

## SECURITIES AND EXCHANGE BOARD OF INDIA

## ORDER

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

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In respect of -

Sr. No.	Name of the Entity	PAN
1.	Vision Gainers (Proprietor – Mr. Hritik Saraf)	JWXPS4202L
2.	Sandeep Tiwari	BMAPT1283P

(hereinafter collectively referred to as “Noticees”)

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In the matter of Unregistered Investment Advisory Services

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**BRIEF BACKGROUND:**

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) had received three complaints against M/s Vision Gainers, a proprietorship concern of Mr. Hritik Saraf (*Sole Proprietor*) (hereinafter referred to as “Noticee No. 1”) and Mr. Sandeep Tiwari (hereinafter referred to as “Noticee No. 2”), *inter alia*, alleging that the said Noticees are providing investment advisory services. Out of the three complainants, one complainant namely, Mr. Himanshu Gupta had provided the bank account details of one of the accounts of HDFC Bank wherein, the said complainant had deposited money for stock advising along with screenshots of whatsapp chats confirming payment made. Further, another complainant namely, Mr. Shashi Naik, had shared screenshot of the payment made by him to Noticee No. 2, the invoice and No Objection Certificate (NOC) issued in the name of the Noticee No. 1, mentioning that the customer is joining the company for ‘trading tips’ purpose. The said complainant alleged that he had paid money to Noticee No. 1 and suffered loss thereafter and that there is no money in his demat account. The said complainant had provided the website address and email id having Noticee No. 1’s name in it, bank account details

of Noticee No. 2 held with Axis Bank and certain other details in support of his allegation.

2. An examination was conducted to ascertain the veracity of the said complaints and to determine whether there has been any violation of the provisions of the Securities and Exchange Board of India Act, 1992 ("SEBI Act, 1992"), the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 ("IA Regulations") and any other Rules or Regulations made thereunder, by Noticee Nos. 1 and 2. Upon examining the aforesaid complaints, KYC documents, bank account statements, website and the transcript of whatsapp chats available on record, SEBI, *prima facie*, found that the Noticees were engaged in giving investment advisory services without obtaining a certificate of registration from SEBI thereby violating the provisions of Section 12(1) of the SEBI Act, 1992 read with Regulation 3(1) of the IA Regulations.

#### **SHOW CAUSE NOTICE, REPLY AND HEARING**

3. A Show Cause Notice dated May 03, 2023 ("SCN") was issued to the Noticees calling upon them to show cause as to why suitable directions under Sections 11(1), 11(4), 11(4A), 11B(1) and 11B(2) of the SEBI Act, 1992, including direction to refund advisory fees / monies collected from investors be not issued and why inquiry should not be held against them in terms of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ("Rules") and monetary penalty under Section 15EB of the SEBI Act, 1992 be not imposed against them for the alleged violation of the provisions of Section 12(1) of the SEBI Act, 1992 read with Regulation 3(1) of the IA Regulations. The following documents were enclosed as annexures to the said SCN:

<b>Annexures to SCN</b>	
<b>Annex. No.</b>	<b>Particulars</b>
<b>1A.</b>	Complaint received from Advocate on behalf of Mr. Himanshu Gupta
<b>1B.</b>	Complaint received from Mr. Nand Kishor
<b>1C.</b>	Complaint received from Shashi Naik
<b>2.</b>	Bank account statements as received from HDFC Bank and Axis Bank
<b>3.</b>	Copies of webpages of website <a href="http://www.visiongainers.com">www.visiongainers.com</a>

4. The details of the allegations made in the SCN are as under:

**4.1** SEBI received three complaints against the activities carried out by the Noticees. Out of the three complainants, one complainant provided the bank account details of one of the accounts of HDFC Bank wherein the said complainant had deposited money for stock advising along with screenshots of whatsapp chats confirming payment made while another complainant shared screenshot of payment made by him to Noticee No. 2, the invoice and No Objection Certificate issued in the name of the Noticee No. 1 mentioning that the customer is joining the company for trading tips purpose. The said complainant alleged that he paid money to Noticee No. 1 and suffered loss thereafter and that there is no money in his demat account. The said complainant provided the website address and email id of Noticee No. 1, bank account details of Noticee No. 2 in Axis Bank and certain other details in support of his allegation.

**4.2** In order to examine the veracity of the said complaints, HDFC Bank and Axis Bank were advised to provide the copy of Account Opening Forms, KYC details and bank account statements of Noticee No. 1 and Noticee No. 2, respectively.

**4.3** The analysis of the information / documents furnished by HDFC Bank revealed the following:

- Entity Name: Vision Gainers
- Proprietor- Hritik Saraf
- Address- MIG 3 Housing Board Colony, Tili Ward, Sagar-470002, Madhya Pradesh

**4.4** The analysis of the information/documents furnished by Axis Bank revealed the following details:

- Entity Name: Sandeep Tiwari
- Address- S/O Shivnaresh Tiwari , Madhukar Shah Ward, Near Pyasi ji ki kuliya Sagar-470002 Madhya Pradesh

**4.5** Further, upon analysis of the bank account statement for account no. xxxxxxxxxxxx1293 for period starting from July 04, 2020 to July 26, 2021 received from HDFC Bank, it was observed that the said bank account was credited with a total amount of Rs. 1,18,46,042/- from the date of opening of the account, i.e. from July 4, 2020 till closure of the account. The analysis of the said bank account

statement has also revealed the following credit entries as stated in the complaints received by SEBI:

<b>Date</b>	<b>Description</b>	<b>Amount</b>
07/10/2020	UPI-HIMANSHU GUPTA- HIMANSHUGUP21701 @ OKSBI-SBIN0050042-028110677350-UPI	5000
08/10/2020	UPI-HIMANSHU GUPTA-HIMANSHUGUP21701 @ OKSBI-SBIN0050042-028216613138-TRANG	10000
14/10/2020	UPI-HIMANSHU GUPTA- HIMANSHUGUP21701 @ OKSBI-SBIN0050042-028818411186-UPI	10000
22/10/2020	UPI-HIMANSHU GUPTA- HIMANSHUGUP21701 @ OKSBI-SBIN0050042-029609694000-UPI	10000
22/10/2020	UPI-HIMANSHU GUPTA- HIMANSHUGUP21701 @ OKSBI-SBIN0050042-029610988122-UPI	20000

<b>Date</b>	<b>Description</b>	<b>Amount</b>
10/12/2020	UPI-NAND KISHOR SAHU-9907486427 @ YBL-SBIN0005600-034515733557-PAYMENT FROM PHONE	5000
12/12/2020	IMPS-034713740076-NAND KISHOR SAHU- HDFC- XXXXXXXX9864- MOBLT1212132241173	10000
14/12/2020	IMPS-034909512910-NAND KISHOR SAHU- HDFC-XXXXXXXX9864-MOBLT1412094841684	10000
22/12/2020	IMPS-035711796225- NAND KISHOR SAHU- HDFC-XXXXXXXX9864-MOBLT2212111339019	25000

**4.6** Further, various amounts were observed to have been received in the abovementioned HDFC Bank account from individuals wherein words like “share/trading/trade/service/premium” were noted in the description. Some of the said entries having the said narrations are as under:

<b>Date</b>	<b>Description</b>	<b>Amount</b>
19/08/2020	UPI-SANJAY BAJPAI- ANURAGBAJPAI26000 @	3000

	OKICICI-BDBL0001450-023216451496-PAYMENT FOR SHARE	
17/09/2020	UPI-ANUPAM KUMAR JAYSWAL-ANUPAMKUMARJAYSWAL93872 @ OKAXIS-UTIB0001776-026112496010-SHARE	50000
25/09/2020	UPI-RAJESH CHANDRABHANJI-RC7528031 @ OKSBI-SBIN0005999-026908700855-SHARE	5000
21/10/2020	UPI-AFTAB ALAM-9973243734 @ UPI-PUNB0300200-029509063449-SHARE	10000
28/08/2020	UPI-MARUTHI RAM PRASAD P-PELLURI@ OKAXIS-UBIN0545627-024113123144-TRADING	5000
28/09/2020	IMPS-027209801148-PAWAN KUMAR SENGAR-HDFC-XXXXXXXXX2345-FOR TRADING	1000
26/10/2020	50100347862589 -TPT-FOR TRADING CHARGE R K SIGANIA-VIPULKUMAR DINESHBHAI PATEL	20000
06/01/2020	UPI-VIKRAM SINGH-9467540239V@ OKSBI-SBIN0004946-100611189308-TRADING	25000
21/08/2020	UPI-ROHIT BOHARA-ROHITBHR1991-1 @ OKHDFCBANK-HDFC0002837-023409358676-SHAR E TRADE	10000
04/09/2020	UPI-RONIT PANDYA-PANDYARONIT9-2 @ OKAXIS-UTIB0001573-024818946595-TRADE	10000
21/10/2020	UPI-BALBEER SINGH-BALBEERSINGH0553@ OKSBI-SBIN0018920-029519823517-TRADE	5000
09/10/2020	UPI-PARMAR DEVKUMAR KALU-ASHOKVANKAR01 @ OKAXIS-SBIN0030158-028310382615-PREMIUM SERVICES	5000
31/12/2020	UPI-NAVEEN KUMAR-9158686274@ YBL-ICIC0000543-036629216627-PREMIUM PAY FOR TR	30000

02/09/2020	UPI-KUNAL BALASAHEB BHAN- KUNALBHANUSE07@ OKSBI-SBIN0020421-024609042524- SERVICE	1000
02/09/2020	UPI-RONIT PANDYA-PANDYARONIT9-2 @ OKAXIS-UTIB0001573-024621838560- SERVICE	4000
28/09/2020	UPI-KAMALEY AJAY KUMAR- AJAYKAMALEY07@ OKICICI-CITI0000004-027218418261- SERVICE CHARGES	10000
04/12/2020	UPI-NISHANT MACHINDRA KA-KASBENISHANT18.NK@ OKICICI-SBIN0007272-033918379289- SERVICE	20000
07/12/2020	UPI-KAMALEY AJAY KUMAR- AJAYKAMALEY07@ OKICICI-CITI0000004-034211220386- SERVICE ON 07 DEC	10000
08/12/2020	UPI-KAMALEY AJAY KUMAR- AJAYKAMALEY07@ OKICICI-CITI0000004-034313359660-SERVICE ON 8 DEC	10000
15/12/2020	IMPS-035014821968-MEENA BIRADAR-HDFC-XXXXXX7165-MB: SERVICE PACKAGE CHARGES	50000

**4.7** Similarly, the bank account statement for the period from November 18, 2020 till June 13, 2022, as received from Axis Bank, bearing no. xxxxxxxxxxxx3129 was analyzed and it was observed that the said bank account held by Noticee No. 2 was credited with total amount of Rs. 32,03,797/- from the date of opening of the account, i.e. November 18, 2020 till June 13, 2022. The analysis of the said bank account statement also revealed the following credit entries as stated in the complaints received by SEBI:

Date	Description	Amount
14/01/2021	UPI/P2A/101413493208/SASHI KUM/HDFC BANK/Payment	7500

16/01/2021	UPI/P2A/101656572866/SASHI BANK/Payment	KUM/HDFC	51000
18/01/2021	UPI/P2A/101834458376/SASHI BANK/Payment	KUM/HDFC	38000
19/01/2021	UPI/P2A/101988506241/SASHI BANK/Payment	KUM/HDFC	28500

**4.8** Further, various amounts were observed to have been received in the abovementioned Axis Bank account from individuals wherein words like “share/trading/trade/service/premium” were noted in the description. Some of the said entries having the said narrations are as under:

Date	Amount	Description
20/01/2021	UPI/P2A/102018176283/SUJEET SH/ Punjab Na/Fee	2500
25/01/2021	UPI/P2A/102515030712/AMAR KUMA/ State Ban/Fee	30000
28/01/2021	UPI/P2A/102885633282/SUJEET SH/ Punjab Na/Fee	5000
01/02/2021	UPI/P2A/103209220175/AMAR KUMA/ State Ban/Fees	10000
18/02/2021	IMPS/P2A/104914221125/Unregist/ CANARABA/fee	5000
18/02/2021	IMPS/P2A/104914562682/Unregist/ CANARABA/fee	5000
13/01/2021	UPI/P2A/101312537090/SUBHASH N/ Bank of I/Share	10000
03/02/2021	IMPS/P2A/103413923064/GURPREET/ ICICIBAN/Sharetre	5000
12/01/2021	UPI/P2A/101215716055/GURDEEP S/ Punjab Na/Trade a	15000
23/01/2021	UPI/P2A/102323179412/Mr SIDDHA/ Bank of M/Premium	5000

**4.9** Apart from the bank account statements, the website with domain name,

*www.visiongainers.com, was also examined. The contents of the said website, inter alia, revealed the following statement:*

*‘Vision Gainers is a financial research house. Our company provides services for different segments like Equity, Commodity, Comex and Forex.’*

## **Our Goals**

### **Mission**

*We ensure highly successful implementation of latest and fruitful strategies to gain high returns and less amount of risk.*

### **Vision**

*We strive hard with integrity to make Vision Gainers among the most profitable, reliable and transparent best Market advisor in India & worldwide.*

## **Our Services**

*Cash Super (Services.Php)*

*Cash super Pack is service for NSE Traders who trade in the stock cash segment.*

*Cash Basic (Services. Php)*

*Service is for NSE traders who trade in F&O Market.*

*Future Super (Services. Php)*

*Service is for NSE traders who trade in Future Market.*

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## **Pricing**

Product	Monthly	Quarterly	Half Yearly	Yearly
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<i>Stock Cash</i>	<i>7,000</i>	<i>18,000</i>	<i>33,000</i>	<i>60,000</i>
<i>Splendid Cash</i>	<i>12,000</i>	<i>25,000</i>	<i>45,000</i>	<i>85,000</i>
<i>Spark Cash</i>	<i>20,000</i>	<i>50,000</i>	<i>90,000</i>	<i>1,50,000</i>
<i>Stock Option</i>	<i>10,000</i>	<i>25,000</i>	<i>40,000</i>	<i>75,000</i>

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*Stock Cash Basic Service*  
*Daily 2-3 Intraday Cash market calls*  
*Delivery based momentum call per week*  
*Updates on import*

*Stock Cash Splendid Service*  
*Daily 1 Intraday Premium Cash market calls.*

*Delivery based momentum call per week*  
*Updates on im.....*

*Stock Option Basic Service*  
*Daily 2-3 Intraday Option calls*  
*Delivery based momentum Option call per week*  
*Updates .....*

*Stock Option Splendid Service*  
*Daily 1 Intraday Premium Option market calls.*  
*Delivery based momentum Option call per week*  
*Upda.....*

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5. The SCN, therefore, alleged that the Noticee Nos. 1 and 2 were providing Investment Advisory services. Further, examination of the records available with SEBI revealed that the Noticees are not registered with SEBI in any capacity. Therefore, it was alleged

that the Noticee No. 1 (through its proprietor Mr. Hritik Saraf) and Noticee No. 2 have 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 said Regulations, the Noticees have violated the provisions of Regulation 3(1) of the IA Regulation read with Section 12(1) of SEBI Act, 1992. From the records available in the file before me, I note that the said SCN was duly delivered to Noticee No. 1 at the address: "*Satyanarayan ki ghati, Gandhi Chowk, In front of Hanuman Mandir, Sagar-470002, Madhya Pradesh*". With respect to Noticee No. 2, the SCN was duly delivered by way of speed post at the address: "*S/o Shivnaresh Tiwari, Madhukar Shah Ward, Near Paysi ji ki kuliya, Sagar- 470002, Madhya Pradesh*".

6. From the available records, it is noted that the Noticees did not file reply to the SCN. In order to comply with the principles of natural justice and hold an inquiry, an opportunity of personal hearing was granted to the Noticees before me on June 21, 2023. On the scheduled date, Mr. Ashish Pareek, Advocate & Authorized Representative (AR), appeared through webex from Indore Local Office, SEBI, on behalf of both the Noticees and submitted two separate vakalatnamas for his appointment by proprietor of Noticee No. 1, Hritik Saraf and Sandeep Tiwari (Noticee No. 2) to appear and defend the case on their behalf. Further, a preliminary common reply (in hindi) bearing signatures of both the Noticees was also submitted by the AR in Indore Local Office, SEBI. The AR requested for a short adjournment and time to file their further replies in the matter. Acceding to the request so made, the Noticees were advised to file their replies to the SCN by July 10, 2023. Reference was specifically drawn to the SCN wherein the Noticees have been show caused as to why a direction to refund the monies / fees collected from the investors should not be issued against them and to the bank account statements provided by HDFC Bank Ltd and Axis Bank Ltd placed as annexure 2 to the SCN. The AR was advised to file appropriate reply with respect to the same on behalf of the Noticees. Further, next date of hearing was scheduled on July 11, 2023, as agreed upon by the AR and recorded in the Record of proceeding which was duly forwarded to the Noticees vide email dated June 21, 2023. Before the scheduled date of hearing i.e. July 11, 2023, the link for attending the said hearing through webex was also provided to the Noticees. However, it is noted that the Noticees neither appeared for hearing on the scheduled date nor any replies were filed by them with respect to

the refund directions mentioned in the SCN.

7. The preliminary submissions made by the Noticees, vide their common letter dated June 21, 2023, are summarized as under:

- (a) The allegations made against the Noticees in the SCN are denied by the Noticees, as the same are claimed to be baseless.
- (b) The Noticees stated that they are not associated with the firm namely, Vision Gainers in any capacity and they do not run any firm in the said name. Further, the Noticees have denied their involvement in any investment advisory services / activities as has been alleged in the SCN.
- (c) The Noticees state that the complainant have filed false complaints against them for illegal gains.
- (d) The Noticees have not received monies alleged to have been paid via UPI by the complainants and that they have not received any monies from the complainants in their bank accounts.
- (e) No Investment Advisory services have been given by the Noticees and no monies have been collected by way of giving such services as has been alleged in the SCN.
- (f) It is submitted by the Noticees that as they do not have any legal assistance, the proceedings initiated against them may be kept in abeyance till such assistance is availed of by them and no action may be taken against them on the basis of baseless allegations levelled in the SCN.

8. I note that the Noticees have filed their preliminary submissions to the SCN on June 21, 2023 when the AR appeared before me on behalf of them and had agreed to file further submissions by July 10, 2023. As requested by the AR, another opportunity of hearing was also granted to the Noticees on July 11, 2023, which was duly agreed upon by the AR. However, the Noticees have neither availed of the said opportunity of hearing on the scheduled date nor have they filed any further submissions till date in the matter. Considering that sufficient opportunities have been provided to the Noticees to file their further submissions and to appear for the hearing and present their case before me, it is presumed that the Noticees have nothing further to submit and therefore, I am constrained to proceed against the Noticees on the basis of their

submissions dated June 21, 2023 and the material available on record before me.

## **CONSIDERATION OF ISSUES AND FINDINGS**

9. I have carefully considered the allegations made against the Noticees in the SCN, their submissions dated June 21, 2023 and the documents as available on record. I note that the issue that arises for consideration in the present proceeding is whether the Noticees have acted as unregistered investment advisers in violation of the provisions of the SEBI Act, 1992 read with the IA Regulations. In this regard, I note that the definition of 'Investment Adviser' as given under Regulation 2(1)(m) of the IA Regulations is as follows:

*"investment adviser means any person, who for consideration, is engaged in the business of providing investment advice to clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called;"*

10. Further, Regulation 2(1)(l) of the IA Regulations, which defines 'investment advice', reads as follows:

*"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:*

*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;"*

11. For ease of reference, the provisions of the SEBI Act, 1992 and IA Regulations alleged to have been violated by the Noticees 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”*

- 12.** I note that Hritik Saraf (proprietor of Noticee No. 1) has denied being associated with Noticee No. 1 in any capacity and further, of being involved in any investment advisory services. He has also denied receiving any monies towards the said services and it has been stated that even the monies claimed to have been paid by the complainants in their complaints have not been received in the bank account. In order to address the said submission, I find it pertinent to mention that SEBI, upon receipt of the complaints alleging Noticee Nos. 1 and 2 to have indulged in certain activities in the nature of giving investment advice in lieu of consideration, had conducted an examination into the activities undertaken by the said Noticees. During the said examination, the bank account statements and the KYC documents as received from HDFC Bank Ltd and Axis Bank Ltd, details of which were provided by the complainants in their complaints against the said Noticees, were examined. Upon examination of the said documents, it was noted that the HDFC Bank account bearing no. xxxxxxxxxxxx1293 was held in the name of Noticee No. 1, Proprietor and authorized signatory being, Mr. Hritik Saraf (*as per the KYC documents*). Further, the bank account statements (*as provided by HDFC Bank Ltd*) revealed that during the period from July 04, 2020 (*date of opening of the account*) to July 26, 2021 (*closure of the account*), the said bank account was credited with a total amount of Rs. 1,18,46,042/-. Further, upon analysis of the credit entries in the said HDFC bank account held by Noticee No. 1 (*proprietor and authorized signatory Mr. Hritik Saraf*), the credit entries for the amounts claimed to have been paid by the complainants namely, Mr. Himanshu Gupta (totaling to Rs. 55,000/-) and Mr. Nand Kishore (totaling to Rs. 50,000/-) were traced and identified. In addition, upon further analyses of the credit entries in the said bank account bearing No. xxxxxxxxxxxx1293, I note that various amounts have been credited in the said bank account with the narration “*share/ trading/ trade/ service/ premium*”. I find from the material available before me that during the examination, KYC documents were also

ascertained from Bandhan Bank Ltd perusal of which reveals that a certificate of registration was issued to Vision Gainers (Noticee No. 1) by District Labour Office, Sagar, Madhya Pradesh under the Madhya Pradesh Shops & Establishment Act, 1958. On the said document, owner's name mentioned is Hritik Saraf. In view of the facts and documents on record, the submission made by Mr. Hritik Saraf that he is not associated with Noticee No. 1 in any capacity cannot be accepted as the same is without any merit. Further, I find that no documentary evidence in support of his submissions has been provided by him. The fact that his details were submitted for the purpose of KYC to open an account in the name of M/s Vision Gainers is sufficient to establish his association with Noticee No. 1.

13. Further, I note from the webpages of the website with the domain name [www.visiongainers.com](http://www.visiongainers.com) that the Noticee No. 1 was claiming that “*Vision Gainers is a financial research house. Our company provides services for different segments like Equity, Commodity, Comex and Forex*” and was providing investment advice on services under the heads “*Cash Super (Services.Php)*”, “*Cash Basic (Services.Php)*”, “*Future Super (Services.Php)*”, “*Future Basic (Services.Php)*”, “*Options Basic (Services.Php)*”, “*MCX Basic (Services.Php)*” having pricing for the different products like ‘stock cash’, ‘splendid cash’, ‘stock options’, ‘special index options’, ‘bullion pack’, ‘MCX combo’, ‘Agri’, etc. on a monthly, quarterly, half yearly and yearly payment options with a link provided for payment of such prices against each of these packages. The screenshots of the said products and the packages offered, as appearing on the website of Noticee No. 1, are as under:



# Pricing

Product	Monthly	Quarterly	Half Yearly	Yearly	Payment
Stock Cash	7,000	18,000	33,000	60,000	<a href="#">Pay Now</a>
Splendid Cash	12,000	25,000	45,000	85,000	<a href="#">Pay Now</a>
Spark Cash	20,000	50,000	90,000	1,50,000	<a href="#">Pay Now</a>
Stock Option	10,000	25,000	40,000	75,000	<a href="#">Pay Now</a>
Splendid Option	18,000	45,000	80,000	1,60,000	<a href="#">Pay Now</a>
Spark Option	25,000	60,000	1,15,000	2,00,000	<a href="#">Pay Now</a>
Special Index Option	9,000	22,500	45,000	1,00,000	<a href="#">Pay Now</a>
Stock Future	10,000	25,000	45,000	85,000	<a href="#">Pay Now</a>
Splendid Future	25,000	60,000	1,00,000	1,80,000	<a href="#">Pay Now</a>
Spark Future	30,000	75,000	1,30,000	2,20,000	<a href="#">Pay Now</a>
Special Future Index	9,000	22,500	45,000	1,00,000	<a href="#">Pay Now</a>
Equity Pack	21,000	51,000	1,20,000	1,80,000	<a href="#">Pay Now</a>
Bullion Pack	20,000	50,000	1,00,000	1,80,000	<a href="#">Pay Now</a>
Base Metal + Energy	15,000	40,000	80,000	1,50,000	<a href="#">Pay Now</a>
MCX Combo	25,000	65,000	1,30,000	2,75,000	<a href="#">Pay Now</a>
MCX Spark	50,000	1,30,000	2,00,000	3,50,000	<a href="#">Pay Now</a>
Comex Bonanza	15,000	40,000	85,000	1,50,000	<a href="#">Pay Now</a>
Forex	12,500	35,000	70,000	1,30,000	<a href="#">Pay Now</a>



14. I note that during the examination, SEBI, in order to ascertain the details of activities carried out by Noticee No. 1 through its proprietor Hritik Saraf, vide letter dated August 03, 2021, had advised Noticee No. 1 to provide details with respect to all the investors who had availed of the alleged investment advisory services and details of monies received in the bank account no. xxxxxxxxxx1293 under examination such as 'client names', 'amount collected as fees', 'bank account name in which amounts are collected', 'bank account number in which amounts collected' and 'date on which amounts collected'. I find from the available records that, in response to the same, vide letter dated September 27, 2021, Hritik Saraf has signed as the proprietor of Noticee No. 1 and denied that his firm was dealing or providing services related to Financial or Investment Advisory or Equity Advisory or any such services. However, I find that no details or explanation was provided by him with respect to the various credit entries in the bank account no. xxxxxxxxxx1293 held in the name of Noticee No. 1 (authorized signatory Hritik Saraf) with the narration "share/ trading/ trade/ service/ premium". Further, despite the SEBI letter dated August 03, 2021 mentioning about the website [www.visiongainers.com](http://www.visiongainers.com), the proprietor, Hritik Saraf, has not stated anything with respect to the same and has not given any response thereto. Therefore, considering that Hritik Saraf has represented Noticee No. 1 as the proprietor of the said proprietorship concern before SEBI, by signing and declaring on the letter as a 'proprietor', I do not find any merit in the said submissions of Hritik Saraf that he is not associated with the proprietorship concern M/s Vision Gainers.
15. In view of the various amounts collected in the HDFC Bank account bearing no. xxxxxxxxxx1293 held in the name of Noticee No. 1 (authorized signatory - Hritik Saraf, Proprietor of Noticee No. 1), the details of various packages and services provided by Noticee No. 1 displayed on the website and the amounts collected from two complainants being traced in the credits entries in the said HDFC bank account, it is established beyond doubt that the services offered by Hritik Saraf, through the proprietorship firm M/s Vision Gainers (Noticee No. 1), are in the nature of investment



advisory relating to investing in, purchasing, selling or otherwise dealing in securities or investment products and the amounts collected in the said HDFC Bank account are towards the said services. Therefore, I find that in terms of Regulation 2(1)(I) of IA Regulations, the Noticee No. 1, through its proprietor, was providing “*investment advice*” through its website.

16. With respect to Noticee No. 2, I note that the said Noticee, vide the common preliminary reply dated June 21, 2023, has also denied being engaged in any activities of giving investment advice and has further denied being associated / connected with Noticee No. 1 in any capacity. Further, Noticee No. 2 has also stated that no monies were collected from the complainant or any other person towards any investment advisory services. I note from the allegations levelled in the SCN against Noticee No. 2 that one of the complainant had alleged paying Rs. 1,25,000/- in one bank account held by Noticee No. 2 with Axis Bank bearing no. xxxxxxxxxxxx3129 using ‘phonepe’. He has complained of losing Rs. 35,000/- and after requesting a lot, an NOC was provided by the service provider to him. Also, as stated by the complainant in his complaint, an email was sent to the complainant confirming amount received from him. The blank NOC along with the letter confirming receipt of amount has been produced by the complainant in support of his allegation.
17. I note from the examination of the bank account statement and KYC documents for the account no. xxxxxxxxxxxx3129, as provided by Axis Bank Ltd, for the period from November 18, 2020 till June 13, 2022 (held in the name of Noticee No. 2 with the Bank) that a total amount of Rs. 32,03,797/- was credited in the said Axis bank account during the said period. Further, the credit entries for the amounts claimed to have been paid by the complainant Mr. Sashi Naik in his complaint (i.e. Rs. 1,25,000/-) in the said bank account have also been traced and identified in the bank account statement. Further, I note that the Noticee No. 2 has received amounts in his abovementioned Axis Bank account from various individuals wherein words like “*share / trading / trade / service / premium*” are mentioned in the description/ narration. I note from the letter dated January 19, 2021 produced by the complainant along with his complaint, confirming the payment of Rs. 1,25,000/- by him, that the same has been issued on the letter head of ‘*Visions Gainers*’. However, I note that the logo on the said letter head and the one

used by Noticee No. 1 on its website [www.visiongainers.com](http://www.visiongainers.com) are different and the same can be seen below:

Logo of Vision Gainers as appearing on website [www.visiongainers.com](http://www.visiongainers.com):



Logo of Vision Gainers as appearing on the letter dated January 19, 2021 produced by complainant:



18. Further, the email id of 'Vision Gainers' which has been provided on the letter dated January 19, 2021 forwarded by the complainant along with his complaint is mentioned to be [info@visiongainers.com](mailto:info@visiongainers.com), whereas, the email id stated on the website of Noticee No. 1 is [info@support.com](mailto:info@support.com) under the head 'Contact Information'. Further, the email id used to forward the confirmation letter of receipt of amount of Rs. 1,25,000/- to the complainant has been mentioned by the complainant to be [financewealth98@gmail.com](mailto:financewealth98@gmail.com). I note that there is nothing available on record which shows that Noticee No. 2 was acting as an agent or an employee of Noticee No. 1. Also, upon perusal of the letter dated September 27, 2021 received from Noticee No. 2 in response to the SEBI letter addressed to M/s Vision Gainers dated August 03, 2021 issued during the examination seeking details of 'client names', 'amount collected as fees', 'bank account name in which amounts are collected', 'bank account number in which amounts collected' and 'date on which amounts collected', I note that Noticee No. 2 has signed on the said letter as a proprietor. Furthermore, the Noticee No. 2 has not provided any explanation for the credit entries showing receipt of monies in his bank account during the relevant period. Upon perusal of the blank NOC provided to the complainant by Noticee No. 2, I find that the said NOC clearly states that the person mentioned therein would be joining the company for 'trading tips' purpose. Further, it

states that the person would be only eligible for the services, which he / she is going to buy from the company. Therefore, from the facts and material available before me it is established that Noticee No. 2 had indulged in the activities of providing investment advisory services by using the name of 'Visions Gainers' and the monies collected from such activities were directly getting credited in his own bank account with Axis Bank Ltd. Considering that Noticee No. 2 has not provided any documentary evidence in support of his submission that he was not involved in giving any investment advisory services and the fact that no explanation has been provided by him with respect to the credit entries appearing in his Axis Bank account, I do not find any merit in the submissions of Noticee No. 2. Having said that, it is seen that both the Noticees have filed a common reply to the SCN dated May 03, 2023 and that a common AR has been appointed / engaged to defend their case, there are fair chances of them being connected and known to each other. The Noticees, despite letters being issued by SEBI have not cooperated with SEBI during examination and / or submitted anything other than a mere statement that they have not undertaken unregistered investment advisory services. Therefore, I find that there is no material available on record before me to give a conclusive finding with respect to their connection / relationship and that they were carrying out the said activities together.

19. Further, I find it pertinent to mention here that as available in the file before me, Axis Bank Ltd, vide its email dated July 22, 2022, had informed SEBI during the course of examination in the instant case that during the activity of monitoring transactions in customers' accounts from fraud perspective, its Digital Transaction Monitoring team had identified suspicion in Account no. xxxxxxxxxxxx3129 of Noticee No. 2; reason of suspicion being *"multiple IMPS/UPI/NEFT credit transactions followed by drainage from the account"*. On account of the same, 'freeze' was marked on the account and branch was instructed to carry out due diligence. The branch reverted with negative findings and therefore, the freeze continued in the account. The same further establishes the fact that multiple credit transactions were taking place in the bank account held by Noticee No. 2 with Axis Bank which have not been explained or justified by Noticee No. 2, despite SEBI's letter dated August 03, 2021 seeking details of amounts / monies credited in his bank account during the relevant period.
20. In view of the facts before me and as mentioned in the preceding paragraphs, I am

constrained to conclude that Noticee No. 2 was receiving monies for the services provided by him which were in the nature of investment advisory services and a total of Rs. 32,03,797/- was credited into his Axis Bank account, credit entries of which were having narration like “*share / trading / trade / service / premium*”. The fact that the complainant had paid him money through ‘phonepe’ in bank account no. xxxxxxxxxxxx3129, the entries for which have been traced and identified during the analysis of the bank account statement, further substantiates the same. Thus, I conclude that Noticee No. 2, was carrying out activities in the nature of investment advisory services by using the same name ‘*Vision Gainers*’, using a different logo and email id than that appearing on the website of Noticee No. 1 (*ref. para nos. 17 and 18 above*), using ‘phonepe’ services for payment towards such services in bank account held with Axis Bank in terms of Regulation 2(1)(l) of the IA Regulations.

**21.** 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.
- 22.** I note that 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's interest.
- 23.** I find from the available records that neither Noticee No. 1 firm nor its proprietor Hritik Saraf and Noticee No. 2 were registered with SEBI in the capacity of Investment Advisors or otherwise. Hence, I find that these activities were being carried out by the Noticees without obtaining the necessary certificate of registration as investment advisers and therefore, the Noticees have violated Section 12(1) of the SEBI Act, 1992 along with Regulation 3(1) of the IA Regulations.
- 24.** The SCN referred above, also calls upon the Noticees to explain as to why appropriate penalties be not imposed upon them under Section 15EB of the SEBI Act, 1992 for the alleged violations. Relevant extract of the penalty provision, as existing at the time of violations, 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.”*

25. Upon consideration of the above penalty provision, I find that Section 15EB of the SEBI Act, 1992 has been invoked in the present case as the Noticees have carried out the business of giving investment advice without obtaining a certificate of registration from the Board under the IA Regulations. It has been clearly established in the preceding paragraphs that the Noticees have acted as investment advisers without obtaining a certificate of registration from SEBI and therefore, violated Section 12(1) of the SEBI Act, 1992 read with Regulation 3(1) of the IA Regulations. In view of the same, I find that monetary penalty under Section 15EB of the SEBI Act, 1992 is clearly attracted on both the Noticees in the present case.

26. It is relevant to mention here that for determining the amount of penalty to be imposed under the provisions of the SEBI Act, guidance is provided under Section 15J of the SEBI Act, 1992 which is reproduced as under:

**“15J. Factors to be taken into account while adjudging quantum of penalty.** *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.”*

27. I find that, as already mentioned in the previous paragraphs, the HDFC Bank account held by Noticee No. 1 (authorized signatory and Proprietor- Hritik Saraf) was having credit entries showing a total amount of Rs. 1,18,46,042/- being credited in the said account from various individuals, including two of the complainants, from the date of opening of the account i.e. July 04, 2020 till closure of the account towards the

investment advisory services provided by the said Noticee through the website [www.visiongainers.com](http://www.visiongainers.com). Further, with respect to Noticee No. 2, I find that an amount of Rs. 32,03,797/- has been credited in his bank account held with Axis Bank for the investment advisory services provided by him from the date of opening of the account, i.e. November 18, 2020 till June 13, 2022. As clearly brought out in the preceding paragraphs 17, 18 and 20, I find that the said amount of Rs. 32,03,797/- was credited in the bank account held in the name of Noticee No. 2 individually. Also, there is no material available on record to conclusively find that Noticee Nos. 1 and 2 were connected and / or known to each other. Thus, I am of the considered view that Noticee Nos. 1 and 2 are liable for refund of the aforementioned amounts collected by them, individually, as unregistered investment advisers in addition to the monetary penalties which are attracted for the said violations under Sections 15EB of the SEBI Act, 1992.

## **ORDER AND DIRECTIONS**

**28.** In view of the foregoing, I, in exercise of the powers conferred upon me under Sections 11(1), 11(4), 11(4A), 11B(1) and 11B(2) read with Section 19 of the SEBI Act, 1992 and Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, do hereby issue the following directions:

**28.1** The Noticee No. 1 i.e. Vision Gainers through its proprietor Hritik Saraf and Noticee No. 2 i.e. Sandeep Tiwari shall, within a period of three months from the date of coming into force of this direction, refund the respective monies received from any complainants/ investors, as fees or consideration or in any other form, in respect of the unregistered investment advisory activities carried out by them;

**28.2** The Noticees i.e. Vision Gainers through its sole proprietor Hritik Saraf and Sandeep Tiwari shall issue separate public notices 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/s such as names, addresses and contact details, within 15 days of coming into force of this direction;

**28.3** The repayments to the complainants/ investors shall be effected by them 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;

- 28.4** Noticee No. 1 Proprietor- Hritik Saraf and Noticee No. 2 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 Noticees, as directed in this order, from the respective bank accounts of Noticee No. 1 (Proprietor-Hritik Saraf) and Noticee No. 2;
- 28.5** After completing the aforesaid repayments, the Noticees shall file separate reports 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 28.1 and 28.2 above, duly certified by an independent Chartered Accountant and the direction at para 28.4 above shall cease to operate upon filing of such report on completion of refunds to complainants/ investors;
- 28.6** The remaining balance amount shall be deposited by the Noticees 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 Noticee Nos. 1 and 2. Thereafter, remaining amount, if any, will be deposited in the Investors Protection and Education Fund maintained by SEBI;
- 28.7** The Noticee Nos. 1 and 2 viz. Vision Gainers acting through its Sole Proprietor - Hritik Saraf and Sandeep Tiwari are 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 two (2) years from the date of this order or till the expiry of two (2) years from the date of completion of refunds to complainants/ investors along



with depositing of balance amounts, if any, with SEBI, as directed in paras 28.1 and 28.6 above, whichever is later;

**28.8** The Noticees i.e. Vision Gainers & its Sole Proprietor - Hritik Saraf and Sandeep Tiwari shall not undertake either during or after the expiry of the period of debarment/restraint as mentioned in paras 28.7 above, either directly or indirectly, investment advisory services or any activity in the securities market without obtaining certificate/s of registration from SEBI as required under the securities laws.

**28.9** Further, the Noticees i.e. Vision Gainers acting through its Sole Proprietor - Hritik Saraf and Sandeep Tiwari are hereby imposed with, the monetary penalties, as provided hereunder:

<b>Sr. No.</b>	<b>Name of the Noticee</b>	<b>Provisions under which penalty is imposed</b>	<b>Amount of penalty (Rs.)</b>
<b>1.</b>	Vision Gainers and its proprietor Mr. Hritik Saraf	Section 15EB of the SEBI Act, 1992	<b>2,00,000</b>
<b>2.</b>	Mr. Sandeep Tiwari	Section 15EB of the SEBI Act, 1992	<b>2,00,000</b>
<b>TOTAL</b>			<b>4,00,000</b>

**28.10** The Noticees shall remit / pay the amounts of penalties mentioned against their respective names in the Table under para 28.9 above, within 45 days of receipt of this order by using the undermentioned pathway:

[www.sebi.gov.in](http://www.sebi.gov.in) / ENFORCEMENT → Orders → Orders of EDs / CGMs → Click on PAY NOW or by using the web link: <https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html>.

The Noticees shall forward the details / confirmation of penalty so paid through e-payment to “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” and also to e-mail id: [tad@sebi.gov.in](mailto:tad@sebi.gov.in) in the format given in the table below:

1. Case Name	
2. Name of payee:	
3. Date of payment:	
4. Amount paid:	
5. Transaction no:	
6. Bank details in which payment is made:	
7. Payment is made for: (like penalties / disgorgement / recovery / settlement amount and legal charges along with order details)	

**29.** The direction for refund, as given in para 28.1 above, does not preclude the clients/investors to pursue the other legal remedies available to them under any other law, against the Noticees for refund of money or deficiency in service before any appropriate forum of competent jurisdiction.

**30.** This order shall come into force with immediate effect.

**31.** A copy of this order shall be sent to the Noticee Nos. 1 and 2, 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 31, 2023**

**Place: Mumbai**

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