

Department: Investigation	Segment: All
Circular No: MSE/ID/14510/2023	Date : November 29, 2023

Subject: SEBI Order in respect of Yogesh Kukadia, Rajesh R. Kallidumbil, Nithin Raj and six partnership firms

To All Members,

SEBI vide order no. QJA/AA/SRO/SRO/29813/2023-24 dated November 28, 2023 has issued the following directions for the below mentioned noticees:

Sr.No.	Noticees	PAN
1	Yogesh Kukadia	AUSPK6548F
2	Rajesh R. Kallidumbil	AKQPK9641M
3	Nithin Raj	ANOPN2348F
4	M/s. Signal2Noise Capital Partners	ADDFS5850N
5	M/s. Investo Investment Advisers	AAGFI7660G
6	M/s. SS Info Sales	ADNFS2939J
7	M/s. SI Digi Sales	ADNFS7110B
8	M/s. CT Web Sales	AAMFC9502D
9	M/s. ML Tele Sales	ABHFM3142P

- a) The Noticees 1 to 9 shall jointly and severally refund the amount / fees / consideration received from any complainant / investor / client, within a period of three (3) months from the date of coming into force of this direction, in respect of their unregistered investment advisory activities, as follows:-
- Noticees 1, 2, 3 and 4 to refund Rs.249.57 lakhs
 - Noticees 1, 2 and 5 to refund Rs.57.70 lakhs
 - Noticees 1, 2 and 6 to refund Rs.164.56 lakhs
 - Noticees 1, 2 and 7 to refund Rs.85.51 lakhs
 - Noticees 1, 2 and 8 to refund Rs.92.32 lakhs
 - Noticees 1, 2 and 9 to refund Rs.160.58 lakhs
- b) The Noticees, 1 to 9 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 Noticees 1 to 9, 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

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purpose of making refunds to the clients/ investors/ complainants who were availing the investment advisory services from the Noticees, as directed in SEBI order, from the bank accounts of the Noticees.

- e) After completing the aforesaid repayments, the Noticees 1 to 9, 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 (MIRSD), 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 65 (a) and (b) of SEBI order, duly certified by an independent Chartered Accountant and the direction at para 65 (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.
- g) In case of failure of the Noticees 1 to 9, to comply with the aforesaid directions in sub-paragraphs 65 (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 Noticees 1 to 9, 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 SEBI order or till the expiry of two (2) years from the date of completion of refunds to complainants/ investors as directed in paragraph 65 (a) above, whichever is later;
- i) The Noticees 1 to 9, are hereby imposed with a penalty of Rs. 9,00,000/- (Rupees Nine lakh only) under Section 15 EB and a penalty of Rs.9,00,000/- (Rupees Nine lakh only) under Section 15HB of the SEBI Act, 1992 and further jointly and severally directed to pay the penalty within a period of forty-five (45) days, from the date of receipt of SEBI order;
- j) The Noticees 1 to 9, shall remit / pay the said amounts of penalty through online payment facility available on the website of SEBI, i.e. www.sebi.gov.in on the following path, by clicking on the payment link: ENFORCEMENT -> Orders -> Orders of EDs/CGMs -> PAY NOW. In case of any difficulties in online payment of penalties, the Noticee may contact the support at portalhelp@sebi.gov.in. 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 the SEBI order;
- k) The Noticees 1 to 9, shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in paragraph 65 (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;
- l) The Noticees 1 to 3, are also restrained from associating themselves as directors or key managerial personnel with any listed public company or any public company which intends to raise money from

the public, or any intermediary registered with SEBI, for a period of two (2) years from the date of SEBI order.

The direction for refund, as given in paragraph 65(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 Noticees 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**