

Department: Investigation	Segment: All
Circular No: MSE/ID/12833/2023	Date : January 02, 2023

Subject: SEBI Order in the matter of M/s. Kuber Capital (Proprietor: Mr. Chandrika Prasad)

To All Members,

SEBI vide order no QJA/AA/WRO/WRO/22645/2022-23 dated December 30, 2022 has issued the following directions for M/s Kuber Capital (Proprietor: Mr. Chandrika Prasad) (PAN: BTGPM3916H).

- a) The Noticee, Kuber Capital (Proprietor: Mr. Chandrika Prasad) shall, within a period of three (3) months from the date coming into force of SEBI 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, Kuber Capital 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 SEBI 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 in SEBI order. 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 SEBI 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 37(a) and (b) of SEBI order, duly certified by an independent Chartered Accountant and the direction at para 37(d) of SEBI order 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;

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- g) In case of failure of the Noticee to comply with the aforesaid directions in subparagraph (a) and (f) of SEBI order, SEBI, on the expiry of the stipulated time period therein from the date of coming into force of SEBI 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 one (1) year from the date of SEBI order or till the expiry of one (1) year from the date of completion of refunds to complainants/ investors as directed in paragraph 37 (a) of SEBI order, 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 SEBI 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 SEBI order.
- k) The Noticee firm shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in paragraph 37 (h) of SEBI order, 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.

The direction for refund, as given in paragraph 37(a) of SEBI order, 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.

This order shall come into force with immediate effect.

Members of the Exchange are advised to take note of the full text of the order available on SEBI's website [www.sebi.gov.in] and ensure compliance.

**For and on behalf of
Metropolitan Stock Exchange of India Limited**

**Vipul Vaishnav
Assistant Vice President**