

Department: Investigation	Segment: All
Circular No: MSE/ID/15209/2024	Date : April 19, 2024

Subject: SEBI Order in respect of Mr Vivek Krishnamoorthy - Trade Sharks

To All Members,

SEBI vide order no. QJA/AA/SRO/SRO/30278/2024-25 dated April 18, 2024 has issued the following directions in respect of Mr Vivek Krishnamoorthy (PAN: ATWPV1245M) in the matter of Unregistered Investment Advisory Services.

- The Noticee, Mr. Vivek Krishnamoorthy shall, within a period of three (3) months from the date of coming into force of this direction, refund the money received from any complainant/ investor/ client, as fees or consideration or in any other form, in respect of its unregistered investment advisory activities;
- The Noticee, Mr. Vivek Krishnamoorthy, 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;
- 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;
- The Noticee, Mr. Vivek Krishnamoorthy, is prevented from selling his assets, properties and holding of mutual funds/shares/ securities held by him 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;
- After completing the aforesaid repayments, the Noticee, Mr. Vivek Krishnamoorthy, shall file a report of such completion as mentioned in SEBI order.
- 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;
- In case of failure of the Noticee, Mr. Vivek Krishnamoorthy, to comply with the aforesaid directions in sub-paragraphs 40 (a) and (f), 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;

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- h. The Noticee, Mr. Vivek Krishnamoorthy, is restrained from accessing the securities market, directly or indirectly and is prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of six months from the date of SEBI order or till the expiry of six months from the date of completion of refunds to complainants/ investors as directed in paragraph 40 (a) of SEBI order, whichever is later;
- i. The Noticee, Mr. Vivek Krishnamoorthy, 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, Mr. Vivek Krishnamoorthy, shall remit / pay the said amounts of penalty through online payment facility as mentioned in SEBI order.
- k. The Noticee, Mr. Vivek Krishnamoorthy, shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in paragraph 40 (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.

It is hereby clarified that if the Noticee has any open position in any exchange traded derivative contracts, as on the date of this order, he can close out/ square off such open positions within 3 months from the date of order or at the expiry of such contracts, whichever is earlier. The Noticee is permitted to settle the pay in and pay out obligations in respect of transactions, if any, which have taken place before the close of trading on the date of SEBI order.

This Order shall come into force with immediate effect.

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

**Vipul Vaishnav
Assistant Vice President**