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| Department: Investigation | Segment: All |
| Circular No: MSE/ID/15104/2024 | Date : March 28, 2024 |

Subject: SEBI Order in the matter of Unregistered Investment Advisory Services and Portfolio Manager Services by Maxx Innovation Growth and Maxx Innovation.

To All Members,

SEBI vide order no. QJA/AA/WRO/WRO/30174/2023-24 dated March 27, 2024 has issued the following directions for the below mentioned notices:

| Sr.No. | Noticees Name | PAN/CIN/DIN |
|---------------|---|--------------------|
| 1 | Mr. Vishal Lath (Proprietor of Maxx Innovation Growth) | AFDPL6086K |
| 2 | Mr. Jitendra Bharbhujia (Proprietor of Maxx Innovation) | EZSPB9777C |
| 3 | Mr. Vipin Sharma | GWBPS1865J |

- The Noticee no. 1, Mr. Vishal Lath and Noticee no. 3, Mr. Vipin Sharma, jointly and severally, and Noticee no. 2, Mr. Jitendra Bharbhujia, shall, within a period of three (3) months from the date of coming into force of SEBI order, 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;
- The Noticees 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 Noticees 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 from the bank accounts of the Noticees, only for the purpose of making refunds to the clients/ investors/ complainants who were availing the investment advisory services from the Noticees;
- After completing the aforesaid repayments, the Noticees shall file a report 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 Noticees. Thereafter, remaining amount if any will be deposited in the 'Investors Protection and Education Fund' maintained by SEBI;

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- g. The Noticees are 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 2 years from the date of SEBI order or till the expiry of 2 years from the date of completion of refunds to complainants/ investors as directed in paragraph 69 (a) of SEBI order, whichever is later.
- h. The Noticees are hereby imposed with the penalties under Sections 15EB and 15HA, and further directed to pay the penalty within a period of forty-five (45) days, from the date of receipt of SEBI order.
- i. In case of failure of the Noticees to comply with the aforesaid directions in sub-paragraph (a), (f) and (h), 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 Noticees, in accordance with Section 28A of the SEBI Act, 1992 including such other provisions contained in securities laws.
- j. The Noticees shall remit / pay the said amounts of penalty, as mentioned in SEBI order.
- k. The Noticees shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in paragraph 69(g) 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 Noticees have any open position in any exchange traded derivative contracts, as on the date of SEBI order, they 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 Noticees are 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.

The direction for refund, as given in paragraph 69(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.

For and on behalf of
Metropolitan Stock Exchange of India Limited

Vipul Vaishnav
Assistant Vice President