

QJA/AA/WRO/WRO/25241/2022-23

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTIONS 11(1), 11(4), 11(B) (1), 11(4A) AND 11(B) (2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 3(1) SEBI (INVESTMENT ADVISERS) REGULATIONS, 2013

In respect of:

Name of Noticee	PANW
M/s. Wealth Group/Wealth Finance (Proprietor Mr. Remish Tirkey) Sireel Tirki, MIG-7, Jiyama puram, Tili, Sagar, Madhya Pardesh - 470002 AND 39 Jiyama Puram, MIG-7 Tili, Sagar, Madhya Pradesh - 470002	BXVPT7696L

BACKGROUND OF THE CASE

1. The Securities and Exchange Board of India (hereinafter referred to as “SEBI”), pursuant to the receipt of a complaint against M/s. Wealth Group/Wealth Finance (hereinafter referred to as “Noticee/Wealth”) which is a sole proprietorship of Mr. Remish Tirkey, had conducted an examination into its activities, to ascertain the veracity of the complaint and to determine whether there has been any violation of the provisions of Securities and Exchange Board of India,1992 (“SEBI Act,1992”) and the Securities and Exchange Board of India (Investment Advisors) Regulations, 2013 (“IA Regulations”) and any other Rules or Regulations made thereunder, by the Noticee.
2. From the examination of the aforesaid complaint, KYC and other documents, it was, *prima facie*, found that the Noticee has been providing investment advisory services without

obtaining a certificate of registration from SEBI thereby violating Section 12 (1) of the SEBI Act, 1992 read with Regulation 3 (1) of the IA Regulations, 2013.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. A Show Cause Notice dated June 13, 2022 (hereinafter referred to as “SCN”) was issued to the Noticee calling upon it to show cause as to why suitable directions under Sections 11(1), 11(4), 11(4) and 11B (2) of the SEBI Act including imposing monetary penalty and direction to refund advisory fees collected from investors should not be issued against the Noticee for the alleged violations.

4. The SCN has *inter alia* alleged the following:

(a) *SEBI received a complaint dated April 29, 2021 against the Noticee and its proprietor, Mr. Remish Turkey. The Complainant had inter-alia alleged that, after opening a trading account with Angel Broking, he received a call from a person called one Mr. Saransh who introduced himself as official executive of M/s. Wealth Finance and informed that the Noticee has official tie up with Angel Broking and told him about some plans relating to Equity and Options. The Complainant found these plans attractive and paid Rs. 30,000/- through UPI. Few days later he came to know that there is no such tie up between Angel Broking and the Noticee. Further, he did not receive any invoice for his aforesaid payment. On contacting Angel Broking in this regard, he was asked to file a case against the Noticee. The Complainant has further claimed that the Noticees have made him suffer losses to the tune of INR 25,000/- while trading in options on the advise if the Noticee and stopped taking his calls thereafter. Also, the Complainant has mentioned that when he threatened to file a cyber-case against them, a refund of INR 15,000 was paid to the Complainant as against his payment of INR 30,000/-.*

(b) *It is alleged that the Noticee has a website with a domain name, <https://thewealthfinance.com> which is currently found to be not operative. It is observed that different services in the nature of investment advisory services were being offered by the Noticees upon payment of fees through the said website.*

(c) *It is alleged that Noticee has collected below mentioned amount as investment advisory fees:*

Bank Name	Amounts (Rs.)
HDFC Bank - XXXXXXXXXXXX3032	75,59,076/-
HDFC Bank - XXXXXXXXXXXX 9480	10,74,975/-
Total	86,34,051/-

(d) It is alleged that the Noticee's bank account statement contained transaction with narrations such as tips, investment advise, advisory fees, stock market fees, trading fees, fees for tips etc., which indicate that the bank account was used by the Noticee for receiving money for unregistered investment advisory activities.

(e) It is alleged that from the information available on record as detailed herein above, prima facie, it appears that the Noticee is providing Investment Advisory services. Further, examination of records available with SEBI revealed that the Noticee is not registered with SEBI in any capacity. Therefore, it is alleged that the Noticee has engaged in the activities of an 'investment adviser' as defined under regulation 2(m) of the IA Regulations, 2013 and by not getting the registration as required under the Regulations, the Noticee has violated Regulation 3(1) of the said regulation, read with section 12(1) of SEBI Act.

5. A Supplementary SCN dated December 20, 2022 (hereinafter referred to as "Supplementary SCN") was issued to the Noticee stating that the aforesaid alleged violations, if established, make the Noticee liable for monetary penalty under section 15 EB of the SEBI Act, 1992 and the said section was reproduced therein. Accordingly, I note that the Noticee has been called upon to show cause as to why suitable directions under Sections 11(1), 11(4), 11B(1), and 11D of the SEBI Act should not be issued against it for the alleged violations and penalty be not imposed under Section 11(4A) and 11B(2) read with Section 15EB of the SEBI Act, 1992 for violation of Section 12(1) of the SEBI Act, 1992 read with Regulation 3(1) of the IA Regulations, 2013 in terms of SCN dated June 13, 2022 and December 20, 2022.
6. In response to the SCN dated June 13, 2022, the Noticee vide letter dated July 08, 2022 sought time to file a reply. Vide email dated August 05, 2022, the Noticee was directed to submit his reply within 15 days. The Noticee was also granted an opportunity of hearing on February 14, 2023. During the hearing, the Authorized Representative (hereinafter referred to as "AR") of the Noticee sought a short adjournment to file a reply in the matter. Keeping in view the principles of natural justice, the AR was advised that reply, if any, on all the allegations made in the SCN and Supplementary SCN dated December 20, 2022 including directions to be issued shall be made before February 20, 2023. Accordingly, the hearing was adjourned to February 20, 2023.

7. SEBI received an email dated February 20, 2023 from the Noticee informing that the main advocate in the matter, Mr. Ashish Pareek had to rush for a medical emergency. On this ground, the Noticee sought an adjournment which was granted and the hearing was scheduled on February 23, 2023. The Noticee was also informed that response to the SCN, if any, may be filed on or before the date of personal hearing. On February 22, 2023, the Noticee sought additional time of one week to submit his reply. Accordingly, the Noticee was advised to file his reply on or before March 01, 2023. Further, hearing in the matter was scheduled on March 02, 2023. Thereafter, vide email dated March 02, 2023, the Noticee's AR has sought additional time to submit his reply.
8. I note that sufficient opportunities of being heard have been given to the Noticee, and accordingly the Noticee was informed that no further adjournments will be granted. However, keeping in view the principles of natural justice, the Noticee was informed vide email dated March 04, 2023 that he may submit his reply to the SCN and the Supplementary SCN on or before March 08, 2023 failing which the matter will be decided ex-parte. However, till date no reply has been received in the matter.

CONSIDERATION OF ISSUES AND FINDINGS

9. I have considered the material available on record i.e. the SCN, Supplementary SCN along with the annexures, I note that the issue for consideration before me is whether the Noticee has been providing investment advisory services without obtaining a certificate of registration from SEBI in violation of Section 12 (1) of the SEBI Act, 1992 read with Regulation 3 (1) of the IA Regulations, 2013.
10. I note from the SCN that the Noticee had a website with a domain name, <https://thewealthfinance.com> which is currently found to be not operative. I note that that different services in the nature of investment advisory were being offered by the Noticees upon payment of fees through the said website. The Noticee had *inter alia* advertised the following on their website:

“The Largest Business Expert!

The Wealth Finance is totally based on technical & fundamental analysis. Our goal is to achieve higher returns on our customer's investments. We provide trade alerts via sms every day. We provide recommendations Live through SMS and Chat room. Our SMS facility is a very ancient 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 profit. At Shield research, we always guide you not guarantee you with the complete process of identifying the potential trade. Our expert advice on Equity or commodity, NSE, MCX & NCDEX , will help you earn more profits with the proper trading while you are new in the market. We provide services for both the beginner and the pro whether you are trading for first time in the market

Excellence Record

We provide dedicated financial products which includes high quality Tips and excellent customer services.

350+ Script we cover

We assess your risk profile and financial needs carefully before, suggesting you a product.

500+ Happy Clients

Stay updated with the latest update of the market movements. We not only give you the advice, but also give you the right fundamental behind it.

75+ Team Experts

OK so you do not want your inbox to be pooled with loads of messages. Don't worry- We have special tailor made services specially designed to meet your investment needs.”

11. I note from the aforesaid extract that the Noticee was offering advice to its clients with respect to trading on the Exchange. The Noticee also advertised that its services were customized to meet the investments needs of each unique client.

12. Further, extract of the Whatsapp chat between the noticee's representative Saransh and the complainant is given below :

“Saransh Wealth Finance: Tata chem buy 80 quantity

Complainant: Bought at 744

Complainant: Target for Tata Chem?

Saransh Wealth Finance: 751-752

Complainant: It's gone down to 738... Should I sell it?

Complainant: To minimize loss.

Saransh Wealth Finance: Bcpl sell quantity 70

Complainant: Sold 70 at 429. What is the target price?

Saransh Wealth Finance: Target price is 420

Complainant: Wipro Buy quantity is 50 average price is 406.85

Complainant: What should be the target?

Complainant: Sold 100 quantity at 964

Complainant: What should be the target price?

Saransh Wealth Finance: 957

Saransh Wealth Finance: Lupin buy current price

Saransh Wealth Finance: Buy IndusInd bank'

From the above, (which is also part of Annexure 3 to the SCN), it is clear that the complainant had received tips pertaining to investments in stocks through Whatsapp chat from the Noticee.

13. I further note that the Noticee has further claimed in the aforesaid website that they deal in Stock Cash, Future & Options etc. and provide services such as Basic, Splendid, Spark and Special. The details of various services announced on the said website are as under:

Table No. 1

Basic Services	Splendid Services	Spark Services	Special Services
<ul style="list-style-type: none"> • Daily 2-3 Intraday Cash market calls. • Delivery based momentum call per week. 	<ul style="list-style-type: none"> • Daily 1 Intraday Premium Cash market calls. • Delivery based momentum call per week. 	<ul style="list-style-type: none"> • Daily 1 Intraday Premium & 1 Holding (2-3 Days) Premium Cash market calls. 	<ul style="list-style-type: none"> • Daily 1 Intraday & 2 weekly Index Option Call. • Calls will be given for sectoral indices with good movement.

<ul style="list-style-type: none"> • Updates on important news & information. • Calls will be given through SMS (all networks covered) and instant messenger. • Complete Support on Chat & Direct Mobile Number will be provided. • Regular updates on Global and National market trends and news. • Daily NIFTY support and resistance levels and newsletter. 	<ul style="list-style-type: none"> • Updates on important news & information. • Calls will be given through SMS (all networks covered) and instant messenger. • Complete Support on Chat & Direct Mobile Number will be provided. • Regular updates on Global and National market trends and news. • Daily NIFTY support and resistance levels and newsletter. • World Market, Singapore Nifty & Other Updates 	<ul style="list-style-type: none"> • Delivery based momentum call per week. • Updates on important news & information. • Calls will be given through SMS (all networks covered) and instant messenger. • Complete Support on Chat & Direct Mobile Number will be provided. • Regular updates on Global and National market trends and news. • Daily NIFTY support and resistance levels and newsletter. • World Market, Singapore Nifty & Other Updates. • Regular updates on Global and National market trends and news. 	<ul style="list-style-type: none"> • Clients earn good returns at a pre-defined risk. • Calls will be given through SMS (all networks covered) and instant messenger. • Adequate and prompt telephonic support from our dedicated and skilled workforce. • Regular updates on Global and National market trends and news. • Daily NIFTY support and resistance levels and newsletter
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14. I note that the website has a section on pricing of the various service packages offered by the Noticee. As per the website, the minimum and maximum amount to be charged by the Firm was Rs. 11,000/- and Rs.6,00,000/-, respectively. The durations for the aforesaid services range from monthly, Quarterly to Half Yearly and Yearly as disclosed on the above said website of the Noticees:

Table No. 2

Basic Services					
Stock Cash		Stock Future		Stock Option	
Monthly	11000	Monthly	12000	Monthly	15000
Quarterly	25000	Quarterly	35000	Quarterly	40000

Half Yearly	50000	Half Yearly	100000	Half Yearly	75000
Yearly	90000	Yearly	200000	Yearly	120000
Splendid Services					
Stock Cash		Stock Future		Stock Option	
Monthly	17000	Monthly	40000	Monthly	30000
Quarterly	45000	Quarterly	110000	Quarterly	80000
Half Yearly	80000	Half Yearly	200000	Half Yearly	150000
Yearly	150000	Yearly	400000	Yearly	250000
Spark Services					
Stock Cash		Stock Future		Stock Option	
Monthly	35000	Monthly	50000	Monthly	50000
Quarterly	90000	Quarterly	140000	Quarterly	139000
Half Yearly	150000	Half Yearly	260000	Half Yearly	250000
Yearly	280000	Yearly	500000	Yearly	400000
Special Services					
Equity Pack		Special index Option		Special Future Index	
Monthly	70000	Monthly	22000	Monthly	30000
Quarterly	200000	Quarterly	60000	Quarterly	85000
Half Yearly	380000	Half Yearly	110000	Half Yearly	170000
Yearly	600000	Yearly	200000	Yearly	320000
Bullion Services					
Equity Pack		Special index Option		Special Future Index	
Monthly	70000	Monthly	22000	Monthly	30000
Quarterly	200000	Quarterly	60000	Quarterly	85000
Half Yearly	380000	Half Yearly	110000	Half Yearly	170000
Yearly	600000	Yearly	200000	Yearly	320000

15. I note from Annexure 5 to the SCN, that the Noticee was maintaining the following account with the HDFC Bank Limited, details of which are as under:

Table No. 3

Account Holder Name	Wealth Group
Account Type	Current
IFSC	HDFC0000449
Account opening date	March 20, 2021
Branch	Sagar, Madhya Pradesh
Details of Activities	Consultancy
Proprietor	Shri Remish Tirkey
Address (as per Aadhar Card of Shri Remish Tirkey)	39 Jiyama Puram MIG-7 Tili, Sagar, MP-470002

Address (as per AoF)	Sireel Tirki, MIG-7, Jiyama puram, Tili, Sagar, MP-470002
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16. I note that the said account was opened using Cheque of Rs. 55,000/- from HDFC Bank A/c no. XXXXXXXXXXXX9480. Accordingly, vide email dated June 23, 2021 (Annexure-6) Bank statement, KYC and AoF were sought from the HDFC Bank for the Bank Account Number 50100394269480. In response, HDFC Bank vide email dated June 24, 2021(Annexure-7) has furnished its response to SEBI, details of which are summarized below:

Table No. 4

Account Holder Name	Mr. Remish Tirkey
Account Type	Current
IFSC	HDFC0000449
Account opening date	December 09, 2020
Branch	Sagar, Madhya Pradesh
Email	r.tirkey96@gmail.com
Mobile Number	98936 03333

17. I note that an analysis of the statement of the HDFC Bank Account Number XXXXXXXXXXXX3032 reveals that various credit entries/transactions therein got credited with narrations such as tips, investment in share, advisory fees, stock market fees, trading fees, fees for tips etc., which indicates that the same were in the nature of fees collected for investment advisory activities. An illustrative list of such credit entries/transactions are provided as under:

Table No. 5

Date	Particulars	UTR No.	Amount Credited (Rs.)
31-03-21	UPI-SHAKTI KUMAR-ARORA302@OKHDFCBANK-HDFC0001260- XXXXXXXXXXXX3805- FEES	109015473805	2000
05-04-21	IMPS-109512090785-ANKUR SHARMA-HDFC-XXXXXXXXX6635- TRADING FEE	109512090785	5000
07-04-21	UPI-VIKRAM-9315369066@UPI-SBIN0004332-109717448498- FOR TRADING FEE	109717448498	10000

28-04-21	IMPS-111816425993-LALIT VINAYAKRAO POU-HDFC- XXXXXX0707-MB: WEATH FEES	111816425993	25000
30-04-21	IMPS-112010321465-MUBARAK VJ- HDFC-XXXXXXXXXX3042- FEES	112010321465	5000
05-05-21	IMPS-112511587784-LALIT VINAYAKRAO POU-HDFC- XXXXXX0707-MB: FEES FOR SHARE	112511587784	35500
25-06-21	IMPS-117611121712-VIKAS SHARMA-HDFC-XXXXXXXX6727- FOR SHARE FEE	117611121712	7500
09-06-21	UPI-AMAR RAMRAO BARGE- AMARBARGE@YBL-SBIN0001809- 116053074596- INVESTMENT IN SHARE	116053074596	5000
22-06-21	UPI-AMIT KUMAR VERMA- AMITKUMAR.AV86@OKSBI- SBIN0012323-117312150380- TIP	117312150380	2000
01-07-21	UPI-DHARAMDIPSINH RANDIP- DHARMDIP@OKAXIS- UTIB0000087-118211400167- TREDING FEE	118211400167	15000

18. I note that Regulation 2(1)(l) of the IA Regulations defines “investment advice” as under:

“investment advice means 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:”

19. From a collective reading of (a) advertisement on the Noticee’s website including the information related to various services offered by it (b) the narrations in the bank account statement of the Noticee which included the following phrases, “tips”, “investment in share”, “advisory fees”, “stock market fees”, “trading fees”, “fees for tips” etc. and (c) the buy and sell recommendations provided to the complainant through the Whatsapp Chats, I find that the Noticee was providing “investment advice” in terms of Regulation 2(1)(l) of the IA Regulations.

20. The Noticee’s AR in his email dated March 02, 2023 has stated that the Noticee does not have any keen knowledge or interest in the capital market or advisory activities. The AR

also stated that the Noticee's account has been misused by some other person and that they are trying to ascertain who is behind conducting the transactions referred to in the SCN. I note that vide letter dated August 03, 2021 (Annexure-12 to the SCN) and reminder letter dated August 16, 2021(Annexure-13 to the SCN) the Noticees were advised to provide information regarding the details of their clients who had availed investment advisory services from them and amounts collected from them in HDFC Bank Account Numbers XXXXXXXXXXXX3032 and XXXXXXXXXXXX9480. In response to the letter dated August 03, 2021, Mr. Remish Tirkey vide letter dated September 27, 2021 (Annexure-14 to the SCN) has submitted that they have not rendered any such services to the investors and have not collected or received any payment for investment advisory services. Further, I note that the SCN has been issued in June 2022 wherein the Noticee was called upon to reply on the alleged transactions. Even if the Noticee's account was misused by someone, I note that he would be aware of such misuse since the time SEBI informed him about the ongoing inquiry i.e. by way of its letter dated August 03, 2021. However, he has not provided any proof to show that he has taken bona fide steps to raise the issue with the competent authorities nor filed a reply with SEBI till date. In view of the same, I am unable to accept the said contention of the Noticee.

21. I note that in terms of section 12 (1) of the SEBI Act and Regulation 3 (1) of the IA Regulations, no investment adviser shall act as an investment adviser or hold itself out as an investment adviser unless it has obtained a certificate of registration from SEBI. The said provisions are reproduced as under:

SEBI Act, 1992

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

"12. (1) "No stock broker, sub-broker, share transfer agent, banker to an issue, trustee of trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager, investment adviser and such other intermediary who may be associated with securities market shall buy, sell or deal in securities except under, and in accordance with, the conditions of a certificate of registration obtained from the Board in accordance with the regulations made under this Act:

...

SEBI (INVESTMENT ADVISER) REGULATIONS, 2013

“Application for grant of certificate.

3. (1) *On and from the commencement of these regulations, no person shall act as an investment adviser or hold itself out as an investment adviser unless he has obtained a certificate of registration from the Board under these regulations:*

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

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

- (i) An application for seeking certificate of registration to be made to Local Office, Regional Office or Head Office, of SEBI, as the case may be, in Form A as specified in the First Schedule to IA Regulations, 2013 along with requisite non-refundable application fee;
- (ii) The applicant, in case of an individual investment adviser or its principal officer in case of a non-individual investment adviser shall be appropriately qualified and certified as under:
 - (a) A professional qualification or post-graduate degree or post graduate diploma (minimum two years in duration) in finance, accountancy, business management, commerce, economics, capital market, banking, insurance or actuarial science from a university or an institution recognized by the Central Government or any State Government or a recognized foreign university or institution or association or a professional qualification by completing a Post Graduate Program in the Securities Market (Investment Advisory) from NISM of a duration not less than one year or a professional qualification by obtaining a CFA Charter from the CFA Institute;
 - (b) An experience of at least five years in activities relating to advice in financial products or securities or fund or asset or portfolio management;
 - (c) Applicant in case of individual investment adviser or its principal officer in case of a non-individual investment adviser, and persons associated with

investment advice shall have, at all times a certification on financial planning or fund or asset or portfolio management or investment advisory services, from (a) NISM; or (b) any other organization or institution including Financial Planning Standards Board of India or any recognized stock exchange in India provided such certification is accredited by NISM.

- (iii) Individual applicant must have net worth of not less than 5 lakh rupees and non-individual applicant must have net worth of not less than 50 lakh rupees.

23. I note that the safeguards provided under IA Regulations, 2013 requires continued minimum professional qualification and net-worth requirement for investment adviser, including disclosure of all conflict of interest, prohibition on entering into transactions which are contrary to advice given for 15 days, risk profiling of investors, maintaining documented process for selecting investment for client based on client's objective and risk profile, understanding the nature and risks of products or assets selected for clients, etc. These requirements are aimed at protection of investor interest.

24. I note that the Noticee on his website has advertised as follows, "*We assess your risk profile and financial needs carefully before, suggesting you a product*" which indicates that the Noticee was aware of the IA Regulations, 2013 and the requirement under Regulation 16 titled "Risk Profiling" which states that an Investment Advisor shall ensure that it obtains from its clients' information such as investment objectives and risk appetite of its clients.

25. In view of above, I note that the activities of the Noticee (Prop. Mr. Remish Tirkey), show that it was acting as an investment adviser. However, neither the Noticee nor its proprietor were registered with SEBI in the capacity of Investment Advisor. Hence, I find that these activities were being carried out by the Noticee without obtaining the necessary certificate of registration as an investment adviser and therefore, the Noticee has violated Section 12(1) of the SEBI Act along with Regulation 3 of the IA Regulations.

26. I note that the SCN that the latest bank account statements of HDFC Bank Account Numbers XXXXXXXXXXX3032 and XXXXXXXXXXX9480 sought from HDFC Bank which were provided by HDFC Bank on February 22, 2022 and March 16, 2022,

respectively (**Annexure-16**). It is observed from these statements that total amount credited in HDFC Bank Account Number XXXXXXXXXXXX3032 is Rs. 75,59,076/- during the period from March 20, 2021 (i.e. date of account opening) to February 21, 2022. I also note that payment of Rs. 22000 and Rs. 500 made by the Complainant to the Noticee are reflected on March 31, 2021 in the statement of HDFC Bank Account Number XXXXXXXXXXXX3032. Similarly total amount credited in HDFC Bank Account Number XXXXXXXXXXXX9480 is Rs. 10,74,975/- during the period from February 04, 2021 (i.e. date on which the domain name of the Noticee's website was registered as per Annexure 1 to the SCN) to March 14, 2022. I note that the Noticee had not provided any details with regard to the amount collected from clients in connection with his investment advisory activities in spite of letters issued by SEBI seeking such information. Therefore, the amount reflected in its bank account statement as indicated above are considered as amount collected by the Noticee towards the investment advisory activities.

27. I note that the SCN *inter alia* calls upon the Noticee to explain as to why appropriate penalty be not imposed upon it under Section 15EB of the SEBI Act, 1992 for the violations alleged in the SCN. The relevant extract of Section 15EB of the SEBI Act, 1992, is reproduced, hereunder:

“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.”*

28. I note that the allegation that the Noticee has acted as an investment adviser without obtaining a certificate of registration from SEBI has been clearly established in the preceding paras and therefore, violated Regulation 3(1) of the IA Regulations read with Section 12 of the SEBI Act. In view of the same, I find that the penalty under Section 15EB of the SEBI Act, 1992 is clearly attracted.

29. For imposition of penalties under the provisions of the SEBI Act, 1992, Section 15J of the SEBI Act, 1992 provides 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.”

30. As discussed in the aforesaid paragraphs, I note that Rs.75,59,076/- and Rs.10,74,975/- have been received by the Noticee in the bank accounts for the investment advisory services provided by it. Thus, in the light of the findings in the preceding paragraphs, I am of the considered view that the Noticee is liable for refund of the aforementioned amount collected as an unregistered investment adviser in addition to monetary penalties which are attracted for the said violations under Sections 15EB of the SEBI Act.

DIRECTIONS

31. In view of the foregoing, I, in exercise of the powers conferred upon me in terms Sections 11(1), 11(4) and 11B (1), 11B (2) read with of Section 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) The Noticee, M/s. Wealth Group/Wealth Finance (Proprietor: Mr. Remish Tirkey) shall, within a period of three (3) months from the date coming into force of this direction, refund the money received from any complainants/ investors/ clients, as fees or consideration or in any other form, in respect of their unregistered investment advisory activities;

- (b) The Noticee, M/s. Wealth Group/Wealth Finance (Proprietor: Mr. Remish Tirkey) through its proprietor shall issue public notice in all editions of two National Dailies (one English and one Hindi) and in one local daily with wide circulation, detailing the modalities for refund, including the details of contact person such as names, addresses and contact details, within 15 days of coming into force of this direction;
- (c) The repayments to the complainants/ investors shall be effected only through Bank Demand Draft or Pay Order or electronic fund transfer or through any other appropriate banking channels, which ensures audit trails to identify the beneficiaries of repayments;
- (d) The Noticee along with its proprietor are prevented from selling their assets, properties and holding of mutual funds/shares/securities held by them in demat and physical form except for the sole purpose of making the refunds as directed above. Further, the banks are directed to allow debit only for the purpose of making refunds to the clients/ investors/ complainants who were availing the investment advisory services from the Noticee, as directed in this order, from the bank accounts of the Noticee;
- (e) After completing the aforesaid repayments, the Noticee shall file a report of such completion with SEBI addressed to the “Division Chief, Division of Post-Inspection Enforcement Action, Market Intermediaries Regulation and Supervision Department, SEBI Bhavan II, Plot No. C7, G Block, Bandra Kurla Complex, Bandra (East) Mumbai –400051”, within a period of 15 days, after completion of three months from the coming into force of the directions at para 31(a) and (b) above, duly certified by an independent Chartered Accountant and the direction at para 31(d) above shall cease to operate upon filing of such report on completion of refunds to complainants/ investors;
- (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 were availing the investment advisory services

from the Noticee. Thereafter, remaining amount if any will be deposited in the 'Investors Protection and Education Fund' maintained by SEBI;

- (g) In case of failure of the Noticee 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 the Noticee, in accordance with Section 28A of the SEBI Act, 1992 including such other provisions contained in securities laws;
- (h) The Noticee is debarred from accessing the securities market, directly or indirectly and are prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of three (3) years from the date of this order or till the expiry of three (3) years from the date of completion of refunds to complainants/ investors as directed in paragraph 31 (a) above, whichever is later;
- (i) The Noticee is hereby imposed with a penalty of Rs.1,00,000/- (Rupees one lakh only) under Section 15EB of the SEBI Act, 1992 and further directed to pay the penalty within a period of forty-five (45) days, from the date of receipt of this order;
- (j) The Noticee shall remit / pay the said amounts of penalty, either by way of Demand Draft in favour of "SEBI -Penalties Remittable to Government of India", payable at Mumbai or 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 Chairman/ Members -> PAY NOW. In case of any difficulties in online payment of penalties, the Noticee may contact the support at portalhelp@sebi.gov.in. The demand draft or the details/ confirmation of e-payment should be sent to "The Division Chief, Market Intermediaries Regulation and Supervision Department (MIRSD), Division of Registration-2, SEBI Bhavan II, Plot no. C-7, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai -400 051" and also to e-mail id:-tad@sebi.gov.in in the format as given in table below:

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)	

- (k) The Noticee firm shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in paragraph 31 (h) 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.
32. The direction for refund, as given in paragraph 31 (b) above, does not preclude the clients/investors to pursue the other legal remedies available to them under any other law, against the Noticee for refund of money or deficiency in service before any appropriate forum of competent jurisdiction.
33. This order shall come into force with immediate effect.
34. A copy of this order shall be sent to the Noticee through its proprietor Mr. Remish Tirkey, 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: March 31, 2023

Place: Mumbai

Dr. ANITHA ANOOP
CHIEF GENERAL MANAGER
SECURITIES AND EXCHANGE BOARD OF INDIA