is th Commodity Tips provider in India. Hats off to your Research team for provid Accurate Commodity Market Tips

18. Further, the following snapshots of the MG website serve as clinching evidence of the amount being charged from investors for providing investment advisory services:

Normal Services				
Pricing	Monthly	Quarterly	Half Yearly	Yearly
Cash	7,000.00	18,000.00	30,000.00	45,000.00
Stock future	11,111.00	28,000.00	64,000.00	80,000.00
Nifty Future	8,000.00	15,000.00	28,000.00	45,000.00
Stock Option	7,500.00	18,000.00	25,000.00	40,000.00
Index option	12,500.00	20,000.00	36,999.00	65,000.00
Bullion	11,500.00	18,000.00	30,000.00	48,000.00
Base Metals	8,500.00	17,500.00	34,000.00	53,000.00
Energy	7,500.00	16,000.00	29,500.00	44,500.00
Agri comm	6,000.00	11,999.00	24,999.00	49,999.00
Mcx Combo	16,000.00	28,000.00	45,000.00	65,000.00

19. Similarly, the website of SIITS provided various services, viz., API Bridge, Auto Buy & Sell Signal, Strategy Development, Algo Trading, etc. It displays 8,500 customers and a host of services and stock tips and packages akin to investment advisory services. The website snapshots serve as evidence of the services provided by SIITS, some of which are reproduced herein:



4/2/24, 11:24 AM
Star Infotech IT Solutions

Auto Buy & Sell Signal – Star Infotech IT Solutions



STAR INFOTECH IT SOLUTIONS



- Home
- About
- Services
 - API Bridge
 - Algo Trading
 - Auto Buy & Sell Signal
 - Strategy Development
 - Custom Services
 - Trial Services
 - Stock Cash Tips
 - Stock Future Tips
 - Stock Option Tips
 - Index Option Tips
 - Commodity Tips
 - Nifty Future
- Pricing

Commodity Tips Normal

We at Star Infotech , Track the global and commodity market to provide you the Right Commodity Tips at the Right Time and at Right Price. Purely Intraday Calls in Commodities for Full time traders and Stock Brokers to trade maximum and to earn maximum. This Commodity Tips Includes a pack of Bullion Tips, Energy Tips and Base Metals Tips.

Star Infotech always offers Best Commodity Tips for our customers. Our well experienced research team provides intraday tips in Base Metals (Lead, Aluminum, Copper, Nickel, Zinc etc.)

Energy (Crude Oil, Menthol Oil, Natural Gas) and Precious Metals (Gold and Silver) to our clients.

The Commodity market Tips is one of the best investment areas where an individual with limited capital can make huge profits in a quite short period. This is because this market is not driven by luck or knowledge, but

purely by the forces of demand & supply. Commodities that traded are split into two types:

Commodity Tips On Mobile are very useful for those customers, Who want to invest in Silver & Gold Commodity. The updates based on our highly experienced research team.

Features:

Proper targets & stop loss will be given in each call.

Support : 24*7

Accuracy : 70-75%

Daily : 3-5 calls daily

Follow Ups : Yes

Minimum Investment-60,000 for offline Traders

Minimum Investment- 1-1.5lacs for online Traders

Medium:

Calls will be given on SMS & C

India: All GSM & CDMA networks covered.

Globe: Around 650 worldwide networks covered.



Index Option Tips HNI

Star Infotech Provides Stock Future Tips for all investors in India. As a leading Indian Stock Future Tips Provider in India, We offer a wide range of stock market recommendations. It is important that you put in and take out money from the stock at the right time. We at Star Infotech Investment Research help you in doing this with our Stock Future Tips. We help you in taking right decisions such as booking profit, partial profit, loss balancing and stop-loss related to the stocks that you are buying. We assure you that We Would help you with rising profits and hence minimizing the stock market risk. Keep a track of our free trial calls and you would be able to figure out the accuracy of our research and therefore do trading with us your favorite. We at Star Infotech Investment Research help you in doing this with our Stock Future Trading Tips. We help You in taking decisions like booking profit, partial profit, stop loss and loss balancing related to the Stocks that you own. One of which is that the Traders and Investors can take a long-term view on the Stocks using Best Future Stock. Also, they provide high leverages and are often used as a hedging tool.

Our Features:

- ☑ Proper targets & stop loss will be given in each call.
- ☑ Support : 24*7
- ☑ Accuracy : 80-85%
- ☑ Daily : 1-2 Index options calls daily
- ☑ Follow Ups : Yes

Medium:

Calls will be given only on SMS
India: All GSM & CDMA networks covered.
Globe: Around 650 worldwide networks covered.

Nifty Future Tips: Normal

Star Infotech Tips To Its Clients Who are interested in doing the trade in Nifty Future rather Than in NSE and BSE. Nifty Future Tips Provided by Star Infotech Include Details Regarding the Nifty & Bank Nifty Market levels, Bank Nifty Future tips and Related Factors. We also provide our clients with planned strategies that help them to achieve their Nifty Trade Targets and Make big Profits.

With a team of our technical experts who specialize in determining Calls in Nifty Future, They Provide you the Best Nifty Future Tips in the market. Nifty Future a very volatile category of Indian Nifty Market. No one know where it will go in intraday basis. These calls help our clients make huge profit and minimize the risk. With the help of up to two calls every day, You Get a Good Opportunity to make regular investments and harvest profits. Apart from all this, you can benefit yourself with the help of our Nifty Future Tips Which Would be offered to you through our regular follow ups, daily and weekly newsletters, 24 hour customer support, SMS and instant messenger facility. All this helps you in understanding the all details related to Nifty Market.

Our Features:

- ☑ We provide you Nifty Future Calls Nifty & Bank Nifty Levels. We provide you call through sms or company messenger lab.
- ☑ Proper targets & stop loss will be given in each call.
- ☑ Support : 24*7
- ☑ Accuracy : 70-75%
- ☑ Daily : 4-5 calls IN NIFTY & BANK NIFTY Daily
- ☑ Follow Ups : Yes

Benefits of Our Nifty Future Service:

We offer tips on Intraday Nifty Future Tips that are driven by Complete and Thorough Analysis and Study of the Market.
We Ensure to offer accurate recommendation.
You Could rely on all our recommendations as they are accurate at their best.



20. Further, the following snapshots of the SIITS website serve as evidence of the amount being charged from investors and bank accounts in which money for providing investment advisory services was collected:

Trial Services	
Terms	Amount
Weekly for per segment	4999/-

Terms	Amount
Monthly	12500/-
Quarterly	22500/-
Half Yearly	49000/-
Yearly	90000/-

Terms	Amount
Monthly	22500/-
Quarterly	52500/-
Half Yearly	89500/-
Yearly	138500/-

Terms	Amount
Monthly	54999/-
Quarterly	89999/-
Half Yearly	155000/-
Yearly	215000/-

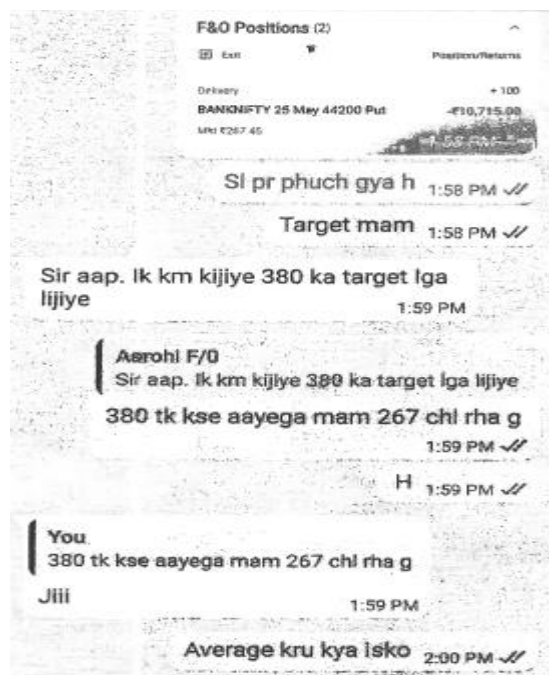
Terms	Amount
Monthly	75000/-
Quarterly	150000/-
Half Yearly	220000/-
Yearly	325000/-



	AXIS BANK
Bank name- Axis bank Account name- Star infotech It solutions A/c number- 92 [REDACTED] 81 Ifsc code-UTIB0002659 Account type- Current account	
	HDFC BANK
Bank name- HDFC Bank Account name- Star infotech It solutions A/c number- 50 [REDACTED] 81 Ifsc code-HDFC0001058 Account type- Current account	
	
Bank name- phonepe/ googl pay/ paytm Account name- Star infotech It solutions Mobile number- 96 [REDACTED] 28 Account type- Current account	

21. Additionally, I note from the Whatsapp chats provided by the complainants that trading calls were being provided by representative of MG to complainants:





22. Also, I note that fees for providing such trading related services by MG was being requested to be credited in the ICICI Bank account number 05*****53:



23. Further, from the material available on record, I note that the bank accounts in which money was collected (ICICI Bank account number 05*****53, Axis Bank account number 92*****81 and HDFC Bank Account Number 50*****81), as available on Whatsapp chats and website of SIITS are held in the name of the firms SIITS/MG with Rahul Dangi being the proprietor of both the entities.



24. Further, from the bank statements of the aforementioned Axis and HDFC Bank Accounts, I note that amount has also been transferred to ICICI Bank account number 11*****65 held in the name of Rahul Dangi. From the bank statements of the 4 bank accounts, it is observed that the following amounts were credited to the said accounts:

Bank Name	Account Number	Account Name	Period of Bank Statement	Total Credit Amount (in Rs.)
ICICI Bank	05*****53	Market Gainer (Proprietor: Rahul Dangi)	06/01/2018-02/09/2020	59,89,989.01
ICICI Bank	11*****65	Rahul Dangi	30/07/2019-18/12/2023	6,42,626.00 [#]
Axis Bank	92*****81	Star Infotech IT Solutions (Proprietor: Rahul Dangi)	14/12/2022-14/03/2024	52,33,258.01
HDFC Bank	50*****81	Star Infotech IT Solutions (Proprietor: Rahul Dangi)	09/02/2023-14/03/2024	1,60,83,091.60
Total				2,79,48,964.62

[#]Credit considered based on the narration indicating investment advisory fees/charges in bank statement

25. I find that from the material on record, i.e., website snapshots, bank statements, KYC documents, emails and Whatsapp chats provided by complainants, the only reasonable inference that can be drawn is that MG (Proprietor Rahul Dangi and SIITS (Proprietor Rahul Dangi) were providing investment advisory services without registration with SEBI.

26. I, therefore, find that Rahul Dangi, Proprietor – SIITS and MG 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.

27. I note that for seeking a certificate of registration for acting as an investment adviser, an entity is required to satisfy, *inter alia*, several requirements, as provided under the IA



Regulations including in terms of professional qualification and certification in securities market. IA Regulations also mandate for disclosures of any conflict of interest, risk profiling of clients, maintenance of records related to client assessments and the suitability of advice.

28. The prescriptions in the IA Regulations are intended to safeguard the interest of investors and curb the perpetration of unregistered entities entering the field of investment advisory services and indulging in unscrupulous market practices. In this case, the MG (Proprietor Rahul Dangi and SIITS (Proprietor Rahul Dangi) have been acting as investment adviser without obtaining registration from SEBI in accordance with IA Regulations as such they have been indulging in illegal and unlawful activities.
29. I note that the SCN has called upon the MG (Proprietor Rahul Dangi and SIITS (Proprietor Rahul Dangi) to show cause as to why suitable directions including direction to refund, under Sections 11(1), 11(4), and 11B (1) of the SEBI Act, 1992 be not issued against it and/or penalty as deemed fit under Section 11(4A) and 11B(2) read with Sections 15HB and Section 15EB of the SEBI Act, 1992 should not be imposed upon them. The relevant provisions of Sections 11(1), 11(4), 11(4A), 11B (1), 11B (2), 15EB and 15HB of the SEBI Act are reproduced below:

“Functions of Board.

11. (1) Subject to the provisions of this Act, it shall be the duty of the Board to protect the interests of investors in securities and to promote the development of, and to regulate the securities market, by such measures as it thinks fit.

(4) Without prejudice to the provisions contained in sub-sections (1), (2), (2A) and (3) and section 11B, the Board may, by an order, for reasons to be recorded in writing, in the interests of investors or securities market, take any of the following measures, either pending investigation or inquiry or on completion of such investigation or inquiry, namely: —

(a) suspend the trading of any security in a recognised stock exchange;

(b) restrain persons from accessing the securities market and prohibit any person associated with securities market to buy, sell or deal in securities;



(c) suspend any office-bearer of any stock exchange or self-regulatory organisation from holding such position;

(d) impound and retain the proceeds or securities in respect of any transaction which is under investigation;

(e) attach, for a period not exceeding ninety days, bank accounts or other property of any intermediary or any person associated with the securities market in any manner involved in violation of any of the provisions of this Act, or the rules or the regulations made thereunder:

Provided that the Board shall, within ninety days of the said attachment, obtain confirmation of the said attachment from the Special Court, established under section 26A, having jurisdiction and on such confirmation, such attachment shall continue during the pendency of the aforesaid proceedings and on conclusion of the said proceedings, the provisions of section 28A shall apply: Provided further that only property, bank account or accounts or any transaction entered therein, so far as it relates to the proceeds actually involved in violation of any of the provisions of this Act, or the rules or the regulations made thereunder shall be allowed to be attached];

(f) direct any intermediary or any person associated with the securities market in any manner not to dispose of or alienate an asset forming part of any transaction which is under investigation:

Provided that the Board may, without prejudice to the provisions contained in sub-section (2) or sub-section (2A), take any of the measures specified in clause (d) or clause (e) or clause (f), in respect of any listed public company or a public company (not being intermediaries referred to in section 12) which intends to get its securities listed on any recognised stock exchange where the Board has reasonable grounds to believe that such company has been indulging in insider trading or fraudulent and unfair trade practices relating to securities market :

Provided further that the Board shall, either before or after passing such orders, give an opportunity of hearing to such intermediaries or persons concerned.]

(4A) Without prejudice to the provisions contained in sub-sections (1), (2), (2A), (3) and (4), section 11B and section 15-I, the Board may, by an order, for reasons to be recorded



in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner.”

“Power to issue directions and levy penalty.

11B. (1) Save as otherwise provided in section 11, if after making or causing to be made an enquiry, the Board is satisfied that it is necessary, —

*(i) in the interest of investors, or orderly development of securities market; or
(ii) to prevent the affairs of any intermediary or other persons referred to in section 12 being conducted in a manner detrimental to the interest of investors or securities market; or*

(iii) to secure the proper management of any such intermediary or person, it may issue such directions, —

(a) to any person or class of persons referred to in section 12, or associated with the securities market; or

(b) to any company in respect of matters specified in section 11A, as may be appropriate in the interests of investors in securities and the securities market.

Explanation. —For the removal of doubts, it is hereby declared that the power to issue directions under this section shall include and always be deemed to have been included the power to direct any person, who made profit or averted loss by indulging in any transaction or activity in contravention of the provisions of this Act or regulations made thereunder, to disgorge an amount equivalent to the wrongful gain made or loss averted by such contravention.

(2) Without prejudice to the provisions contained in sub-section (1), sub-section (4A) of section 11 and section 15-I, the Board may, by an order, for reasons to be recorded in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner.”

Penalty for default in case of investment adviser and research analyst.

“15EB.*Where an investment adviser or a research analyst fails to comply with the regulations made by the Board or directions issued by the Board, such investment adviser*



or research analyst shall be liable to penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees.”

Penalty for contravention where no separate penalty has been provided

“15HB. Whoever fails to comply with any provision of this Act, the rules or the regulations made or directions issued by the Board thereunder for which no separate penalty has been provided, shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees.”

30. Section 11(1) is plenary duty of the Board. Section 11(4) list outs several choices of the Board to pass order for taking measures in the interests of investors or securities market. The SCN is unclear as to which choice is to be invoked. On careful reading of the provision of this sub-section, it is reasonably inferred that the possible direction in this case could be under section 11(4)(b) only. Further, section 11B(1) gives wide power to the Board to issue any direction to any person associated with securities market as may be appropriate in the interests of investors in securities and the securities market. I also note that the power under section 11B is *pari materia* the power under section 11(4A). In fact, the power under the both sections are nothing but a replica of each other in two different sections. This power is not intended for inflicting same monetary penalty twice under the charging sections referred in suction 11(4A) and replicated under section 11B (2).

31. Section 15HB of the SEBI Act, provides, as residue provision, penalty for a failure of compliance of the SEBI Act, rules and regulation made thereunder for which no separate penalty has been provided. Section 15EB which provides for failure by a research analyst or investment advisor to comply with regulations or directions issued by the Board was inserted in SEBI Act by Finance Act, 2018 w.e.f. March 08, 2019. The default in this case prior to March 08, 2019 will fall within the ambit of section 15HB and default occurring on or after March 08, 2019 will fall within purview of section 15EB. I proceed accordingly.

32. In the instant case, MG (Proprietor Rahul Dangi and SIITS (Proprietor Rahul Dangi) have been undertaking unregistered investment advisory services from January 2018 to March



2024. It is further noted that during the relevant period they have received total Rs. 2,79,48,964.62 in the 4 bank accounts as described above without obtaining certificate of registration from SEBI. The collection in the said bank accounts after March 08, 2019 was more than the collections before the said date.

33. I find that MG (Proprietor Rahul Dangi and SIITS (Proprietor Rahul Dangi, by acting as investment adviser within the meaning of the IA Regulations, without obtaining certificate of registration from SEBI, he acted in total disregard to the requirements of law and have violated Regulation 3(1) of the IA Regulations and Section 12(1) of the SEBI Act.
34. I am of the view that such activities are prone to harming innocent investors and cannot be dealt with leniently. I am of the considered view that preventive and remedial measure are called for to stop such illegal activities in the interest of investors and as the proprietor is personally responsible for the activities of proprietorships, commensurate directions must be issued to Rahul Dangi, Proprietor – SIITS and MG under Sections 11(1), 11(4), 11B(1) of the SEBI Act lest such activities will be perpetrated with impunity.
35. An investment adviser's role is that of a financial expert having thorough knowledge of markets and products suitable for a client after assessing the financial situation and risk tolerance of a client and to provide necessary investment advice required to meet the client's expectations. The purpose of the Regulations is to make the securities market a safe place rather than posing it to risk of advices of reckless persons who indulged in illegal activities as found in this case. The investment advisory activates entail a fiduciary duty towards clients who pose trust in the entity holding out to be a professional investment adviser. Considering such role and responsibility, the legitimate expectation from them would be that there should be greater precision and perspicuity in investment advice given by them to the clients based on greater analysis.
36. In the above background, it would be justified to keep such dubious characters like to Rahul Dangi, Proprietor – SIITS and MG out from the market rather than running the risk of allowing the market to be polluted and investors to be misguided by such reckless entities repeatedly acting with supine indifference and careless approach. Considering the gravity



and approach of Rahul Dangi, Proprietor of SIITS and MG, I am of the view that the brazen illegality committed by Rahul Dangi, Proprietor – SIITS and MG as observed in this case, does not hold him to be worthy of operating in securities market and dealing in securities or securities market related activities lest he will pose more risks to gullible investors. Further, the activities of the MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi), as brought out above, seen in the backdrop of the aforesaid provisions of law show that he was providing the service investment adviser for a fee without holding the certificate of registration from SEBI and the they received total credit of amounts to the tune of Rs. 2,79,48,964.62 in their bank accounts illegally. These being the proceeds of an illegal activity, are liable to be refunded to the respective clients of the MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) as remedial measure.

37. Coming to the issue whether MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) should also be penalised by imposing monetary penalty under section 15HB and Section 15EB of the SEBI Act, I am also of the considered view considering the contumacious conduct, false representation misleading recommendations, inducing entrapping gullible investors using deceptive tactics as found in this case, the contraventions deserve stern actions of not only directions but also for inflicting monetary penalty under section under section 15HB and 15EB read with section 11B (2) of the SEBI Act and rule 5 of the Adjudication Rules by exercising power either under Sections 11(4A) or 11B (2) of the SEBI Act. This is a classic case where persons with tactics induced those who could be naïve, vulnerable or easily persuaded, to trade in the scrip likely to result in financial losses. I, therefore, find that considering the nature of activities and facts and circumstances of this case as discussed hereinabove, proportionate and consistent monetary penalty should also be imposed upon MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) in this case.

38. For adjudging the quantum of penalty, section 15I(2) of the SEBI Act gives discretion based on facts and circumstances of the case. and application of the principles of reasonability and proportionality. I note that Section 15J of the SEBI Act provides for factors which are required to be considered for adjudging quantum of penalty. Section 15J of the SEBI Act reads as follows:



“Factors to be taken into account while adjudging quantum of penalty.

15J. While adjudging quantum of penalty under 15-I or section 11 or section 11B, the Board or the adjudicating officer shall have due regard to the following factors, namely: —

(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) the amount of loss caused to an investor or group of investors as a result of the default;

(c) the repetitive nature of the default.

Explanation. —For the removal of doubts, it is clarified that the power to adjudge the quantum of penalty under sections 15A to 15E, clauses (b) and (c) of section 15F, 15G, 15H and 15HA shall be and shall always be deemed to have been exercised under the provisions of this section.”

39. While dealing with scope of discretion under section 15I(2) of the SEBI Act with expression “may impose such penalty as he thinks fit” mentioned therein and applicability of inclusive factors in 15J in such situation, Hon’ble Supreme Court in *SEBI v. Bhavesh Pabari (Civil Appeal No.11311 of 2013)* decided on February 28, 2019¹ held that the charging sections must have to be read along with Section 15J in a manner to avoid any inconsistency or repugnancy. Conflict and head-on-clash in different provisions between the one which gives discretion and the other which prescribes penalty must be avoided and both the provisions must be construed harmoniously. Provision of one section cannot be used to nullify and obtrude another unless it is impossible to reconcile the two provisions. The Explanation to Section 15J of the SEBI Act has clarified and vested in the Adjudicating Officer a discretion under Section 15J on the quantum of penalty to be imposed while adjudicating defaults under. This clarification through the medium of enacting the Explanation to Section 15J, also states that the Adjudicating Officer shall always have deemed to have exercised and applied the provision. It was held that the provisions of Section 15J were never eclipsed and

¹ Coram:- [Ranjan Gogoi, CJI, Deepak Gupta and Sanjiv Khanna, JJ.] Authored by SANJIV KHANNA, J.



had continued to apply in terms thereof to the defaults. It is pertinent to mention that the imposition of penalty does not entail restorative justice practice as victim restitution rather intended for effective deterrence. Further, proportionality demands that the penalty should be proportionate with the mischief it seeks to address. In fact, Section 15J of the SEBI Act cast duties to consider several other factors.

40. In the instant case, MG (Proprietor Rahul Dangi and SIITS (Proprietor Rahul Dangi) had certainly taken unfair advantage by indulging unregistered investment advisory service thereby making a gain in terms of fees for illegal acts to the tune of Rs. 2,79,48,964.62. The default is repetitive and fees has been charged by taking more money from the investors in the name of Jackpot Call. The case is also one of wilful negligence and deliberate act and omission. I pause at this stage to say, and repeat, that it was quite wrong of Rahul Dangi, Proprietor – SIITS and MG, on any view, to have deliberately kept himself away from SEBI inquiry and also in these proceedings, and it is absurd on his part to completely disregard the notices. The act and conduct of Rahul Dangi, Proprietor – SIITS and MG has an impressionistic impact on the investors and regulator. The case in hand is not a case of *bona fide* ignorance rather the facts and circumstances. clearly demonstrate contumacious conduct of Rahul Dangi, Proprietor – SIITS and MG with a design to allure investors based on his promises and advices. Where a person, as in this case, indulges in illegally making hifalutin claims for inducing and alluring innocent and gullible investors for personal pecuniary advantage, it subtly hurts investors' trust and confidence and undermines market integrity. The individuals with such reckless approach can play havoc with the market which could be detrimental to the interests of the innocent investors. The machinations employed in this case are heinous and need to be addressed with deeper regulatory abyss for safety and integrity of the security market ecosystems.

ORDER AND DIRECTIONS.

41. In view of the foregoing, I, in exercise of the powers conferred upon me in terms Sections 11(4), 11(4A), 11B (1), 11B (2) 15I (2) and 19 of the SEBI Act, and Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, do hereby issue the following directions:



- (a) Rahul Dangi, Proprietor – SIITS and MG shall refund all the money collected/received from any investors/complainants, as fees or consideration or in any other form, in respect of their unregistered investment advisory activities immediately, and in any case, within a period of three months from the date of this order.
- (b) Rahul Dangi, Proprietor – SIITS and MG shall issue public notice in all editions of two National Dailies (one English and one Hindi) and in one newspaper in vernacular language with wide circulation, detailing the modalities for refund, including the details of contact person such as name(s), address(es) and contact detail(s) of person(s) to be approached for refund, within 15 days from the date of receipt of this order;
- (c) The repayments to the investors shall be effected only through bank transfers electronic fund transfer or through any other appropriate banking channels, which ensures audit trails to identify the beneficiaries of repayments;
- (d) SIITS, MG and Rahul Dangi are prohibited from selling their assets, properties including mutual funds/shares/securities held by them in demat and physical form except for the purpose of effecting refunds as directed above. Further, the banks are directed to allow debit from the bank accounts of MG (Proprietor Rahul Dangi), SIITS (Proprietor Rahul Dangi) and Rahul Dangi, only for the purpose of making refunds to the clients who were availing the investment advisory services from them;
- (e) After completing the aforesaid repayments, MG (Proprietor Rahul Dangi), SIITS (Proprietor Rahul Dangi) and Rahul Dangi 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 expiry of four months from the date of public notice, as directed above, duly certified by an independent Chartered Accountant and the direction at para 41(a) above shall cease to operate upon filing of such report;



- (f) The remaining balance amount 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 had availed the investment advisory services from MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi). Thereafter, the remaining amount, if any, will be deposited in the ‘Investors Protection and Education Fund’ maintained by SEBI;
- (g) In case of failure of MG (Proprietor Rahul Dangi), SIITS (Proprietor Rahul Dangi) to comply with the aforesaid directions in sub-paragraph (a) and (f), 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 MG (Proprietor Rahul Dangi), SIITS (Proprietor Rahul Dangi) and Rahul Dangi, in accordance with Section 28A of the SEBI Act including such other provisions contained in securities laws;
- (h) MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) are debarred from accessing the securities market, directly or indirectly, and prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of five years from the date of this order or till the date of filing of report, as directed in para 41(e) above, whichever is later;
- (i) MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) shall not undertake, either during or after the expiry of the period of restraint and prohibition, as mentioned in para 41(d) above, either directly or indirectly, investment advisory services or any activity in the securities market without obtaining a certificate of registration from SEBI as required under the securities laws;

42. While adjudging the quantum of penalty in this case, for the sake of consistency, I have considered the penalties imposed by SEBI in similar case cases. I note that there is variance in penalties imposed and it normally ranges between Rs.1 lakh to Rs 5 lakh. Therefore, there it is not possible to form opinion in absence of consistency. I am, therefore, being guided by proportionality considering the gravity and conduct of the parties. In the instant case, the magnitude of the case is aggravating factor. Further, I note that Rahul Dangi started



collecting monies from gullible investors through MG website and after a complaint was filed against him, he started another website in the name of SIITS. Further, he has been deliberately not cooperating in examination and in these proceedings of SEBI.

43. Considering the facts and circumstances of this case and above mitigating factors, I, in exercise of the powers conferred upon me under Section 11B (2) read with Section 19 and 15I (2) of the SEBI Act and Rule 5 of the SEBI Adjudication Rules hereby impose the following monetary penalty, jointly and severally, on MG (Proprietor Rahul Dangi), SIITS (Proprietor Rahul Dangi):

Violation	Under	Penalty (in Rs.)
Section 12(1) of the SEBI Act and Regulation 3(1) of the IA Regulations before March 08, 2019	Section 15HB of the SEBI Act	2 (Two) Lakh
Section 12(1) of the SEBI Act and Regulation 3(1) of the IA Regulations from March 08, 2019	Section 15EB of the SEBI Act	3 (Three) Lakh

44. MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) shall remit/pay the said amount of penalty, within a period of forty-five (45) days from the date of receipt of this order, through online payment facility available on the website of SEBI, i.e. www.sebi.gov.in on the following path, by clicking on the payment link: ENFORCEMENT -> Orders -> Orders of EDs/CGMs -> PAY NOW.
45. In case of any difficulty in online payment of penalty, MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) may contact the support at portalhelp@sebi.gov.in.
46. MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) shall forward details of the online payment made in compliance with the directions contained in this Order to the



Division Chief, MIRSD, SEBI Bhavan II, Plot No. C7, G Block, Bandra Kurla Complex, Bandra (East) Mumbai –400051 and also to e-mail id: tad@sebi.gov.in in the format as given in table:

Case Name	
Name of Payee	
Date of Payment	
Amount Paid	
Transaction No.	
Payment is made for: (like penalties/disgorgement/recovery/settlement amount/legal charges along with order details)	

47. It is hereby clarified that if MG (Proprietor Rahul Dangi), SIITS (Proprietor Rahul Dangi) and Rahul Dangi have any open position in any exchange traded derivative contracts, as on the date of this order, they can close out/square off such open positions within 3 months from the date of this order or at the expiry of such contracts, whichever is earlier. MG (Proprietor Rahul Dangi), SIITS (Proprietor Rahul Dangi) and Rahul Dangi are 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.
48. For any non-compliance of this order, MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) shall be subject to strict action under the applicable provisions of the law, including prosecution.
49. In the event of failure to pay the amount of penalty within 45 days of the receipt of this Order, recovery proceedings may be initiated under section 28A of the SEBI Act for realization of the said amount of penalty along with interest thereon, *inter alia*, by attachment and sale of movable and immovable properties of MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi).



50. It is clarified that the direction for refund as given in Para 26(a) above, does not preclude the complainant/investors to pursue the other legal remedies available to them under any other law, against MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi) for refund of money or deficiency in service before any appropriate forum of competent jurisdiction.

51. This Order shall come into force with immediate effect.

52. In terms of Rule 6 of the Adjudication Rules, copy of this Order shall be sent to MG (Proprietor Rahul Dangi) and SIITS (Proprietor Rahul Dangi), all the recognized Stock Exchanges, the relevant Banks, Depositories and Registrar and Transfer Agents of Mutual Funds to ensure that the directions given above are strictly complied with.

Date: July 10, 2025

Place: Mumbai

SANTOSHK Digitally signed by
UMAR SANTOSHKUMAR
SHUKLA SHUKLA
Date: 2025.07.10
11:33:30 +05'30'

Quasi Judicial Authority

Securities and Exchange Board of India