METROPOLITAN STOCK EXCHANGE

Department: Investigation	Segment: All
Circular No: MSE/ID/16733/2025	Date: February 07, 2025

Subject: SEBI Order in the matter of Asmita Patel Global School of Trading Private Limited

To All Members,

SEBI vide order no. WTM/KV/MIRSD/MIRSD-SEC-5/31188/2024-25 dated February 06, 2025 wherein SEBI has restrained following entities from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever until further orders. If Noticees have any open position in any exchange traded derivative contracts, as on the date of the SEBI order, they can close out /square off such open positions within 3 months from the date of SEBI order or at the expiry of such contracts, whichever is earlier.

Noticee Nos	Name of Entity	PAN
1.	Asmita Patel Global School of Trading Private Limited	AASCA6577F
2.	Asmita Jitesh Patel	BQTPP3844B
3.	Jitesh Jethalal Patel	AIJPP3326R
4.	King Traders, Proprietor - Mr. Sagar Dhanjibhai	EGGPS8029K
5.	Gemini Enterprise, Proprietor - Mr. Suresh Parmashivam	EPGPP1022C
6.	United Enterprises, Proprietor- Mr. Jigar Rameshbhai Dawada	AKVPD3098G

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

WTM/KV/MIRSD/MIRSD-SEC-5/31188/2024-25

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
KAMLESH C. VARSHNEY, WHOLE TIME MEMBER
EX-PARTE INTERIM ORDER CUM SHOW CAUSE NOTICE

UNDER SECTIONS 11(1), 11(4), 11(4A), 11B(1), 11B(2) AND 11D OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 11(1)(d) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES RELATING TO SECURITIES MARKET) REGULATIONS, 2003

IN THE MATTER OF ASMITA PATEL GLOBAL SCHOOL OF TRADING PRIVATE LIMITED

In respect of:

***Noticee* Nos.**	***NOTICEE* NAMES**	***NOTICEE* PANs**
1.	**Asmita Patel Global School of Trading Private Limited**	**AASCA6577F**
2.	**Asmita Jitesh Patel**	**BQTPP3844B**
3.	**Jitesh Jethalal Patel**	**AIJPP3326R**
4.	**King Traders, Proprietor - Mr. Sagar Dhanjibhai**	**EGGPS8029K**
5.	**Gemini Enterprise, Proprietor - Mr. Suresh Parmashivam**	**EPGPP1022C**
6.	**United Enterprises, Proprietor- Mr. Jigar Rameshbhai Dawada**	**AKVPD3098G**

(The entities mentioned above are individually known by their respective names or Noticee No. and collectively referred to as "Noticees")

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A. BACKGROUND:

1. The present proceeding is the result of an examination conducted by the Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") based on the complaint received from a group of 42 complainants regarding the activities of Asmita Patel Global School of Trading Private Limited (hereinafter referred to as "***Noticee no.1*"/"AGSTPL"**) and its directors Ms. Asmita Jitesh Patel (hereinafter referred to as "***Noticee no.2*"/"Ms.Asmita"**), who is also an Authorised Person of a registered Stock-Broker namely ABC Limited[1] and Mr. Jitesh Jethalal Patel (hereinafter referred to as **"*Noticee no.3*"/"Mr.Jitesh"**) alongwith proprietary firms namely, King Traders, Proprietor, Mr. Sagar Dhanjibhai (hereinafter referred to as "***Noticee no.4*"/ "King Traders**"); Gemini Enterprise, Proprietor, Mr. Suresh Parmashivam (hereinafter referred to as "***Noticee no.5*"/ "Gemini Enterprise**") and United Enterprises, Proprietor, Mr. Jigar Rameshbhai Dawada (hereinafter referred to as **"*Noticee no.6*"/ "United Enterprises**").

2. The independent examination into the activities of the *Noticee no.1* was carried out by the SEBI for the period from August 26, 2019 to October 31, 2023 (hereinafter referred to as "**examination period**"), as it was *prima facie* seen that the *Noticee no.1*, was engaged in providing stock buy/sell recommendations to investors through private telegram channels, zoom meets and emails. alongwith providing educational courses. The focus and purpose of the said examination was to ascertain whether the *Noticee no.1*, was engaged in offering investment advisory / research analyst services or any other services without obtaining the mandatory registration from the SEBI, as statutorily required under the provisions of the Securities and Exchange Board of India Act 1992 (hereinafter referred to as the "**SEBI Act**") read with the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 (hereinafter referred to as the "**IA**

[1] **Note**: The actual name of the stock-broker is not used in this order as the stock-broker is not a *Noticee* in the instant proceedings at this stage. ABC Limited is a disguised name for reference purpose and actual name would be supplied to *Noticees* during inspection and to Hon'ble Securities Appellate Tribunal and Courts, during court proceedings.

Regulations") and Securities and Exchange Board of India (Research Analysts) Regulations, 2014 (hereinafter referred to as the "**RA Regulations**"). The examination also intended to ascertain whether acts of the *Noticee no.1* alongwith acts of *Noticee no. 2* to *Noticee no.6*, were in violation of provisions of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as the "**PFUTP Regulations**") or any other rules and regulations framed by the SEBI, warranting any urgent action in the matter.

B. BRIEF DESCRIPTION OF *NOTICEES*:

3. Asmita Patel Global School of Trading Private Limited (*Noticee no.1*), is a private limited company incorporated on August 26, 2019 having its registered address at: Office No. 1402 to 1405, Fairmount, Plot No. 4 to 6, Sector 17, Sanpada, Navi Mumbai, Maharashtra, India, 400705. The Memorandum of Association submitted by the *Noticee no.1* to the bank as part of KYC, states its main object as follows: - "*To carry on the business of providing advisory services in securities market, share trading, mutual funds, commodities trading and provide training to clients to manage wealth in securities market*." The account opening form states, *Noticee no.1* is involved in "*Advisory Services*". The paid-up capital of the *Noticee no.1* is INR 1,00,000/- and its Directors referred at paras 4 and 5 below hold 50% each of the shareholding in the *Noticee no.1*. The *Noticee no.1*, has a functional website with the domain name: asmitapatel.com. The details of the social media accounts operated by the *Noticee no.1* including its Telegram Channels, zoom meets are given in subsequent paragraphs.

4. Asmita Jitesh Patel (*Noticee no.2*), is a Director of the *Noticee no.1* from the date of its incorporation. The *Noticee no.2* is also an Authorized Person of the Stock Broker – ABC Limited since April 02, 2016. The *Noticee No. 2,* during the examination period, in her capacity as the Authorised Person of the Stock Broker, ABC Ltd., operating nine terminals. The *Noticee no.2*, has a significant presence in the electronic media through the website of the *Noticee no.1* which is asmitapatel.com and on social media platforms such as Youtube (526k

subscribers), Instagram (290k followers), Facebook (73k followers), Linkedin (1.9k followers), Twitter (4.2k followers).

5. Jitesh Jethalal Patel (*Noticee no.3*), is the spouse of the *Noticee no.2* and a director of Asmita Patel Global School of Trading Private Limited since its incorporation.

6. King Traders, Proprietor, Mr. Sagar Dhanjibhai (*Noticee no.4*); Gemini Enterprise, Proprietor, Mr. Suresh Parmashivam (*Noticee no.5*) and United Enterprises, Proprietor, Mr. Jigar Rameshbhai Dawada (*Noticee no.6*) are proprietary firms through which, based on the advice given by the *Noticee no.1,* some course participants allegedly paid the fees into the bank accounts of *Noticee nos. 4* to *6*.

C. SUBMISSION BY COMPLAINANTS

A summary of submissions made by complainants is as under**:**

7. Complainants are a list of 42 persons who had enrolled for various courses offered by the *Noticee no.1*. Various paid courses offered by the *Noticee no.1* (*as provided by complainants*) are as follows-
   - Master's in Price Action Trading (MPAT)
   - Let's Make India Trade (LMIT)
   - Options Multiplier (OM)
   - Trend Following Income System (TFIS)
   - The Freedom Project (TFP)
   - OneLife
   - Unleash The Trader Within (UTW)

8. Complainants provided a snapshot of the old website namely, *www.thempat.com*, operated by the *Noticee no.2* wherein course details of MPAT was listed. Video recordings of Pre-MPAT and LMIT sessions held through zoom meets by the *Noticee no.1* as well as screen shots of telegram channels 'MPAT 16', 'MPAT 17', 'M17 Technical Update' and 'M17 Non-Technical Update', operated by the

Noticee no.1 were also provided by the complainants. Wherever in this order an activity is said to be carried out by the *Noticee no.1* who is a company, it is carried out by either its directors i.e *Noticees nos. 2 and 3* or by its employees. Complainants also submitted screenshots of several WhatsApp chats they had with the *Noticee no.1* during MPAT and Option Multiplier (OM) courses.

9. As per complainants, all 42 of them had enrolled for the educational courses, 'MPAT 16' and 'MPAT 17' that were conducted during 2021 and 2022, while few of them also subscribed for the LMIT course. LMIT was a 3 day course where the *Noticee no. 2* extensively promoted MPAT Course. Further, the Pre-MPAT sessions were conducted by the *Noticee no.* 1 prior to the start of MPAT Course. MPAT 16 and MPAT 17 are batches of the MPAT courses offered by the *Noticee no.1*. MPAT is a seven month extensive course for which the *Noticee no.1* charged INR 7,00,000/- per student, which after including GST of 18% comes to INR 8,26,000/-.

10. As per complainants, some of the students/investors/participants paid the fees including GST while others availed the benefit of GST waiver for payments made through cash or through bank accounts that were held in the name of the *Noticee nos. 4 to 6*.

11. Complainants further submitted that, subscribers to MPAT course were added to a Telegram Group named M16/M17 where the *Noticee no.2* circulated trade details including entry, exit prices. The *Noticee no.2,* through the zoom meets of Pre-MPAT and LMIT sessions insisted students/investors/participants to liquidate their existing mutual fund investments as well as gold and to borrow from various sources such as banks, friends and family, to enable them to subscribe to the course and bring in more capital towards trades that would be suggested on the telegram channel.

12. Complainants submitted that the website of the *Noticee no.1*, www.asmitapatel.com, claimed to have influenced over 1 lac students/investors/participants in more than 15 countries and 110 cities. The

Noticee no. 2 referred herself as the 'She Wolf of the stock market' and the 'options queen' and claimed to have mentored over one lakh students/investors/participants worldwide. As per the complainants, the *Noticee no.2* claimed to manage assets to the tune of INR 140 crores using her proprietary system.

13. Complainants stated that during the LMIT event, the *Noticee no.2* induced and misguided the students/investors/participants that MPAT would lead to financial success through proper hand-holding and guidance. The *Noticee no. 1*, employed a highly strategic approach with its employees regularly approaching individuals and portraying that the *Noticee no.1* had an ultimate authority in the field of stock trading. *Noticee no.1* claimed that trading under its guidance would lead to acquisition of powerful trading knowledge and skills. According to complainants, these claims were highly exaggerated and misleading. The *Noticee no.1* offered free seminars through which it shared fabricated success stories and presented a list of individuals who supposedly achieved success through her strategies and teachings. The *Noticee no.1's* website gave details of the various service packages with different investment requirements and trading segment.

14. Complainants claimed that they were lured with the attractive schemes of the *Noticee no.1* and were persuaded to invest their money in trading based on the guidance of the *Noticee no.1*. Several complainants paid INR 7 lacs plus 18% GST (in most cases) to the *Noticee no.1* and received confirmation of the payment made through email and WhatsApp messages.

15. Complainants submitted that the *Noticee no.1* insisted certain complainants to pay in cash and some of them paid into the accounts of other entities as well (which in the instant matter are accounts held by *Noticee nos. 4 to 6*). Complainants claimed that they were pressurised into signing the agreements without any room for discussion or negotiation. Further, on acceptance of the agreements, zoom meets were conducted by the *Noticee no.2* and her team. For each class new links were provided through emails and complainants were

additionally added to the telegram groups M16/M17 where the *Noticee no.2* shared trade details including the exact entry and exit prices. According to complainants, these trade details were sent through emails for reference and record-keeping. No one was allowed to unmute and questions raised by the students/investors/participants were never answered on the chat portal.

16. At the beginning of the course, complainants claimed that they were instructed to open trading account with ABC Ltd. The *Noticee no.2* acted as a broker herself and advised the complainants that if they already had accounts, the same should be transferred to her branch. The *Noticee no.2* made this arrangement to facilitate her access to the trading accounts of the complainants and so that everyone followed the rules of trading exclusively suggested by her. The *Noticee no.2* and her team furnished students/investors/participants with detailed stock recommendations including buy and sell prices as well as stop loss points. The objective was to adhere to precise guidelines for entry pricing, stop loss levels and exit rules. These recommendations were disseminated through emails and a dedicated Telegram group. The *Noticee no.2* urged complainants to trade in specific stocks creating an impression that the trading strategies would increase their financial liquidity and generate exceptional profits. The complainants claimed that they were told to invest in certain stocks so that they will be millionaires soon as she got insider information for the complainants, which was pivotal to get access in the market. The *Noticee no.2*, used to say that at every end of the year everyone would make profit no one would suffer losses if traded through *the Noticee no.2*. Complainants claimed that, despite implementing the prescribed strategies, students/investors/participants failed to achieve profits and instead made substantial financial losses. Further, it has been submitted that course participants were not imparted with any substantial trading skills to trade on their own and were charged exorbitantly for the basic knowledge provided during the course which otherwise was available for free on the internet.

17. Complainants have provided details of the contact numbers namely, 8xx8888xxx, 8xx8888xxx; 8xx8888xxx, 8xx996xxx, 8xx8888xxx; 8xx8888xxx and

8xx8888xxx, which was used by the *Noticee no.1*, to communicate with course participants.

18. About 38 complainants had opened/linked their trading account with ABC Ltd. through the *Noticee No.2's* registration as Authorised Person with ABC Ltd. Out of these 38 complainants, 32 opened their trading accounts during the year 2021, which is the same year when most of complainants had enrolled in MPAT course offered by the *Noticee no.1*. The amount of investment made by complainants in their trading accounts ranged from INR 20,000/- to INR 35 lacs.

19. Complainants provided details of the following four bank accounts through which the *Noticee no.1* collected the fees for the courses offered:

Table 1

S. No.	Bank	IFSC Code	Account Number	Account Holder Name	PAN
1	ICICI Bank	ICIC0000151	7xx70570 0xxx	Asmita Patel Global School of Trading Private Limited	AASCA6577F
2	ICICI Bank	ICIC0006235	6xx50539 0xxx	King Traders	EGGPS8029K
3	ICICI Bank	ICIC0001209	1xx90500 1xxx	Gemini Enterprise	EPGPP1022C
4	ICICI Bank	ICIC0000418	0xx80500 2xxx	United Enterprises	AKVPD3098G

20. Complainants have further submitted that, participants of the course were kept aloof from each other to ensure that they cannot get in touch with each other for taking action against the *Noticee No.2*. Further, students/investors/participants were muted during the online courses.

21. It has been submitted that students/investors/participants used to receive emails regularly from the official email ID of the *Noticee no.1*, which is mpat.edu@asmitapatel.com and mpat@asmitapatel.com, wherein training calendar was sent for the reference of students/investors/participants. The *Noticee no.2* falsely promised handholding for her students/investors/participants. The *Noticee no.2* never shared back test results.

22. It has been further submitted that the *Noticee no.2* falsely assured and guaranteed assured returns for more than 40% per year in the first masterclass and mentioned that fees will be recovered during the course. She even confirmed in her first masterclass that her team deletes the negative comments. The participants having paid a substantial sum for the online course, found themselves incurring significant losses through their stock trading activities. It has been submitted that, students/investors/participants suffered losses in lakhs and crores of rupees while by using platforms such as Linkedin/YouTube/Facebook/Telegram/ Instagram and WhatsApp, the *Noticee no.2* was making crores of money illegally by pushing and teaching stock tips via various forums without any authorisation from SEBI.

23. Complainants claimed that they felt deceived and were taken advantage of and they had no choice but to serve a legal notice to *Noticee no.1* and *Noticee no.2* citing allegations of cheating and deceit. In response to the legal notice, the *Noticee no.2* distanced herself from the situation asserting that her involvement was limited to providing educational advice and had no connection to trading.

24. Complainants submitted that the classes run by the *Noticee no.2* were in complete violation of the SEBI Act, including PFUTP Regulations, as she has miserably failed to act honestly and in good faith with due skill, care and diligence. The *Noticee no. 2* also failed to adhere to standards of conduct and to comply with regulatory requirements.

25. Complainants, inter alia, prayed SEBI to direct the *Noticee no.1* and its directors to (i) refund money received from complainants in respect of its unregistered advisory activities and pass an order directing the *Noticee no.1* and its directors to reimburse the losses suffered; (ii) to issue public notice in all national dailies with respect to modalities of refund; and (iii) to furnish a report to SEBI indicating details of refund. Complainants further prayed that the *Noticee no.1* and its directors be restrained from accessing the securities market, associating with any

company and running, soliciting, teaching, directly or indirectly investment advisory services or any other activity without obtaining registration from SEBI.

26. The above complaint led to further examination by the SEBI, which resulted in discovery of certain facts. These facts form the foundation for consideration as to whether the instant matter requires passing of the ex-parte interim order. The examination of facts/evidence collected during examination and consideration thereof are narrated in subsequent paragraphs.

D. RELEVENT FACTS/EVIDENCES COLLECTED

D.1. Analysis of Agreements entered by the *Noticee no.1* with course participants

27. Participants of courses offered by the *Noticee no.1*, were required to sign a "Student Agreement" for enrolling into the courses offered by the *Noticee no.1*. No direct reference was made in the agreement with regard to training in securities market. The agreement has a clause which reads as follows: "*The Participant hereby agrees that the capital deployed for trading during the Program should be willingly and freely made available by him/her. Under no circumstances should a drawdown in such capital during the Program affect the mental stability, physical health and social well-being of the Participant."* The disclaimer and copyrights of the agreement states as follows: *The Institute does not believe in "get rich" programs – only in hard work, adding value, building a real and professional career, and serving others with excellence and constancy. ……*

As stipulated by law, the Institute cannot and does not make any guarantees about your ability to get results or earn any money with the ideas, information, tools, or strategies from the Program. ….

Nothing on this page, any of our Sites, or any of our content or curriculum is a promise or guarantee of results or future earnings, and we do not offer any legal, medical, tax, or other professional advice.

Any financial numbers, including any testimonials from our past/present Participants referenced here, or on any of our Sites, are illustrative of concepts only and should not be considered average earnings, exact earnings, or promises for actual or future performance. Making decisions based on any information presented in our products, events, services, or sites, should be done with the knowledge that the Participant may experience risk or losses just like any entrepreneurial endeavor. The Participant alone is

responsible and accountable for his/her decisions, actions, and results in life, and by registration here, he/she agrees not to attempt to hold the Institute liable for his/her decisions, actions, or results, at any time, and under any circumstance."

D.2. Analysis of agreement entered by the *Noticee no.2* with ABC Ltd

28. The agreement entered by the *Noticee no.2* with ABC Ltd for acting as an Authorized Person were also perused in the course of the examination. In an undertaking signed by the *Noticee no.2*, it was declared that the *Noticee no.2* would not engage in any activities with investors which could result in unauthorised intermediations.

D.3. Analysis of the recordings of LMIT and Pre-MPAT sessions given by the *Noticee no.1* through Zoom meets

29. LMIT videos show that it was a 3 day course where the *Noticee no. 1* extensively promoted the MPAT Course. The Pre-MPAT session was 2 day course, conducted by the *Noticee no.1* prior to the start of seven month MPAT Course. The *Noticee no.1* vide its reply dated June 13, 2024, has provided the list of all courses conducted by it and this list includes the LMIT, Pre MPAT course and MPAT course.

30. Complainants provided video recordings of several zoom sessions of Pre-MPAT batch and LMIT Seminars conducted by the *Noticee no.1.* On perusal of videos provided by course participants, it is seen that there are various instances of (i)chats on guaranteed returns with best business model; (ii)visiting speakers talking about guaranteed returns; (iii)claim of qualification and trading experience of the *Noticee no. 2*; (iv)narration of what lies ahead in MPAT courses; (v)details of contact nos. of the *Noticee no.1*; (vi) inducing people to prefer trading instead of taking up job/business; (vii) suggestions to exit mutual fund investments or use others money in case of short of capital; (viii) suggestion of taking loan for enrolling for the course and for trading; (ix) strategy taught in Pre MPAT course which is relevant for MPAT course; (x) guiding course participants to place orders in live session during MPAT course.

31. Complainants submitted around 24 video recordings of the LMIT and Pre-MPAT sessions conducted by the *Noticee no.1*. The contents of the videos show the subjects and material covered during these sessions. These videos will be submitted before the Hon'ble Securities Appellate Tribunal and Courts whenever called for and would also be submitted to the *Noticees*.

32. However, for the purpose of the instant order, the extracts of the relevant text of videos are produced below which would form basis for this order.

33. Transcript of guaranteed returns by the *Noticee no.1* (with best business model

33.1. LMIT Day 3 - Part 03 Strategy03) (05-September-2021, from 00:17:47 hrs. to 00:19:55 hrs.)

***Noticee no.2*:** It *is this. Ah, I see. 230.1. Is this great? everyone? Your entry was 81. 8x1 is a 8, 8x2 is a 16. 8x3 is a 24. Isn't this simple? Isn't this great, everyone? Can you guys do this, everyone? Can you all do this? Yeh to short-term he meri jan. Aap Samaj rahe ho? Short-term me aapne itna paisa banaya. 4%, 8%, and 300%. 300%. Are you guys understanding this? Apko samaj me aa raha hai apka risk reward kya tha aapka. What was your risk everyone? 4%. 4%. What is your risk? Nahi, 6%. 4 plus 2 is 12. 12 by 2. 6. 6%. Everyone. What is your risk? 6%. And how much did you make? 300%? nahi. 200%, sorry. 240, right? 200%. 200 divided by 6 kitna hota hain. Kitna times hua? 33 times. Do you understand the importance of what I'm talking about, everyone? Mujhe bataeye konsi strategy, konse intraday se, aap itni fursat se aur aaram ke sath kam kar sakte hain? Are you guys understanding this, everyone? Yes or yes.*

33.2. Pre-MPAT Day-01 Part-01 (18-September-2021from 00:08:36 hrs. to 00:09:33 hrs.)

***Noticee no.2*:** *Everyone, let's get started, everyone.*

Comment: *"Okay. I'm new in this world. This is the first interaction, hoping a great show."*

***Noticee no.2*:** *It's going to be a classy show. Great. Let's get started, everyone. So, superb, everyone.*

Comment: "*Stock market crash very soon. 200%."*

***Noticee no.2*:** Koi farak nahi padta. *And if it crashes, you are going to make the biggest profit. Yes. You heard it right. Ye mai nahi bol rahi hu. Mai comment read kar ru. Somebody said this. If it crashes from your, you know, sabse jyada paise kab banta hai, jab market crash hota hai. You know, and be happy if it happens. Just that you've got to be ready. And you've got to make sure they're part of it. It's like all our students and for us and for our clients as well, you know, the biggest and the fastest money that we made was in March 2020, that fall. So, make sure that you're ready this time, at least, you know, if you did not make money in the last crash.*

33.3. Pre-MPAT Day-01 Part-01 (18-September-2021, from 00:33:55 hrs. to 00:35:02 hrs.)

Noticee no.2: *Aap jo, trading ki shuruaat karte ho na, dhyan se sun na ok, toh, trading ki shuruaat karte ho, shuruaat mein likh sakte he pehla trade liya, stop loss hit hua, toh, aap ke capital mein se kam hua, dusra trade liya, toh, aap ke capital se kam hua, toh, stop loss hit hua, tisra stop loss hit hua, toh aapke capital mein se kam hua. But once you build profit on this, once you build profit on this, nobody in the world can stop you from making money. Everyone. Shuruaat mein aapke, stop loss, ho hua, toh, ke capital mein se kamu hoga, but ek baar aapne profit bana liya, phir tho aapke capital poora hi safe ho jata hai, right? Think about it. Only when you start off, and you know what, only when you start off with your journey everyone, only when you start off with your journey, okay, aapko, aapko discipline lana hota hai, hai, agar shuruaat mein agar aapke stop loss hit hue, toh, capital mei jayega, after two months, or three months or five months, once you build a profit on it, your capital is completely safe. Completely safe. Right?*

33.4. Pre-MPAT Day-01 Part-01 (18-September-2021, from 01:10:51 hrs. to 01:11:50 hrs.)

Comment: *"Asmita, ma'am, index F&O is rocking."*

Noticee no.2: *Thank you, Jignesh Thank. Okay, now, please understand this, you know, yeh 30 lakhs to 3 crore. So, how many of you guys out here who were talking about...*

***Comment**: And, ma'am, this channel was the only video I watched and decided to commit myself to you and join MPAT 16.*

***Noticee no.2:** Congratulations. Congratulations, everyone. Okay. Now, can you guys see this? You know, 30 lakhs to 3 crore. Now, she is, you know, she was a president, a vice president at JP Morgan. From there to now, she's a full-time trader. 5 lakhs to 42 lakhs, 30 lakhs to 12 crores. You know, all of, like, he is, you know, he is trading with 10 crores of funds now. You know, 8 to 26, he's trading with 9 crores, trading with 1 crore, trading with 80 lakhs. kitni sari students hai, everyone? Okay. Who has been doing this, everyone? Do go and check out that, guys. Do go and check everyone.*

33.5. Pre-MPAT Day-01 Part-01 (18-September-2021, from 01:18:42 hrs. to 01:19:54 hrs.)

***Comment:** Can a fresher join?*

***Noticee no.2:** Robinson. Yes. Irrespective, guys, whether you are a fresher or a trader, even if you haven't traded before, apne kabhi ek stock bhi buy nahi kiya, you can still go ahead with MPAT because everything starts from a scratch. Everything starts from scratch. Because, please understand, you know, ye do din ke program se professional trader nahi banoge. ye char din me aap professional trader nahi banoge. You have to go through a structured program to do this.*

***Reply to another Comment by Noticee no.2:** Bahavika, yes, housewife can join this 1,000%. We have so many housewives, okay, who is trading. And in fact, you know, recently, there was this homemaker, you know, who called me up, like who's, I think she joined in 2019, 20, 20, 20, okay? And today, she started off trading with 10 lakhs. And currently, you know, a week, I guess a week back, I, you know, I was just talking to her and I just got to know that she's now trading with around two and a half, three crores.*

33.6. Pre-MPAT Day 1-Part 2 (18-September-2021, from 00:00:22 hrs. to 00:01:26 hrs.)

***Speaker 1:** In fact, stock market, to me, starts with Asmita Patel, and it ends at Asmita Patel. I am trading on a capital of around 42 lakhs, with an average profit of around 50%.*

Speaker 2: *Trading is the business, loss is the cost of doing this business. Thank you, Asmita Patel.*

Speaker 1: *This is the global school of trade here. I am so, so proud to be a power group. And I think, jaise har ghar me, ek family doctor hota hai. vaise har ghar me ek family trader hona chahiye. aur wo to A for Asmita hi hona chahiye. This is the woman of the very first sentence. Thank you. So, hello everyone. Hello, Asmita Ma'am.*

33.7. Pre-MPAT Day 1- Part 2 (18-September-2021, from 00:09:14 hrs. to 00:09:32 hrs.)

Speaker 1: *I am trading with a capital of around 42 Lakhs with an average profit of around 50%, 5, 0, 50%. And there has not been a single day that I have missed out on putting on it. This is the kind of discipline that has been imbibed, ingrained into me.*

33.8. Pre-MPAT Day 1- Part 2 (18-September-2021, from 00:23:01 hrs. to 00:27:33 hrs.)

Noticee no.2: *And then, you know, she is a CA and now a full-time trader. She's trading with a capital of around 12 crores. She started off trading with 30 lakhs, everyone. And the story is like one and a half, two years. Everyone, five lakhs to 80. He's again, I think he is an engineer who left his job while he was doing MPAT. Even, even this guy, okay. Even he, he left his job, MPAT program kar rahe the. Usi doran unhone MPAT ke bich me hi unhone wo program unhone apna job chod diya tha. Even quit his 9 to 5 job and is now a full-time trader. And he's trading with a capital of around 80 lakhs now. A businessman, he was into, he has this very interesting study. You know, he, he, he was into an oil business and wanted to, you know, replace his job and successfully did it in like one and a half year. When he has replaced his job with a full-time trading and he's now trading with 9 crores, everyone. A 18 year old, okay, who made a 12 lakhs profit. I think in a span of eight, nine months. Okay. Eight, nine months. He's again, another student who is now a full-time trader. And he's also trading with the capital of more than a 10 crores now. Bought a new car, MG Hector. Yes. Super. Again, ye bhi, ye bhi, engineer hai, government job me the and now he is a full-time trader. I think this is not updated,*

but currently that I got to last, that I got to know was he is now trading with one and a half, two crores, everyone. Okay. Up again, a vice president, everyone. Okay. Again, a vice president at JP Morgan to now a full-time trader, everyone. A banker to a full-time trader, a professor and a trader. Now, these are the few profits, 63,54,000. Can you see this here? Okay. Okay. So somebody was talking about that. What if the market crashes? Okay. Now, if the market crashes here, everyone. Okay. Can you see this? 63,54,000. 31 lakhs. 30,78,000. 4,90,000. 6,49,000. All of these are the profits which was made in the crash, everyone. So, yes. So, everyone, guys, all that I was trying to see here is that, you know, it's very important, very, very important that you go through a structured process in order to trade it. Now, if you check this, now, for example, okay, one, I'm sure, how many of you guys out here, how many of you guys out here are trading the bank nifty strategy that's been taught to you guys? Kitne log yaha pe bank nifty… Kitne log yaha pe bank nifty ki strategy par trade kar raha ho. Everyone? Super. Great. Now, can you guys see this? Okay. Now, this is what I was talking about, everyone. Okay. Imagine, aap, for example, if you check this, I'll just put this into training mode. So, let's say, everyone, let's say, everyone, that, you know, every single day, for example, aap directly trade kar rahe ho…

Comment: *Trust me, making good money.*

Noticee no.2: *Ramesh Chandra. Thank you. Great. Great. Okay. Super. It feels good. You know, when people are message us or email us, you know, that they're making money trading the strategy. So, for example, everyone, for example, everyone, for example, let's see, it's two days ka high. Okay. And yaha par aapka two days ka low bhi banega. So, agar two days ka low hai yaha par, jaise maine aapko kaha hai aap nahi decide karoge ki buy karna hai ya sell karna hai.*

Comment: *Madam, market crash hone wala hai kya?*

Noticee no.2: *Aisa kuch bhi nahi hai. Okay. Agar aisa hota hai to bhi hame koi farak nahi padta hai. aap ye system follow karo, If you follow the system, you will be in the right side of the market. Even if you are in the wrong side, you will make your exit and put it into the right side.*

33.9. Pre-MPAT Day 2- Part 1 (19-September-2021 from 00:23:40 hrs. to 00:25:44 hrs.)

Noticee no.2: *Okay. Superb. Um,*

Comment*: Ma'am, I'm making one and a half lakh profit.*

Noticee no.2: *Superb. Great. That's. Superb. Superb. Okay. So, great, everyone. So, you know, we were discussing, everyone, we were discussing about, you know, yesterday we discussed about this cafe thing and, you know, stock market thing. You know, why did we discuss that? Because it's very important. Very, very important ki aap iss business model ko bahut sahi tarah samjho. Varna to yaar hum sabh jagah dekhte hai sunte hai bolte hai And you just hear, stock market risky hai stock market ye hai stock market vo hai. Jab ki It is as good as any of the business, boss aap usko sahi tarik se nahi kar rahe ho. Baki, stock market me trading me koi problem nahi hai. It is one of the best business models in the world. How many of you guys, everyone, how many of you guys agree that stock market is one of the best business models in the world? Please put it on the chat box. Aap sabhi ko na guys ek ek cheez samjhana chahungi Ek cheez request karna chahungi. All of us are here to learn how to make money, right? We want to add, we want to make more money. Okay? And if you want to make money, you know, more money, the only way is you've got to do a business. Aap job to nahi kar sakte ho ek aur, ek job kar rahe ho, do job saath me nahi kar sakte ho na. To, aapko business hi karna hoga Aur jab business ki bari aye na, to aap apna paise koi aur business me dalo Okay? Uske badle aap pehle stock market ko mauka dena to make money. Jo paisa, aapko jo peace free aapko paisa stock market dega, no other business in the world can give you guys.*

33.10. Pre-MPAT Day 2- Part 1 (19-September-2021, from 00:31:24 hrs. to 00:32:30 hrs.)

Noticee no.2: *Okay? Prashant? Yes. You can contact... You can talk to the team.*

Comment: *Varad Joshi. I will be joining, madam.*

Noticee no.2: *Congratulations. Congratulations. Iske baad hum dusri cheez pata hai aapko kya seekhayenge agar 10 stocks me hume trade karna. Phir jo dusra struggle jo sabhi log trade karte hai jo dusra struggle jo sabhi log trade karte hai sabhi log face karte hai. Okay? It's all about, ki yaar vo stock ko buy kab kare ya*

short kab kare. Okay? There will be a mechanical process to decide, ki buy kab karna hai short kab karna hai Okay? I repeat. Okay?

Comment 1: Ma'am, I've paid fees for MPAT.

Noticee no.2: *Congratulations, Daksh. Just talk to the team. They will surely help you out with that.*

Comment 2: *I will be joining MPAT. Anirudh Sharma.*

Noticee no.2: *Congratulations. Congratulations.You know,*

Comment 3*: Ma'am, my capital is 6 lakhs and average. How much?*

Noticee no.2: *Expect from 35 to 40 percent. Expect around 35 to...*

Comment 4: *Ma'am, I'm a housewife. Can I be a trader?*

Noticee no.2: *One thousand percent.*

33.11. Pre-MPAT Day 2- Part 1 (19-September-2021, from 00:36:13 hrs. to 00:37:03 hrs.)

Noticee no.2: *So, I hope, so these, these are the next things that you learn it, everyone. So, you'll be learning about pyramiding. Now, jaise aap log bank nifty me trade karte hai, 1:1 trade kar rahe ho, right? aap waha par 1:2 trade karoge, 1:3 trade karoge okay? 1 :3 trades, so that is what, because understand one thing, if your risk reward is not 1:3 you are, okay? If your risk reward is not 1:3, okay? Then, you are missing out on, you know, very important risk reward, because, understand, it's like, agar aapne ek target achieve kiya and you get 3 times the risk, okay? It gives you space enough, to take go, and take the next trade. And even mentally, it gets very comfortable, when you, when your risk reward is, 1:3.*

33.12. Pre-MPAT Day 2- Part 2 (19-September-2021, from 00:00:36 hrs. to 00:01:45 hrs.)

Noticee no.2: *Yes? Superb. Mirwan, you know, we'll be teaching you all of that, but, you know, it's not necessary that you've got to trade all of it. 65 to 70 percent, Sunil Yadav. Comment: There is no loss after joining MPAT?*

Noticee no.2: *For sure. Okay, let me put it this way, DK Chawla. You may have the stop losses initially, okay, you know, because it's starting off, but once you build the profit on your capital, it does not touch your capital. But at the end of the year, when you follow the system, there won't be a loss. That is for sure. You know, initially,*

obviously, you have stop loss to target this. Shuruaat me me aapna pehla trade hi liya aur stoploss hit hogaya to aapki capital ko touch karega hi na. But ek bar, aapne usme profit build kar liya which is 10, 15, 20 percent, uske baad aapki capital ko touch nahi karna hai.

Umair... Okay, Umair... Around at least 30, at least 30, Meri Jaan.

34. Transcript of visiting speakers talking about guaranteed returns

34.1. LMIT Day01 Part 8 (03-September-2021, from 00:16:14 hrs. to 00:16:37 hrs.)

Speaker 1 (Txxrupxx): *I'm Txxupxxi Rxxaraxx. As ma'am said, I was working with J.P. Morgan Chase as a VP. And now, a full-time, you know, a professional trader, a part of that one-percent club, of a successful professional trader journey, is all possible because of Asmita Ma'am. So, thank you so much for coming in my life.*

34.2. LMIT Day01 Part 8 (03-September-2021, from 00:17:12 hrs. to 00:17:31 hrs.)

Speaker 1 (Txxupxx): *I want to talk about that I started my journey, 30 lakhs in stock market. And now I'm managing around 3CR. Right? And many more to add... So, all that confidence, I got it because of Asmita Ma'am.*

34.3. LMIT Day01 Part 8 (03-September-2021, from 00:24:38 hrs. to 00:25:37 hrs.)

Speaker 1 (Txxupxx): *Then, the reason that I left my job, that I wanted to, you know, create something that will work for me. Finally, that dream came true. That, as Ma'am mentioned, that December 2020, I'm blessed with Baby boy. Okay? And that month is a month, not even a single day that I've checked market. Because I was not at all in that stage. I was not at all in that stage. I was not at all in that stage. And that month, without me looking into a market, I made 12% that month. So, finally is the day, finally is the day, finally is the month, that I've not worked at all. And money worked for me. Because, Asmita Ma'am's systems and the entire setup, she helped me even to build, you know, set up. I'm her MPAT student. So, she, you know, helped me in such a flawless way, that whether I'm there or I'm not there, money is definitely going to work for me.*

35. Transcripts on claim of qualification and trading experience of the *Noticee no.2*

35.1. LMIT Day01 Part 2 (03-September-2021, from 00:17:16 hrs. to 00:17:51 hrs.)

Noticee no.2: *But, ye teen deen na, har cheez keep your mind open and listen to every single thing that I'm saying. You know, I'm so, the reason, another reason I've put up the show is, guys, it's been 16 years in this market. 16 years, a journey, which started off with minus 73 lakhs to 283 crores of funds. So, we started with minus 73 lakhs to now, you know, based on my proprietary system, 283 crores of funds are being traded.*

35.2. Pre-MPAT Day 1 Part-01 (18-September-2021, from 00:18:32 hrs. to 00:20:43 hrs.)

Noticee no.2: *Kariban 6.5,7, 8 saal lag gaye guys to understand what makes actually money in the market. So bus itna hi short me kahungi guys ye 16 saal ki journey me7-8 saal to samajhne me chale gaye pichle 7-8 saal se we have been doing in a very great scale. I'm very very proud to announce that today, based on my proprietary systems that I've developed, 283 crores of funds are being traded on my system. Isn't that crazy? Everyone. Yes? Everyone. Okay? So yes, it's 283 crores of funds are being traded on the proprietary system that I have developed. So when I say that, now please understand. The reason I'm sharing The reason I'm sharing this with all of you guys here is that this masterclass is just not about every other webinar that you must have attended. Okay? This webinar, this masterclass is not about... I'm sure, you know, especially after COVID ke baad, the problem is not... I think the major problem that people face is kaunsa wala webinar attend karungi? Isn't it? Everyone. How many of you guys would agree to this? After this, after this... And I'm sure sab logo ne bahut sare webinars attend kiye rahenge when it comes to the stock market. Okay? And the decision, I think... kitne free webinars hote hai itne free webinars hote hai ki samajh me nahi aa raha ki kiska attend kare. Iska attend kare ya uska attend kare. Ye acha hai ya wo acha hai. Okay? So... I'm sure aap logo ne stock market se related aur bahut saare webinars kiye honge. But before I get started... Okay? I wanted to understand this one thing very, very clearly. Aap jab yaha par, aap jab yaha par aap jab yaha par, aaye ho na to aap iss apne apne jo bhi abhi tak pata hai ya sochte ho, Okay? Please make sure that all your*

preconceived notions about stock market, keep it aside for, you know, next five hours.'

36. Transcripts on narration of what lies ahead in MPAT course starting from 2nd October 2021**)**

36.1. LMIT Day 1 Part 8 (03-September-2021, from 00:32:45 hrs. to 00:34:11 hrs.)

Noticee no.2: *Imagine for next seven months, everyone, next seven months, meri jaan, tum jo bhi trade karoge na, jo bhi trade karoge, vo aap hamare paas trade karoge. Imagine there is somebody who is there to hand-hold you. There is somebody who is there to check with you. Mujhe ek baat batayiye, everyone. Aap jitne bhi log waha par trade kar rahe ho agar aap, when was the last time somebody told you, Hey, Manas, you are not supposed to do this. Hey, Anand, you are not supposed to do this. Hey, Kishore, you are not supposed to do this. Why did you trade this? Why did you bought this? Itna Quantity kyu liya? Itna buy kyu kiya? yaha buy kyu kiya? stop loss kyu nahi lagaya? When was the last time somebody told you this? No one right? Was there anybody throughout, who say ki bhai kaha se two lots kyu liya? Who questioned you? Who corrected you when you are wrong. So tell me everyone, if you have somebody who is with you for the next seven months, will it help you? Will it help you to take your trading to the next level? Everyone, everyone? Will it help you to trade next level? Trading to the next level. And imagine, every day, you are going to trade next day. Imagine karo aap agar humko roj puchte hai aapko karna kya hai? Jaise hi aap MPAT ko register karte hai, your trading starts. First month se aapki trading shuru hoti hai.*

36.2. LMIT Day 1 Part 8 (03-September-2021, from 00:37:32 hrs. to 00:39:07 hrs.)

Noticee no.2: *Jab tak aap live trading nahi karoge, aapko saare cheeze samajh me nahi aayegi. And this is where the live trading comes together. Imagine everyone, if you are trading live with us for the next seven months, will it help you to take your trading to the next level? Yes! Saath Mahina! Okay? Saath Mahina! Saath Mahina! Everyone Seven Months Okay, you guys are trading live with us! Every day! This is the important thing. Jab aap MPAT ke liye enroll karte ho, to aapka trading account hamare under hona compulsory hai. Are you guys getting this everyone? Yes! When you talk about MPAT, aapka trading account hamare paas ek saal ke liye hona*

compulsory hai. uske baad chahe jaha lelo aap le sakte ho, Why? Because we want to make sure that everything that you are doing is right. Ab bahut baar kya hota hai bahut saare students order galat dal dete hai. Ab order galat dalte hai kabhi koi price galat dalte hai, quantity galat dal dete hai, buy ke badle sell karte hai, ye Saare masle hote hai initially. And it's important that we have an entire team who checks your order every day in order to make sure that you're doing it right. So imagine everyone, if you get that level of hand-holding, will it help you to take your training to the next level? Everyone, yes, yes, everyone. MPAT, everyone, is a seven-month program, 70 sessions in seven months.

36.3. LMIT Day 1 Part 8 (03-September-2021, from 00:49:00 hrs to 00:49:49 hrs.)

Noticee no.2: *Make sure, everyone, that you're going to this link and you just have to pay one lakh rupees and you just can register yourself for the MPAT program, everyone. And all that I would say to you is, can you have the full screen, please? Okay. All that I want to say here is, everyone, ek hi cheez kahunge, if you really want to become a professional trader, MPAT is going to be the decision. Once you do that, you don't have to do any other program in the world. Okay. It's, It's, this is one program when we work very, very close with the students to make sure that no matter what your goal is, you achieve your goal. And everything is structured in such a way that it would just make your thing and your journey way, way, way, way easier and very smoother.*

36.4. LMIT Day 1 Part 8 (03-September-2021, from 00:59:11 hrs. to 00:59:32 hrs.)

Comment: *Is the scholarship only for 4 students or everyone who registers today mam?*

Noticee no.2: *No, Vaishnavi, it is going to be for four students. So, we'll be picking up four students, everyone, for all the people who have registered for MPAT. Unme se do naam hum kal lenge Vaishnavi aur do naam hum parso lenge. You will be placing orders in the live market, everyone. You will be placing orders in the live market, everyone. Yes? Superb.*

Comment: *What is the installment plan?*

Noticee no.2: *I think I've answered that. So, great, everyone. Thank you, guys. Thank you so much. And we look forward to see you guys for MPAT, everyone.*

36.5. LMIT Day 2 Part 8 (04-September-2021, from 00:09:29 hrs. to 00:11:58 hrs.)

***Speaker**: As I said, the back-office team jo piche hai wo hi kaam karte hai. The best part is, itna private one-to-one attention maine itne saare courses kiye kisi ne bhi nahi diya. It is purely one-to-one attention, I will tell you how. Ek to, inhone webinar le liya padha diya uske baad support sessions har Sunday ko support sessions Bxxal Ma'am and Txxpxx Ma'am. Then, there is a telegram channel. Immediately, messages aa jate hai jo bhi hai entry trigger hua ye nahi hua, aur sabse best part hai ki aapka entry galat hota hai, to aapko immediately call aata hai, Sir, aapka entry galat hai aap isko rectify karo and that has happened with me. So, I am very honest with you mere saat hua ha. Mujhe mail aaya aur recently call bhi aaya tha. But that is the best part, ki itna personal attention koi nahi deta hai. And to carry on, again and again, har MPAT batch me yahi hota rahega. So, it is very difficult. Every Sunday, support sessions lo, sabka doubts solve karo. Then the notes proper time par aa jata hai. That is the best part. And, one more thing, I always believe ki vo institution kaise rahega, jabardast rahega jaha par unke students padhane ke liye phir return aate hai. Because this is what I also experienced. When my students came back, ki sir, mujhe bhi padhana hai aapki class me. So, wo feeling hi alag ho jata hai. Because students return aata hai na bahut saare students hai, kitne saare students hai aate hai jaate hai. But agar wo student return aata hai, bolta hai sir, ma'am mai aapke saat kaam karungi, voluntarily karungi. Har Sunday. At 10.30, Txxpxx Ma'am is already there. Aur, isse jyada kya proof chahiye ki inka methods work karta hai? inka system kya hai? So, all the LMITers who are attending the session, especially the youngsters, kyunki mai youngsters se jyada deal karta hu. Youngsters ko mei yahi bolunga, khaskarke jisne 12th just abhi dikh rahe hai yaha they are pass outs. Jindagi me kuch bhi karlo. CA bano jo tumko banna hai, CA banna hai doctor banna hai. Whatever you do, Uske saat ek course MPAT compulsory hai.*

36.6. LMIT Day 3 Part 1(b) (05-September-2021, from 00:27:18 hrs. to 00:30:09 hrs.)

***Noticee no.2:** this is only for students have enrolled for MPAT. Okay. Aap kal suboh 7.30 we have. 7 o'clock we have, right? 7 o'clock se live trading shuru ho jayega, for all the students have enrolled for platinum and diamond. Unme se kaafi saare*

students ne MPAT ke liye enroll kiya hai Jinhone MPAT ke liye enroll kiya hai aap logon ko vo sessions nahi attend karna hai. Is this very clear everyone? Yes, everyone. Aap yeh math sochna hai ki humko mana kar rahe hai nahi guys. Hum mana nahi kar rahe. There's a reason why we are staying this. Okay. I just said, aap ke baare mein sabseh jyadha agar, Aap ke success ke baare mein sabse jyadha agar koi soch raha hai, so hum soch raha hai. And agar hum koi decision le rahe hai, to woh bohot soch samajh ke decision le rahe hai. Can you please agree to this? Can you guys please put, you know, yes, yes, I commit. Everyone, and all the traders that you're trading it, please make sure that you're not trading for next one month. Wo break ho naa bohot jaruri and phir hum shuruwaat ki saree cheez karenge. Okay, everyone. Superb. Great Manas, Srinivas, Aakash, Meena, Adesh. Great. Dr. Kranti, yes, Balinder. Great, great. Melind, Kishore, Farhan, Rohan. Milind, great. Sujai, Kamlesh, Sanjay. Superb. Superb. Superb. So, great. Great. Great, Davinder. Superb. Great. Okay, people have registered for MPAT. Okay, aapka thursday se, pre-orientation, jo bhi aapka, you know, support, pre-orientation, sari chizhe jo hai, jo bhi aapka back-end, you know, aapke account opening shuru ho jayenge, then, jitne bhi log MPAT me enroll ho raha hain, jaisa maine aapko kaha tha, aapka trading account ek saal ke liye hamare paas ho na chahiye. Uske baad, ab chaahe jahaan dalna hai leke jana transfer kar sakte ho. But, job aap learning zone mein ho, jab aap hamare se seek rahe ho na, us time pe, aapka trading account hamare paas ho na jaruri hai. So, please make sure. So, from thursday onwards, poora team bohot thag gaya hai. …, you know, probably they may relax, you know. So, from thursday onwards, everyone. Thursday onwards, you know, aapka trading account open ho na start ho jayega, okay. Team will call you up, they'll ask you for the documents and requirements. Please make sure ki aap 2nd October ke pehle aapka trading account start ho gaya hai, okay. And there'll be a software which will be installed on your laptop before the session. This will happen in the last week of September, everyone. So, there'll be, jo trading software mein use kar rahi thi, woh trading software aapke laptop mein installed hoga. Tisra, there'll be a telegram group, okay. There'll be a telegram group.…, there'll be a telegram group, everyone.

36.7. Pre-MPAT Day 2 Part 1 (19-September-2021, from 00:41:04 hrs. to 00:42:09 hrs.)

Noticee no.2: *Prajit, no. It's 7 plus tax. Right? Jamshir, it's total 7 plus tax, yes. Sessions, all the support sessions are conducted on Sundays. Yes, Mervan. All the support sessions are conducted on Sundays.*

Comment: *Any short courses available?*

Noticee no.2: *we will be announcing a few more short courses. You can... Yes. Monika, understand. Once you understand, dhyan se sunna, okay. Now, dhyan se, everyone, guys, dhyan se sunna,*

Comment: *I have already registered for MPAT, how do I join your telegram group?*

Noticee no.2: *Sujai, firstly, congratulations on joining. How do you join a Telegram group? A three days before the program starts, we will be adding all the students in the MPAT group. You don't have to do anything. You will be getting a call from the team and they'll be, you know, connecting you guys on Telegram.*

37. Transcript of telephone number operated by the *Noticee no.1* as stated during the LMIT session

37.1. LMIT Day 1 Part 8 (03-September-2021 from 1:09:07 hrs. to 01:09:10 hrs.)

Noticee no.2: *You can contact the team on., 8xx-8888-xxx The last number is xxx.*

38. Transcript of inducing participants to prefer trading instead of job/business and that for becoming a successful trader, the 3 day LMIT course is not enough. Transcripts of suggestions to exit mutual fund investments or to use others money in case of short of capital

38.1. LMIT Day 2 Part 4 (04-September-2021, from 00:24:47 hrs. to 00:26:37 hrs.)

Noticee no.2: *Tell me how many of you guys want to replace the job and want to do trading? kitne logo ko a full-time trader banana hai? Guys, jo bhi cheej mein bo bahut practical baat kar kaheen pa bhi lagegi its not going. Tell me right there. Ab mujhe batana when you say this that I want to replace my job and want to do trading. I want to replace my business,*

Comment : *already left the job.*

Noticee no.2: *okay? I want to replace my job and I want to do trading. Do you know what does it mean? It means that ki aap agar full time trading kar rahe ho which*

means aapke ghar ka saara expenses aapke bachchon ki school fees, aapke bachchon aur aap logon ki vacations, aapki har cheez trading ke profit se run honaa chahiye. Yes or yes? Yes or yes? Right? Now imagine when you say, agar aapka livelihood trading se hona chahiye to vo life ka imagine karo aap mein us subject kee grip kitne honee chahiye? aapko us subject ki knowledge kitnee honee chahiye aapko us subject kee understanding kitni honi chahiye aapko us subject ko bada karne ka mindset kitna na hona chahiye aur vo teen din mein nahin aata guys hum koshish kar rahe hai We are going to try and give you the best in these three days as well. But you really need to understand, if you are really serious about the goals that you have written yesterday, and if you want to really take it big, you have to learn. It could be anything, kidhar se bhi shikho please make sure that you are learning it. ek baar seekho ge na jindagi bhar vo cheez aapke paas hoge And, as I said yesterday as well, when you come for MPAT, you are just not learning strategies that we give you.

38.2. <u>LMIT Day 2 Part 6 (04-September-2021, from 00:20:02 hrs. to 00:23:50 hrs.)</u>

Comment: *Davindar MPAT. Davindar, exit mutual funds. Sell all your mutual funds and manage yourself.*

Comment: *Maggie, register for MPAT.*

Noticee no.2: *Congratulations. Congratulations, Maggie. Congratulations. Congratulations. Mazaa ayega, bahut mazaa aayega Okay. Now, tell me everyone. Now, can you just manage your own mutual funds? Everyone. Guys, you do not need. After this, once you follow this, aapko mutual funds jitna return de raha hai na usse jyaada hi sahi bat kam to kabhi nahin banaoge So, how many of you guys are exiting their mutual funds today? I want to check that. I want to check that. ya bus aaye seekhe lekin ham koe action nahi hai kuch tho action lo yaar. kuch to action lo How many of you guys are? raise you hands. How many of you guys are exiting your mutual funds? The reason why you have*

Comment: *Asif Ali Khan already done.*

Noticee no.2: *Superb. very good very good everyone all of you guys out here everyone The reason why you have invested into your mutual funds, because you are expecting it to give you a stock, which is basically like a multi-bagger stock, jo aap khud kar sakte ho*

Comment: *Ma'am I have exited. Already done last night. That's okay*

Comment: *Meena, out of mutual funds.*

Comment: *Asif Ali Khan, PF bhi kar diya.*

Noticee no.2: *Superb. Superb, everyone. You know what, guys? It's very important that you take an action. Take some action. Okay, exit your mutual funds. jab tak aap sabhi ko responsibility nahi aagayi na tab tak phir aap kuch nahin karoge strategy achi, system acha sab kuchh bahut achchha bat kuchh nahin kiya Okay? Superb.*

Comment: *Only in liquid funds. rest all the funds are squared off. Srinivas.*

Noticee no.2: *Superb. Superb, everyone.*

Comment: *Exited multi-asset fund. A Prafulla.*

Noticee no.2: *Congratulations. Congratulations.*

Comment: *APS-1001. Already exited mutual funds.*

Comment: *Jai, already exited.*

Comment: *Ashish, I will.*

Noticee no.2: *I will nahi hota hai. Do it now. Okay? Okay? Session ke baad. Abhi gyan lena. Okay? Superb. Superb.*

Comment: *Exiting from multi-asset fund. Superb.*

Comment: *Praveen, tomorrow I'll exit, madam.*

Noticee no.2: *Guys, please. Honestly, aapko pata hai jab aapke paas ek fund aajayega na when you exit mutual funds, jo bhi instrument aapne jaha pe bhi dale hue because you will need a liquidity to trade and agar exit nahi kiya na .*

Comment: *Exited last night only.*

Comment: *Applied to exit, Kusum.*

Comment: *Ganesh, exited last night only. What an eye-opener, ma'am.*

Noticee no.2: *Thank you. Thank you. Thank you. Thank you. Superb.*

Comment: *Exited after FNO session. Kya baat hai? Dr. Kranthi. Superb. Superb.*

Comment: *Tomorrow I will exit, madam. Superb. Superb. Superb. Great.*

Comment: *I exit UPL holding equity.*

Noticee no.2: *Superb. Superb everyone. Great. Great. Take some actions. You take. And jaise aapke paas wo fund aayega na by default, because aap lakh do lakh se karoge na to, I don't mean, there's no problem you're doing that. Okay? But, jab aap vahi 5 lakh ya 10 lakh se trade karoge Honestly, mujhe batana okay the attitude, your attitudes towards market, your attitudes towards trading, when you trade it with*

one lakh, and your attitude towards trading, when you trade it with 10 lakh or 50 lakh, will it be way different? mujhe ek baar, tumhara attitude, tumhara kaam karne ka tarika tumhare back testing, tumhare har cheez jab tum ek do laakh rupaye laga rahe ho aur tum jab 10, 15, 20, 25, 30 lakh lagaoge na aapko khud mein study karane mei bahut farak padta hai

38.3. LMIT Day 2 Part 8 (04-September-2021, from 00:33:39 hrs. to 00:34:51 hrs.)

Noticee no.2: *Okay. In the meanwhile, if in case anybody wants to go ahead.*

Comment: *Don't have much capital to join.*

Noticee no.2: *Abhishek, koi tension nahi hai. Do you know people who have capital? Talk to them. Do you have mutual funds? Instead of giving it to mutual funds for them to manage your money and manage your capital. Rather, you trade with your money, Abhishek. Rather, you do it with that. Aapko karna rahega na sach mei rasta mil jayega. Check it out. How you would do it. Abhishek, Abhishek se bat karo. It's Rashmi, the Stop Loss 2 is where you don't book the target. You will only and only trail the Stop Loss.*

Comment: *I'm searching for the rasta. .*

Noticee no.2: *mil jayega meri jaan. Sampat Kumar, mil jayega. I'm a strong believer of if you really, really, really want something, uperwala rasta dikha hi deta hai. you just have to desperately want to do it. You've got to be serious about it.*

38.4. LMIT Day 3 Part 1(b) (05-September-2021, from 00:05:36 hrs. to 00:06:58 hrs.)

Noticee no.2: *Please understand the business model. Are you understanding this? Guys, if you have to do, as I said, this program is not about doing making 500 rupees every day. This program is not about making 1,000-2,000 rupees every day. No. This program is all about how do you make a business out of it. I mean, how do you make a business out of it? And there are so many people who said, I want to leave my job. I want to do this full-time. I want to replace my business with trading. When you have to replace the job, then you have to replace your business. You mean that aapka har kharcha trading se hona chahiye Are you guys getting that? aap kitne sare MPAT ke liye aake aapko bolna ki I have left my job and I'm doing this full-time. I left my job and I'm doing this. I've replaced my job and I'm doing this full time. Right? Now taking that kind of a decision, that would only come in, guys, when you*

start understanding this business, everyone. Now the problem is, the reason that people are so negative when it comes to markets, everyone, people only listen to... market bahut risky hai... market bahut aisa market bahut waisa hai. all of that aap sunte kisko ho Now, Who are you guys talking to? Who are you listening to? Who are you listening to, everyone? The people who are losing money in the market are people who are not trading the market.

38.5. <u>LMIT Day 3 Part 1(b) (05-September-2021, from 00:13:06 hrs. to 00:15:17 hrs.)</u>

Speaker: *This is Pxxnav Shxx's mentor view. Actually, I'm based in Africa currently. It's more than 25 years I'm in Africa. And I'm working at the top management level in one of the group companies of Africa. You know, it was my dream to leave this country and go back to my country and work something like, you know, which gives me a consistent profit, peace of mind. So I was looking for a business, like, where I can be comfortable, you know? Oh, meri journey matlab, trading me i was not at that, you know, constantly I was not trading, you know, I was a positional trader. Sometimes I le liya, sometimes I bech diya sometimes ye kiya…. But then I wanted to make sure that I learned everything properly, that I can make my future in this. I can make a business, which gives me good return. Asmita Mam ka mujhe mila, through my daughter. And then I talked to Ma'am. I talked to Ma'am and that one call gave me so much confidence, that no, this is something I should try. So then I joined MPAT. My journey with Asmita Mam, so far, in three months, it gives me so much confidence, that I have decided to leave my job.*

Noticee no.2: *Oh, really? Already.*

Speaker: *And I am leaving this country, next month, I am coming to India.*

Noticee no.2: *You're coming back to India, you said.*

Speaker: *Yes, I'm coming back to India.*

Noticee no.2: *Array, array, very good. Yeah.*

Speaker: *And ye teen mahine jo aapne sikhaya jo aapne bataya ye siddhant se aapke ungli pakad ke pakad ke sab kuch sikhaya sab kuch sikhaya kyun ki how why we are doing it How it works. You know, why these lagging indicators you have to stop trading in. What we have to see is the current and future, which no indicator will give you that.*

38.6. Pre-MPAT Day-01 Part-01 (18-September-2021, from 00:21:46 hrs. to 00:23:17 hrs.)

Noticee no.2: *How many of you guys out here wants to leave their job? Okay? And wants to do this full time? A lot of you guys. How many of you guys wants to replace the job and wants to do this full-time?*

Comment: *Ma'am, I've already registered for MPAT.*

Noticee no.2: *Congratulations. Right? A lot of you guys, right? A lot of you guys. A lot of you guys said, I want to become a professional trader. I want to replace my job. I want to replace my business. Okay? Sabse pehle na iss business ko samajhte hai. Okay. How many of you guys believe that stock market is the best business in the world? How many of you guys believe that the stock market is the best business in the world?*

Comment: *Yes, yes, yes. I believe, I believe, but it's too risky.*

Noticee no.2: *Superb. Ek kaam karte hai okay?*

Comment: *MPAT ke baare me batao.*

Noticee no.2: *10 minutes ka time deo meri jaan fir mai MPAT ke baare me jarur batati hu. Thik hai. Ab, sabse pehle na yaar iss business ko samjajthe hai.*

38.7. Pre-MPAT Day-01 Part-01 (18-September-2021, from 00:26:45 hrs. to 00:32:17 hrs.)

Noticee no.2: *Everything is good. And you have invested 50 lakh rupees…. in stock… that restaurant. What is the guarantee ki wo restaurant chalega? What is the guarantee that the restaurant will make money? batao mujhe. Is there a guarantee? There is no guarantee. No, no, no, no, no, no, no, no, no. There is no guarantee. There is a probability that if your location is good, if your team is good, your marketing is good, the team is good, the product is good, everything is good. To shayad tumhara business XYZ return dega right? So, koi guarantee hai?. koi guarantee nahi hai. Bhai, aap business kar rahe ho, right? aap business kar rahe ho. Business ka vasul hi yaha hai ki there is no guarantee ki profit hoga. Every business runs on probability. So does the stock market? Yes or yes. Yes or yes, everyone. Tell me, Kahi par bhi agar aap mere se agree na karo na?.....*

Comment: *Is this for people already registered for MPAT?*

Noticee no.2: *No. This is for the people who wants to enroll for MPAT. No, right? Now, understand. Understand this. Okay? Dusri baat aap jab restaurant me aapne meri jaan 50 lakhs rupees invest kar diye. Okay. aapne jo 50 lakhs rupees aapne jab yaha par invest kar diye. Okay.Wo 50 Lakhs Rupees to aapne pehle hi daal diye. Ab mujhe ye batao aap ko apnaa hi 50 lakhs Rupees vaapas lane ke liye aapko kitna kaam karna padhega? How long? ….. work for in order to get that 50 lakhs rupees back?*

Comments: *Five years? Three to four years? Minimum five years? Two to four years? Ten years? One to two years? One year? Two years? Seven years?*

Noticee no.2: *On an average? Okay. You know, we're just taking an example. Don't worry. Six months? Five to eight years? Ten years? Everyone? Let's say on a positive side, everyone, okay? On a positive side, let's consider two years. Okay? Now, imagine, guys, aap jab apne paise kisi restaurant me invest kar rahe ho, to pehle to aap apne 50,000,000 rupees or 40,000,000 rupees, jo bhi paisa aap invest karte hai, wo paisa pehle invest karte ho. Phir aap do saal ke liye. Okay? kaam karte ho teen saal ke liye kaam Karte to get your own money back. uske baad aapka profit shuru hota hai, Yes or yes? Am I right? Right? Aapke do saal break-even ko lag jayega. Okay? do saal aap kam karte hai to get your own money back. And after two years, you will start making money. Provided everything is going in your favor. Right? Whereas, okay, stock market, okay, agar 50,000,000 rupees stock market me invest karte ho na, to sabse pehli baat 50,000,000 rupees aapka liquid hai. You understand that? Everyone. If you invest 50,000,000 rupees in a restaurant, your 50,000,000 rupees has gone and it's been blocked. The same 50,000,000 rupees, 30,000,000 rupees, 20,000,000 rupees, 10,000,000 rupees, whatever amount that may be, the same money when you invest in the stock market, it is liquid. And kehte hai na ki cash is king. It is there with you in the cash format. Yes, yes. Dusri baat okay?, stock market, aapko café, restaurant aapko jo paisa do saal baad deta. Okay? Whereas stock market gives you money today. Wo aaj paisa deta aapko. Do you agree? Here you make money today. Okay? Which is more risky? Tell me, everyone. Imagine you have 50 lakh rupees or 10 lakh rupees or 5 lakh rupees or 20 lakh rupees, whatever money. Kaunsa jyada risky hai?*

Comment: *But same applies, 50 lakhs can disappear in a day.*

Noticee no.2: *Rahul, aisa kabhi nahi ho sakta. Aisa kabhi nahi ho sakta meri jaan. Agar aapke saath aisa hua na apne apne galat kiya meri jaan. Which is more risky? Restaurant, right? This is what I'm trying, the reason why I was discussing this.*

38.8. Pre-MPAT Day-01 Part-01 (18-September-2021, from 00:33:56 hrs. to 00:35:02 hrs.)

Noticee no.2: *Aap jo, trading ki shuruaat karte ho na, dhyan se sun na ok, toh, trading ki shuruaat karte ho, shuruaat mein likh sakte he pehla trade liya, stop loss hit hua, toh, aap ke capital mein se kam hua, dusra trade liya, toh, aap ke capital se kam hua, toh, stop loss hit hua, tisra stop loss hit hua, toh aapke capital mein se kam hua. But once you build profit on this, once you build profit on this, nobody in the world can stop you from making money. Everyone. Shuruaat mein aapke, stop loss, ho hua, toh, ke capital mein se kamu hoga, but ek baar aapne profit bana liya, phir tho aapke capital poora hi safe ho jata hai, right? Think about it. Only when you start off, and you know what, only when you start off with your journey everyone, only when you start off with your journey, okay, aapko, aapko discipline lana hota hai, hai, agar shuruaat mein agar aapke stop loss hit hue, toh, capital mei jayega, after two months, or three months or five months, once you build a profit on it, your capital is completely safe. Completely safe. Right?*

38.9. Pre-MPAT Day-01 Part-02 (18-September-2021, from 00:46:04 hrs. to 00:46:50 hrs.)

Noticee no.2: *I'm sure, okay, you... So, there are a lot of people, everyone, okay, if you are investing into mutual funds, okay, you can manage your own fund, okay? You can manage your own fund, everyone. Agar, aap mutual funds me invest kar rahe ho you can use that money as a trading capital. Okay? And there are a lot of people who are using mutual funds or somebody using the PF. You know, whatever savings that you have, you can use it as a trading capital. And aise nahi hote ki paise gaayab ho jaata hai. it does not happen. Agar kabhi aisa hua to aapke kaaran se hoga. Possible nahi ho Okay? Because understand, the entire risk management is set in such a way that it will never have a problem. You'll never have a problem.*

38.10. Pre-MPAT Day-01 Part-02 (18-September-2021 00:52:11 hrs. to 00:52:51 hrs.)

Noticee no.2: *It's a proof that people have money but they don't know what to do with that money and therefore they invest into mutual funds and other instruments. kitna return deta hai mutual funds? FDs kitna deta hai? 5-6%? mutual funds kitna deta hai? 8-10-12%? Yes. Ek baar ke liye socho mere jaan. Agar aap ye consistency seekhte ho jaha par 30,40,60,100% chod dho. Agar 18-20-25% consistent banana seekthe hai na, aapke paas kitna paisa aaygea Think about it. Focus on learning and getting these skills.*

39. Transcript of suggestion to take loan for the course and for trading

39.1. Pre-MPAT Day 2 Part-01 (19-September-2021, from 01:09:28 hrs. to 01:10:52 hrs.)

Noticee no.2: *Abhilash Reddy. You currently will be paying one lakh rupees for registration. Second October is going to be two. First October, two lakhs. First November, two lakhs. And first December, two lakhs. Plus tax, obviously. All of that.*

Comment: *How much? How much?*

Noticee no.2: *Priyanka, before that, we have to just make sure the account and your software and everything is in place. That's it. Raj Bhanushali, probably one and half year.*

Comment: *Ma'am, your ATA strategy is superb.*

Noticee no.2: *Thank you, Mohamad. Thank you. Ek cheez me kahu, Mohamad jaha tak strategies you know Okay, another very important point. Okay, all the strategies that you will learn in MPAT or any other program for that matter is not copied and pasted from anywhere in the world. It is purely developed by Asmita Patel. Rajendra, around 30, 35. Rohan, just make sure that you're borrowing. If you're borrowing it, it should not be more than 18%.*

40. Transcript of strategy taught in Pre-MPAT course which is relevant for MPAT course

40.1. Pre-MPAT Day-01 Part-01 (18-September-2021, from 01:05:04 hrs. to 01:06:22 hrs.)

Noticee no.2: *Because every single day, pehle toh aapko woh stock ke liye, buy karne ke liye bhi ready rehna hai, aur vohi stock ke liye short karne ke liye bhi ready rehna hai. Now, imagine this guys, for all 10 stocks. Okay? Agar aap buy*

karne ka order bhi dalo ki agar is ke upar gaya to buy karunga, iske neche gaya to bhi short karunga. And agar is ke beech me raha to bhi kuch nahi karunga. How about that? Every single day, place your buy orders, place your short sell orders. Is ke upar gaya to buy karunga, iske neche gaya to short karunga, is ke beech me rahega to bhi kuch nahi karun ga. And then, let the market decide, ki bhai buy karna hai ya short karna hai. Aap nahi decide karogi, ki buy karu ya short karun. Nahi. Aap apne order daalogi, aap buy ko order bhi daloge, you short ko order bhi daloge. Are you getting this? Aap buy order bhi daloge, to ek level pe, aur ek level ke pe, short ka order bhi daloge. So, agar price yaha se upar jaega, tho buy trigger, hoga aur neeche jayega tho short trigger hoga. Hum kyu load le us cheez ka ki buy karu ya short karu.let the market decide.

41. Transcript of how students/investors/participants are guided to place orders in live session during MPAT course

41.1. Pre-MPAT Day 1 Part-02 (18-September-2021, from 00:35:45 hrs. to 00:37:36 hrs.)

Noticee no.2: *And the whole idea is, guys, because understand, agar appko bolte hai ok, agar appko bolte hai aap is strategy ko trade karna ab muje nahi patha aap yaar trade kar raho ya nahi kar rahe ho. How do I know aapna is cheez ko strictly follow kiya hai ke nahi kiya hai. Isliye ek saal compulsory aapka account hamare paas hota hai taaki hum jub chahe tab aapka account check kar sakthe hai. Kabhi aapse koi mistake ho rahi hai, gadbad ho rahi hai toh hum log us cheez ko check kar sakthe hai ke aap sahi jo rahe ho ya galat ja rahe ho. Agar galat ja rahe ho tho aapko team contact karke aapko batha sakte hai ke appke orders galat dale hai. Bahut baar kya hota hai na you see profits You tend to overtrade a lot of times. When you tend to overtrade, you know, when you tend to overtrade, the team will tell you that aapko 2 lot bola tha app chaar lot kyu dale rahe ho? Okay? So... Okay? So, everything is, guys. Everything is impressive. It's very important. It's very, very important, guys, that you have your trading account with us. In fact, abhi hum logo be des baraha logon ko hire kiya hua hai jo ek he kaam kartha hai, ye check kartha hai ki aap barabar kar raho hai ki nahi. Total of 12 people have been trained just to check and make sure that whether you are doing it as per the plan. Okay? Okay?*

You are doing it as per the plan. So, ye cheez agar hum nahi karvayega tho its like when was the last time, guys, is that somebody said muje ek baath batao agar aap ke paas koi aisa banda hota jo shayad aapko tuition karta yaar Vinod tumne isko trade kyu kiya ok tumhe 2 lot lena tha tho tumne chaar lot kuy liya? Pradeep, ye tume kyo trade kiya? Pradeep tumara yeh order wrong hai. Pradeep tumko tho ye karna tha. Nacheket you had to do this. Why didn't you do this? When was the last time somebody questioned you?

42. <u>Facts determined based on analysis of agreements and LMIT and Pre-MPAT videos</u>

42.1. From the above transcripts, following facts are noticed:

a) Calculation was given to show 300% returns without any basis. It was projected that by trading, the capital will grow many times.

b) Statements were made to the effect that maximum money would be made when the stock market crashes.

c) A promise was given that despite stop loss being hit initially students/investors/participants would start making profit in a few months and the capital would be safe.

d) Examples were given of past VP of a big company, who left job to become full time trader whose trading capital had increased from INR 30 lakh to INR 3 crore. This person came later on the show and confirmed these facts and stated that without looking into the market now she was making money as the *Noticee no 2's* systems and the entire setup helped in achieving the same.

e) Speaker spoke about having a profit of 50% on their capital.

f) Example was given of a CA who started with INR 30 lakh capital, which has now grown to INR 12 crore. Another example was given of an Engineer who left job to join MPAT course to become full time trader and is now trading with capital of INR 80 Lakh. Another example was given of a business man, who left job to become full time trader and now trading with INR 9 crore. Examples were given of a 18 years old student who made a profit of INR12 lakh within a span of 8- 9 months and another student, who is now a full-time trader and is trading with the capital of more than INR 10 crores.

g) Stock trading was projected as one of the best business model where you can make more and more money, which you can't make in business.

h) To a query of a student, it was replied that he can expect 35 to 40% profit from his capital.

i) Risk reward was promised to be 1:3.

j) It was promised that after initial stop loss, you will build profit and your capital would be untouched and profit will go up 10-20%.

k) Claim was made about qualification of the *Noticee no. 2* of being in the market for 16 years and trading with INR 283 crore of funds through her proprietary systems.

l) Seven months MPAT course was being talked about where there would be handholding of students/investors/participants while they do trading on live market. It was stated that their trading would be monitored at all times to take their training to the next level.

m) It was informed that MPAT course fee is INR 7 Lakh plus tax, where one lakh was to be given immediately and remaining six lakhs in three instalments, first at the start of the course on 2nd October 2021 and remaining on 2nd Nov and 2nd December.

n) During LMIT course, scholarships were announced (through picking of chits) for those from LMIT course joining MPAT course and also that the fee paid for LMIT course or any other course of 2021 would get adjusted from INR 7 lakh fee for MPAT course.

o) Students/investors/participants were informed that there would be a telegram channel, where message will come immediately when entry is triggered. It was also informed that if students/investors/participants don't put the right entry there will be a call immediately.

p) Students/investors/participants were informed that their trading account should be with the *Noticee no. 2* for one year and that their team would call to open trading account of students/investors/participants with her before 2nd October. They were also informed that the trading software would also be installed on their laptop through which they will trade on live market.

q) During the session, telephone number of the *Noticee no.1* was also given.

r) Students/investors/participants were encouraged to leave job and join MPAT to make something big.

s) Students/investors/participants were encouraged to sell MF/PF and do trading during MPAT course. Risk is spoken about but in the context that only those guys, who are not trading properly are losing money in the market.

t) Example was given of the restaurant, which is more risky to run than trading in stock market.

42.2. Overall from videos, it is noted that LMIT course was a three day course, while Pre-MPAT was a two day course. Videos of all five days across these two courses show that in most part of the videos, the *Noticee no.1*, through *Noticee no 2* and its employees, has used this course to promote its MPAT course with a promise of guaranteed return and managed risk. A few speakers are called, who are seen to be sharing their experience and also speaking about guaranteed return from MPAT course. Throughout the LMIT course as well as Pre-MPAT, students/investors/participants who enroll for MPAT course are applauded and others are encouraged to join MPAT course starting 2nd October. Very small amount of time is spent on suggesting strategy in LMIT course. Similarly, very less time is spent on suggesting strategy during Pre-MPAT course. In both courses considerable amount of time is spent on promoting MPAT course. In fact, in Pre-MPAT course, it is stated that it is not a strategy session and it is to make students/investors/participants get ready for MPAT session. Students/investors/participants are attracted for MPAT course (having a fee of INR 7 Lakh plus tax) with promise of providing specific stock entry points advice, stop loss advice, etc with guaranteed return after a few months. Students/investors/participants are advised to leave job, business and exit mutual funds and provident funds.

42.3. These facts demonstrate that while in the agreements signed with students/investors/participants there were disclaimers that it was not a get rich program and that there is no guarantee of returns, the actual facts are exactly the reverse. Similarly, while the agreement of the *Noticee no.2* with ABC Limited prohibited it to engage in unauthorised intermediation activity with investors, it was actually asking the course participants to open an account with it for monitoring purpose.

D.4. Analysis of the messages on the MPAT telegram channels

43. The evidences discussed here are part of submissions made by complainants. Telegram Channels namely "M16", "M17 Technical Update" and M17 Non-Technical Update were created for MPAT-16 and MPAT-17 batches. On perusal of the chat log, it is observed that Telegram channel "M16" was created on September 21, 2021 and "M17 Technical Update" was created on February 16, 2022. It is noted that the sessions were restricted to the set of persons who had enrolled and paid a fee for the referred course. Samples of the telegram chats are given in the subsequent paragraphs.

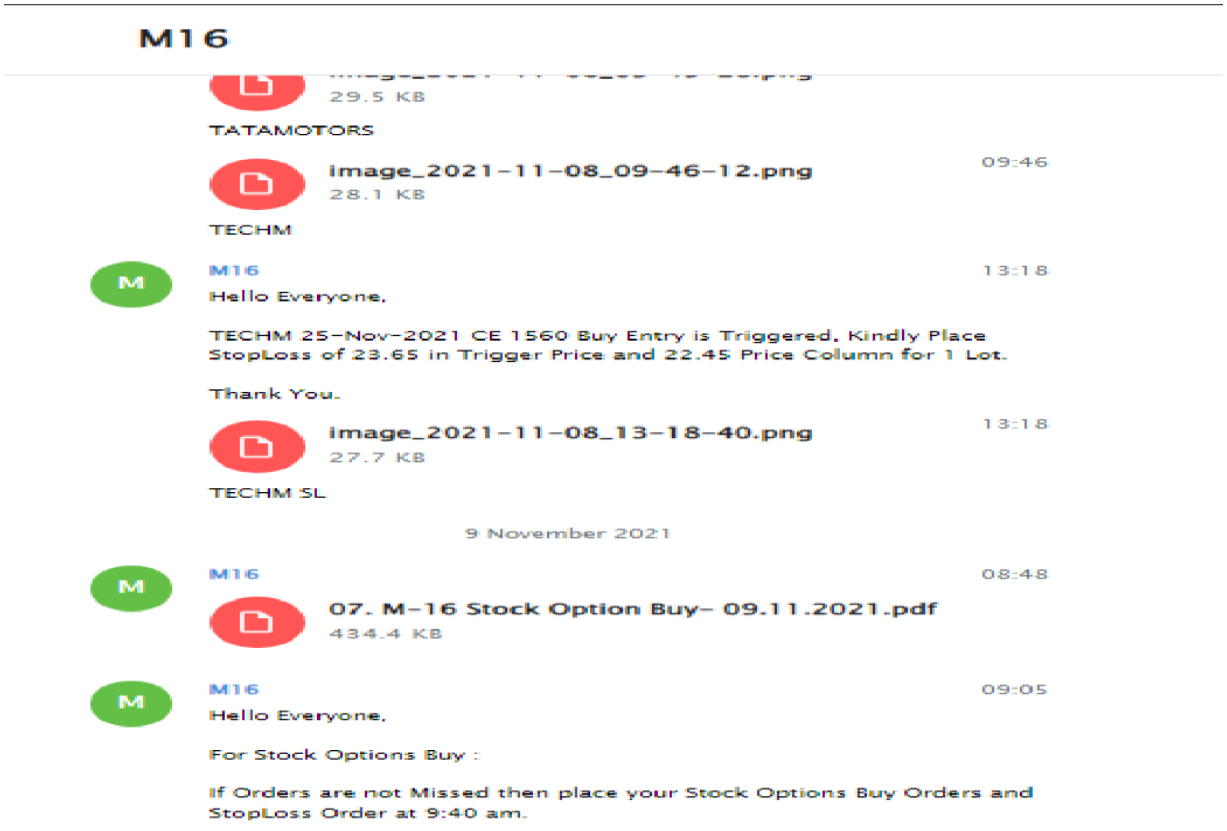
44. It is seen that the *Noticee no.1* vide its reply dated June 13, 2024, admitted to have operated the telegram channels referred in the preceding paragraph. These telegram channels were subscribed by course participants, who had enrolled for the MPAT course. The analysis of telegram channels carried out, based on submissions of screenshots of telegram channels by complainants, is given below.

45. Screenshot no. 1 below, provide details of how the *Noticee no.1* through its telegram channel 'M16' has been prima facie advising its course participants to place orders on Options Segment. As seen at, Screenshot no. 1 on November 8, 2021, at 13.18 hrs., the *Noticee no.1* posted a message:

    "Hello, Everyone, TECHM 25-NOV-2021 CE 1560 Buy Entry is Triggered. Kindly Place StopLoss of 23.65 in Trigger Price and 22.45 Price Column for 1 Lot."

    The *Noticee no.1*, is seen informing the course participants that buy entry has been triggered for TECHM (Tech Mahindra) and further advising the participants about the trigger price at which stop loss has to be placed and the price for one lot.

Screenshot no. 1



46. Further, as seen at the Screenshot no. 2 below, on June 20, 2022 at 9.08 hrs., the *Noticee no.1*, circulated the following message on telegram group, "M17 Technical Update":

    "*Hello Everyone, For Nifty Option Sell – If orders are not missed then place your Nifty Option Sell orders at 9.25 a.m. Place open position target order at 9.15 a.m.*"

    The *Noticee no.1* is seen instructing the course participants to place sell orders for NIFTY Option. Later at 9.42 hrs. another message is seen stating that sell entry has triggered for Nifty having expiry date of June 30, 2022, and strike price of INR 15200/-. The *Noticee no.1*, is seen prima facie advising the course participants to place stop loss of INR 437.05 in trigger price and INR 467.65 in price column.

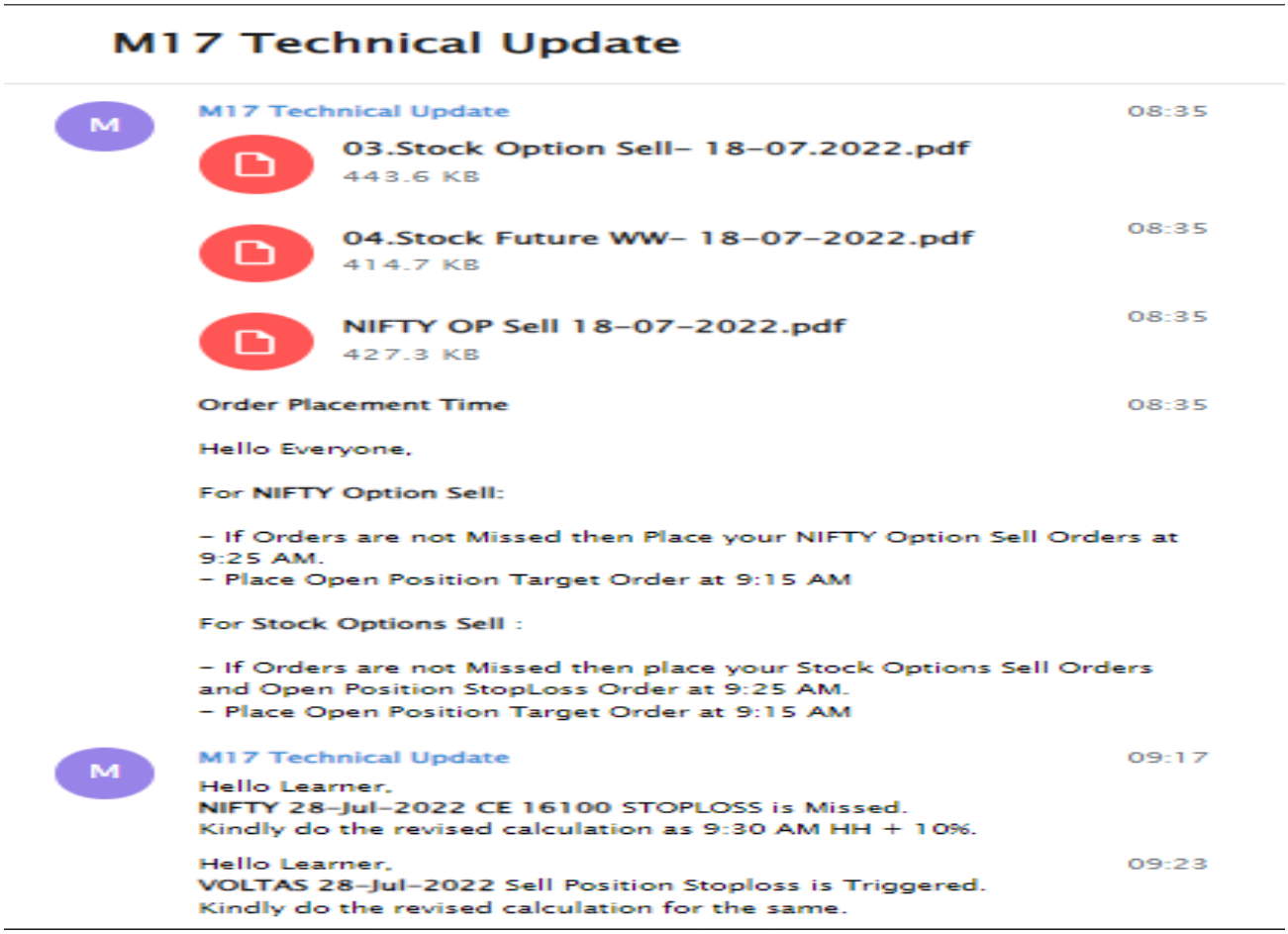
Screenshot no. 2

47. The following Screenshot no. 3 below, in "M17 Technical Update" Batch Telegram group, shows instructions for placing orders in Nifty Options and Stock Options as per the parameters indicated in the attached pdf files. As seen in the Screenshot no. 3 below, on July 18, 2022 at 8.35 hrs, posted the following message:

"*Hello Everyone, For Nifty Option Sell: If order are not missed then place your Nifty Option Sell Orders at 9.25 a.m……*"

It is seen that the *Noticee no.1* is seen to be giving specific instructions with respect to placing of sell orders for Nifty Option at 9.25 hrs.

Screenshot no. 3



48. As seen from the above screenshot and on perusal of the files attached to the messages and chats, it is noted that the *Noticee no.1* was providing pre-designed worksheets to course participants which had various details such as:- Scrip name; Trade details; Type and Lot size; Our Entry Range; Notional Target; Final SL; Status; Stop Loss – TT; Stop Loss – APS; Data HH/LL; Trigger Price; etc. These were used on a regular basis during the pre-trading and trading hours. Several instances were noted where instructions were provided to participants regarding the stop loss triggers, missed buy / sell orders, cancelling instructions etc.

49. An illustration of the pre-designed worksheets provided by the *Noticee no.1* on its telegram channels is given below:

Screenshot no. 4

APGSOT - Future.xlsm 1 / 1 117%

Order For : 18/07/2022 Monday

N.	Scrip Name	Trade	System Entry (Price) 1 LOT	System Entry (Trig. Price)	Our Entry	Range 0.5%	Final SL	Status	Stop Loss - TT (Price) 1 LOT	Stop Loss - TT (Trig. Price) 2.0%	Stop Loss - RC (Price) 1 LOT	Stop Loss - RC (Trig. Price) 4.0%
27	TCS 28-Jul-2022	BUY	3587.90	3570.05		3587.90			3481.15	3498.65	3410.10	3427.25
	Bearish Confirmed	SELL	3343.20	3360.00	3360.00	RC	3256.20	RC			3272.50	3256.20
18	TATAMOTORS 28-Jul-2022	BUY	461.20	458.90		461.20			447.45	449.70	438.35	440.55
	Bearish Confirmed	SELL	421.60	423.70		421.60			434.30	432.15	442.85	440.65
23	MINDTREE 28-Jul-2022	BUY	3286.10	3269.75		3286.10			3188.35	3204.35	3123.25	3138.95
	Bearish Confirmed	SELL	2746.20	2760.00		2746.20			2829.30	2815.20	2884.75	2870.40
17	BAJFINANCE 28-Jul-2022	BUY	6361.00	6329.35		6361.00			6171.75	6202.75	6045.80	6076.20
	Bearish Confirmed	SELL	5758.90	5787.85		5758.90			5933.10	5903.60	6049.45	6019.35
26	VOLTAS 28-Jul-2022	BUY	1084.70	1079.30		1084.70			1052.40	1057.70	1030.95	1036.15
	Bearish Confirmed	SELL	1002.00	1007.05	1007.05	RC	1003.95	RC			1008.95	1003.95

APGSOT - Option.xlsm 1 / 1 125%

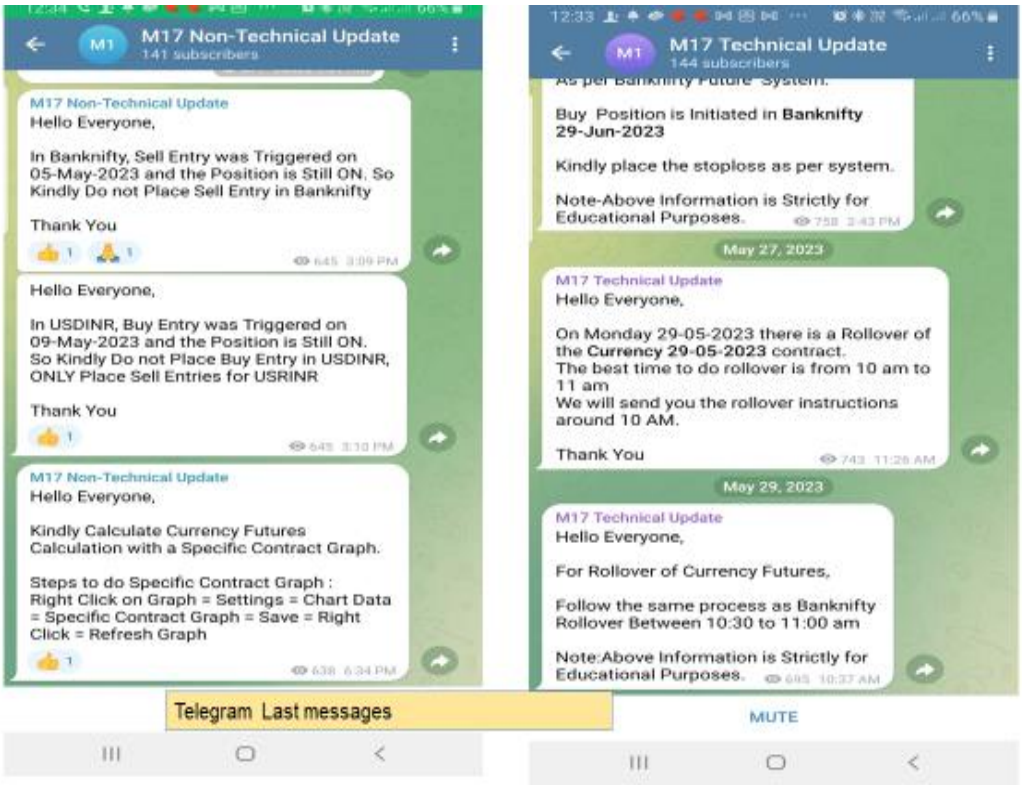
Orders for : 18-07-2022 Monday asmitapatel

Sr.No	N.	Scrip Name	Monthly Status	SELL_System Entry Price 7%	SELL_System Entry Trig. Price 7.5%	SELL_System Entry Our Entry	Target Price 60%	Target Trig. Price 60%	STATUS	Stop Loss Price 10%	Stop Loss Trigger Price 60%	Comments	Spot Data	Start Strike	End Strike	Risk	Target %	Last Choice	Scrip Code
4	Trade 1 (ITM To OTM) Trailing Exit	NIFTY 28-Jul-2022 CE 16100	Bearish	197.85	212.75	212.75	85.1	0.00	TT	247.15	231.00					-912.5	53%	15800	54905
	Trade 2 (OTM To ITM) Lock Exit	NIFTY																	

50. As seen from the Screenshot no. 4 above, the worksheet displays the existing positions/ orders to be placed on July 18, 2022 for various Stock Options. The trigger price and the buy/sell price for the respective orders are included along with the entry price for the orders that were to be placed. Further, the Stop Loss is also seen to be calculated based on the formulas provided by the *Noticee no.1*.

51. As seen from Screenshot no. 5 below, through the telegram channel 'M17 Non-Technical Update' operated by the *Noticee no.1* is seen providing specific instructions to course participants with respect to buy/sell positions in Bank Nifty, Currency Futures during the month of May 2023. There were around 144 subscribers to this telegram channel. The *Noticee no.1* had provided a disclaimer that the 'information is strictly for education purposes'.

Screenshot no. 5

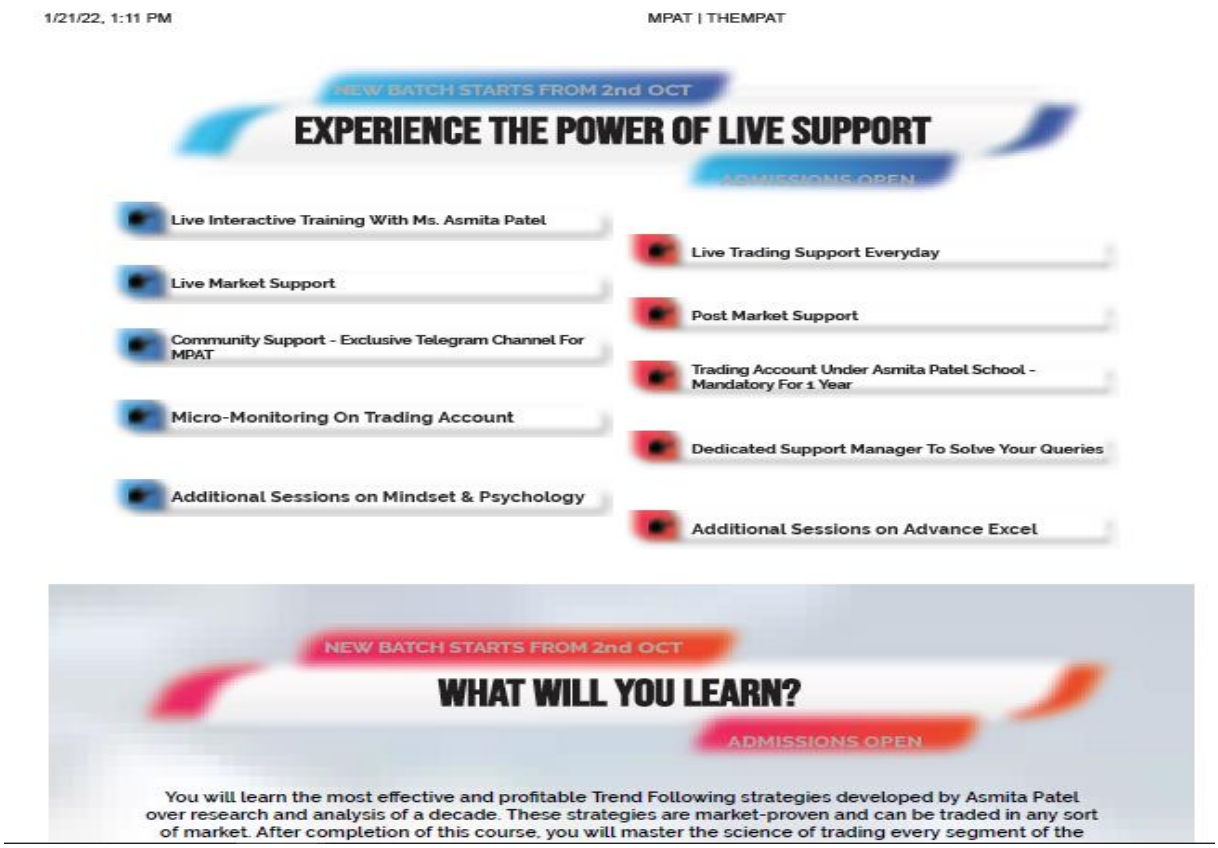


52. Apart from the aforesaid recommendations, a disclaimer was given at the bottom of the 'M17 Technical Update' telegram channel, which included remarks such as "*Do not distribute beyond this point*" & "*All Rights Reserved by Asmita Patel Global School of Trading*".

53. Another evidence provided by complainants is an old snapshot of the *Noticee no.1's* earlier website - ***www.thempat.com*** (Screenshot no. 6 below)wherein the

course details of MPAT course were listed. "***Community Support – Exclusive Telegram Channel for MPAT***" was listed among the key features of the MPAT course.

Screenshot no. 6

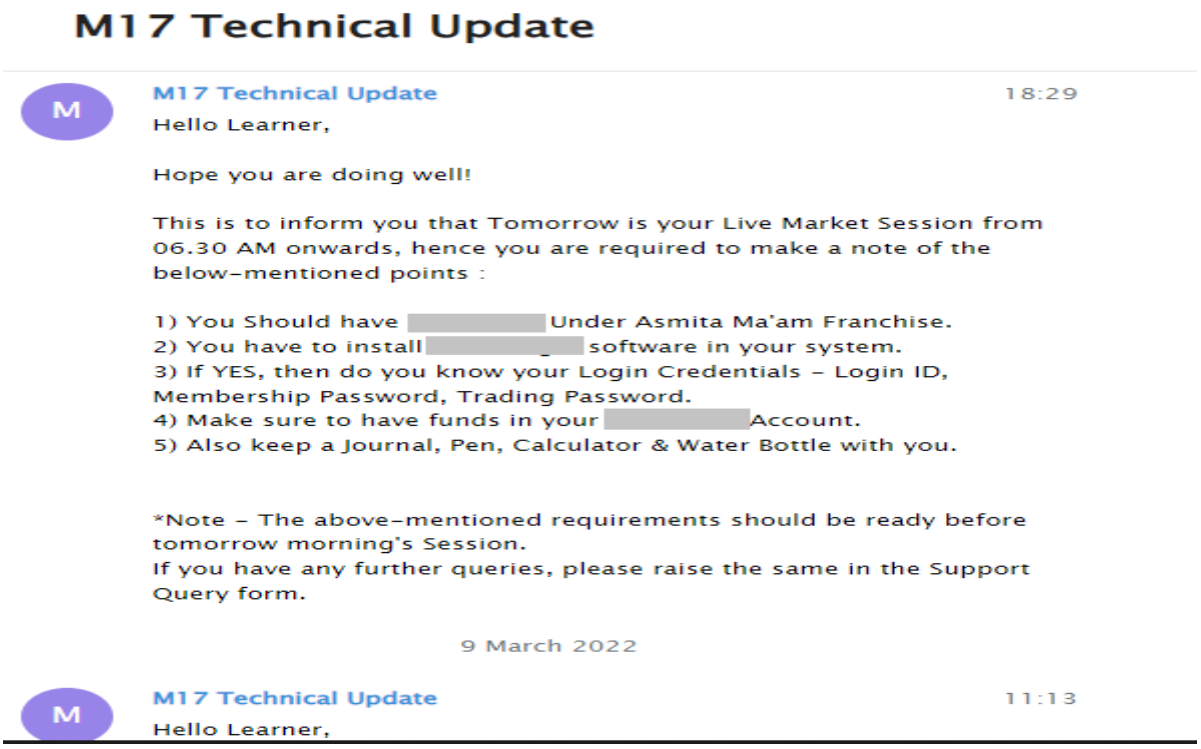


54. The following additional key features of MPAT course as advertised in the Screenshot no. 6 are as follows:

- Live Trading Support Everyday
- Live Market Support
- Post Market Support
- Trading Account Under Asmita Patel School – Mandatory for 1 Year
- Micro-monitoring on Trading Account

55. In addition to screenshots (1 to 6) above, it is seen that the *Noticee no.1* in one of its session in telegram channel 'M17 Technical Update' (Screenshot no. 7 below), informed the course participants about the live market session the next day and asked them that before the start of Live Market Session, course participants should take note of the following pointers: (i) having trading account with ABC Ltd., (ii) keep note of the login credentials like login ID, password (iii) funds in the account of ABC Ltd.

Screenshot no. 7


M17 Technical Update

M17 Technical Update 18:29

Hello Learner,

Hope you are doing well!

This is to inform you that Tomorrow is your Live Market Session from 06.30 AM onwards, hence you are required to make a note of the below-mentioned points :

1) You Should have [redacted] Under Asmita Ma'am Franchise.
2) You have to install [redacted] software in your system.
3) If YES, then do you know your Login Credentials - Login ID, Membership Password, Trading Password.
4) Make sure to have funds in your [redacted] Account.
5) Also keep a Journal, Pen, Calculator & Water Bottle with you.

*Note - The above-mentioned requirements should be ready before tomorrow morning's Session.
If you have any further queries, please raise the same in the Support Query form.

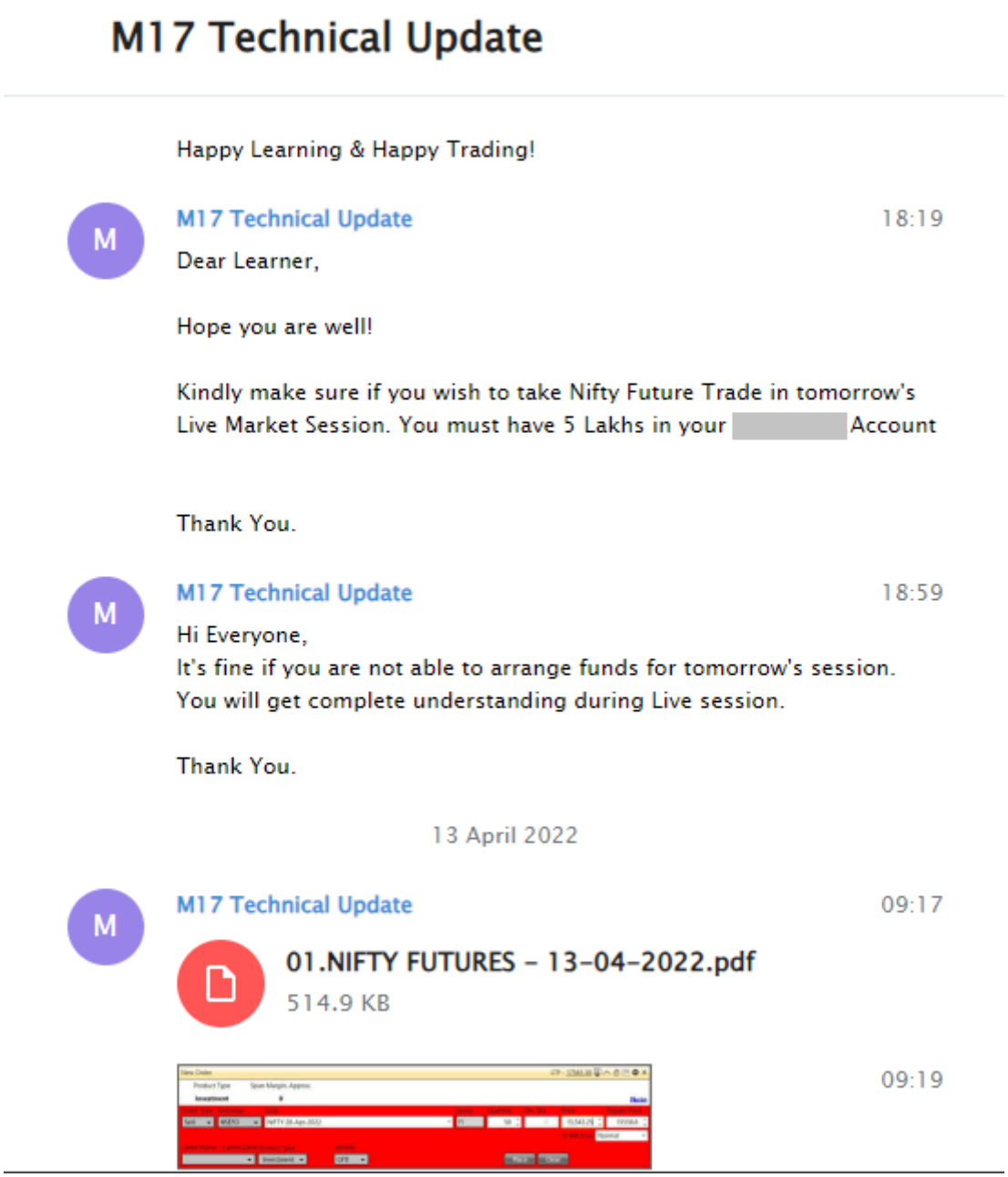
9 March 2022

M17 Technical Update 11:13

Hello Learner,

56. Further, as seen in the Screenshot no. 8 below, in the initial stages of the course, participants were advised to bring INR 5 Lakhs of funds in their trading account to execute trades in Nifty Futures.

Screenshot no. 8



57. <u>Facts determined based on analysis of telegram messages:</u>

57.1. The transcripts from the telegram channels given at screen shots 1 to 8 pertain to telegram channels M16, M17 Technical Update and M17 Non-Technical Update. It is noted that the *Noticee no.1,* in its replies (referred at para 99 below) submitted to have operated these telegram channels.

57.2. These above referred sessions are restricted to persons who have enrolled for the course on payment of a fee.

57.3. The *Noticee no.1* is found, informing course participants about live market session during which it was seen to be providing advice to the course participants with respect to order placement for Futures and Option Segment, Bank Nifty, Currency Futures alongwith details of timing regarding when the target order has to be placed and when the stop loss order needs to be placed.

57.4. The Screenshot no. 4 of M17 Technical Update, gives a clear indication that the *Noticee no.1,* prepared its own worksheets which are attached to the telegram channels. These worksheets pertain to specific scrips on which it provides recommendation to course participants on the telegram channels. The worksheets also include details such as trade details, type and lot size, entry range notional target, Stop Loss, Trigger Price, etc. Instructions were also provided to course participants regarding stop loss triggers, missed order and cancelling instructions, etc.

57.5. From the recommendations provided by the *Noticee no.1* to course participants enrolled in MPAT 16 and MPAT 17 groups, it is noted that the majority of the recommendations relate to Futures and Options segments.

57.6. The Screenshot no. 6 of the website *www.thempat.com* gives details of the features of MPAT courses.

57.7. The *Noticee no.1* was guiding the participants towards trading on live market.

57.8. Various pointers given by the *Noticee no.1* to course participants before the start of the live market session indicate that the *Noticee no.1* had been insisting its course participants to open trading account with ABC Ltd. This is contrary to the *Noticee no.1's* submission made vide its reply (referred at the subsequent para 107, below) that the course participants are free to open a demat/trading account with any broker during their course of education.

57.9. From the telegram log of M17 Technical Update, it is seen that the *Noticee no.1* was seen advising course participants to bring INR 5 lacs into their trading account to execute trades in Index/Stock options.

57.10. Screenshot nos. 1 to 8 show that the *Noticee no.1* was giving specific instructions with regard to the scrips, alongwith timings when as to when it wants course participants to place target order and stop loss order. There are

pre-designed worksheets which the *Noticee no. 1* uploaded on the telegram channel for the consumption of course participants. There are evidences where the *Noticee no.1* was insisting course participants to link their trading accounts to ABC Ltd. in order to enable the *Noticee no.1* to check the trades carried out by course participants. All these activities carried out by the *Noticee no.1* prima facie establishes that *Noticee No.1* was carrying out unregistered investment advisory and research analyst services.

D.5. Analysis of the WhatApp chats with the course participants who enrolled for Option Multiplier (OM) course

58. These WhatsApp chats are part of submissions made by complainant. On analysis of conversations, the *Noticee no.1* had through WhatsApp chats with the course participants of the Option Multiplier (OM) course, (which is discussed in detail at paras 93 and 94), it is noted that *the Noticee no.1* acknowledged receipt of payment of fees paid by course participants to a bank accounts belonging to the *Noticee no.6.* Further, in these WhatsApp chats course participants acknowledged the profit booked in trades based on the instructions of the *Noticee no.1*.

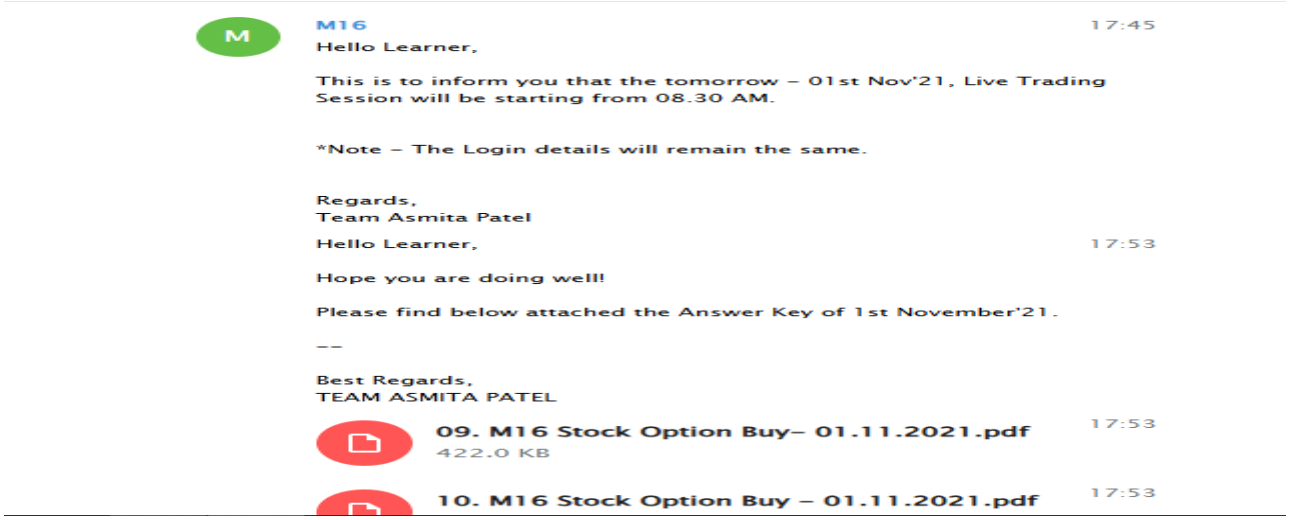
59. Facts determined based on above WhatsApp chats:

As stated in the preceding paragraph based on the act of the *Noticee no.1,* course participants placed orders in the live market. These orders got executed into trades, and course participants through WhatsApp chats acknowledged the services provided by the *Noticee no.1*, which enabled them to books profits.

D.6. Analysis of connection between the emails sent by the *Noticee no.1* to course participants and the telegram channels M16 and M17 operated by the *Noticee no.1*

60. An examination of the various telegram chats (containing attached files) posted by the *Noticee no.1* on the M16 telegram channel alongwith the emails sent by the *Noticee no.1* to the complainants who were the course participants of the M16 session was carried out. Given below is the screenshot of one of the chats posted on October 31, 2021.

Screenshot no. 9



61. As seen from the above screen shot, on October 31, 2021 at 17.45 hrs., the *Noticee no.1*, informed the course participants about start of live trading session on November 1, 2021 at 8.30 a.m. Further, at 17.53 hrs, two pdf. files are attached with the message stating that the attachments are answer keys for November 1, 2021. Further, it is noted that an email dated October 31, 2021 was sent by the *Noticee no.1* from email address: mpat@asmitapatel.com to the course participants, which also had the same message as seen in the above telegram chats. A screenshot of the email of October 31, 2021 is given below:

Screenshot no. 10

Gmail

[MPAT 16] Answer Key - 1st November'21
1 message

Team Asmita Patel <mpat@asmitapatel.com> 31 October 2021 at 17:52
Bcc:

Hello Learner,

Hope you are doing well!

Please find attached the Answer Key of - 1st November'21.

--

Best Regards,
TEAM ASMITA PATEL

ASMITA PATEL
Global School Of Trading

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E: mpat@asmitapatel.com
W: www.asmitapatel.com

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2 attachments

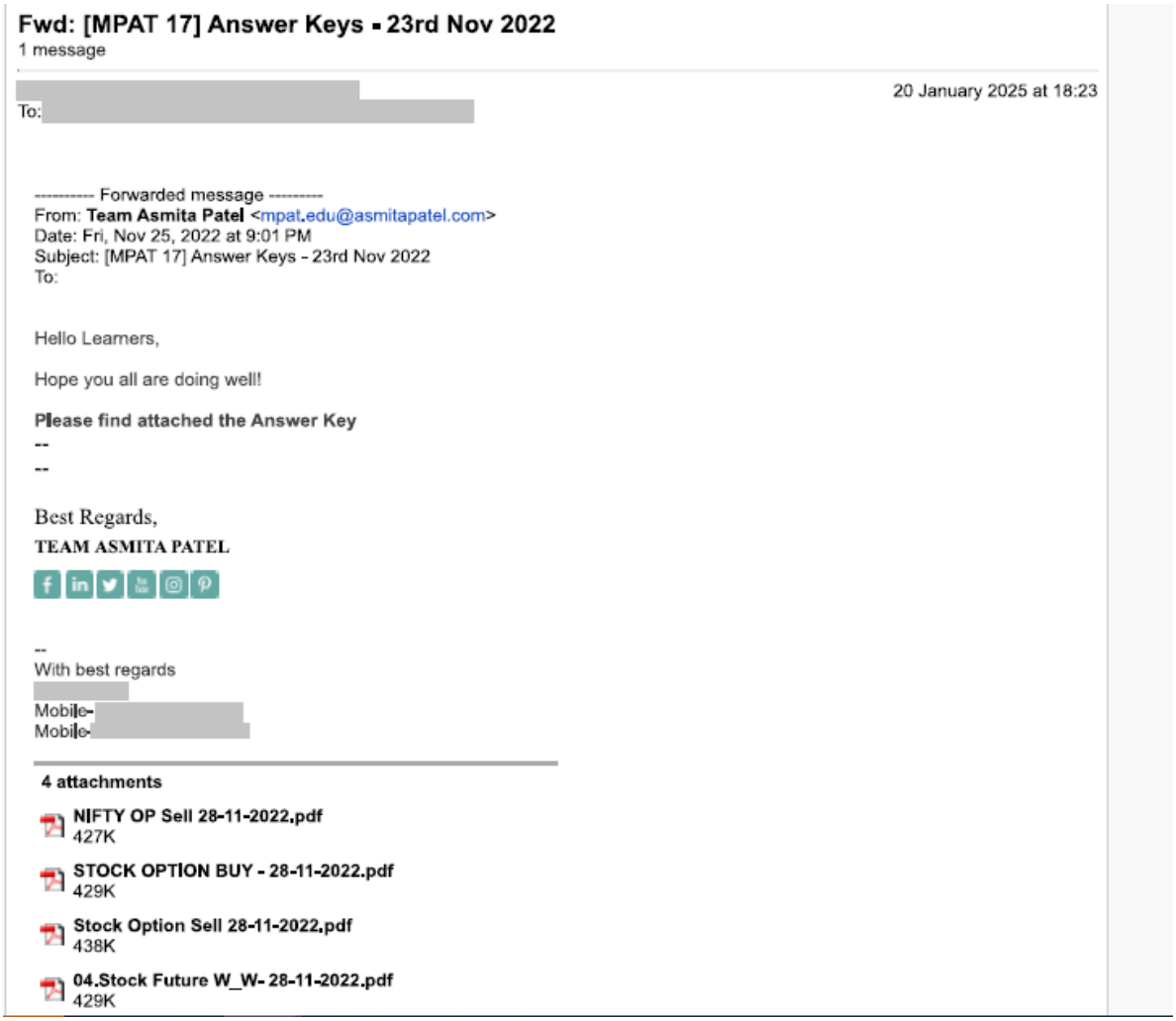
09. M16 Stock Option Buy- 01.11.2021.pdf
423K

10. M16 Stock Option Buy - 01.11.2021.pdf
420K

62. From the above screenshot, it is noted that the same pdf. sheets which were attached to the telegram chat of October 31, 2021 were also attached to the above email of the same date. In addition to the same, it is also seen that the email also contains the details of official website and email of the *Noticee no.1.*

63. I note that another email dated November 25, 2022 at 21.01 hrs. was sent by the *Noticee no.1* to the course participants of MPAT 17 batch in which attachments were found. A screenshot of the above email is placed below.

Screenshot no. 11



Fwd: [MPAT 17] Answer Keys - 23rd Nov 2022
1 message

To: [redacted] 20 January 2025 at 18:23

---------- Forwarded message ---------
From: **Team Asmita Patel** <mpat.edu@asmitapatel.com>
Date: Fri, Nov 25, 2022 at 9:01 PM
Subject: [MPAT 17] Answer Keys - 23rd Nov 2022
To:

Hello Learners,

Hope you all are doing well!

Please find attached the Answer Key
--
--

Best Regards,
TEAM ASMITA PATEL

--
With best regards
[redacted]
Mobile- [redacted]
Mobile- [redacted]

4 attachments

NIFTY OP Sell 28-11-2022.pdf
427K

STOCK OPTION BUY - 28-11-2022.pdf
429K

Stock Option Sell 28-11-2022.pdf
438K

04.Stock Future W_W- 28-11-2022.pdf
429K

64. From further analysis of the chats on the telegram channel M17 Technical Update operated by the *Noticee no.1*, it is seen that on November 28, 2022 (which is the next working day after November 25, 2022), the same set of files which were attached with the email dated November 25, 2022 were posted in the telegram chat referred below. The telegram chat of November 28, 2022 is placed at Screenshot no. 12 below.

Screenshot no. 12

65. From the extracts of the chats on the M16 and M17 telegram channels and screen shots of the emails dated October 31, 2021 and November 25, 2022, I note that both are having the same contents. which prima facie establishes that the M16 and M17 telegram channels and the above emails belong to and are operated by the *Noticee no.1*.

66. The submissions of complainants placed before me and discussed later also includes an email dated September 21, 2021 in which the *Noticee no.1*, is seen

guiding course participants about the process to join the M16 telegram channel. The *Noticee no.1* in its replies also submitted that the M16 telegram channel was created on September 21, 2021. The email dated September 21, 2021 of the *Noticee no.1* is placed at Screenshot no. 13 below.

Screenshot no. 13

Gmail

[MPAT 16] Steps to Join M16 Telegram Channel
1 message

mpat@asmitapatel.com <mpat@asmitapatel.com> 21 September 2021 at 11:44
To: [redacted]

Hello Learner,

We are writing this Email to Guide you to Join the Telegram Channel.

⬇⬇⬇⬇⬇⬇ Rule to follow:
Make sure to Set your User Name/ ID as the First Name_Last Name.

PROCESS 01 :
1. Download the Telegram app on your mobile device.
2. Set up your Telegram account. It is similar to Whatsapp
3. Once done, click on the link: https://t.me/joinchat/ICXwR4mdINRkYmFl
If you're still unable to join, Follow Process 2.

PROCESS 02 :
1. Download the Telegram app on your mobile device.
2. Set up your Telegram account. It is similar to Whatsapp.
3. Generate your **"USER NAME"** on Telegram from **Settings**.
(Ref to the image attached for Better Understanding)

Once you have generated the User Name/ID, kindly share it on this email.
We will add you to the Channel accordingly.

Thank You,

Looking Forward.

–
Best Regards,
TEAM ASMITA PATEL

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W: www.asmitapatel.com

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67. <u>Facts determined based on analysis of connection between emails and messages:</u>

The above facts establish that the emails dated September 21, 2021, October 31, 2021 and November 25, 2022 were sent by the *Noticee no. 1* to course participants of the M16 and M17 sessions. The facts discussed also establish that M16 and M17 telegram channels referred by complainants in their

submissions were operated by the *Noticee No.1*. Thus, what has been admitted by the *Noticee no.1* in its submissions is also supported by evidences.

D.7. Analysis of recommendations provided by the *Noticee no.1* on its Telegram Channels vis-à-vis trades executed by complainants/course participants in live market**:**

68. An analysis was conducted to examine whether recommendations given by the *Noticee no.1* through its telegram channels have immediately resulted into trades executed by complainants/course participants. For this purpose, on sample basis the chats on telegram channel 'M16' and 'M17 Technical Update' were corroborated with the trades executed by 10 complainants/course participants. The analysis was carried out based on the trade and order logs received from the Bombay Stock Exchange and National Stock Exchange vide their replies dated September 2, 2024 and September 4, 2024 respectively, of these complainants/course participants for both equity as well as F&O Segments.

69. Given below is the analysis of the orders placed/trades executed by course participants based on the posts on the telegram channels operated by the *Noticee no.1*.

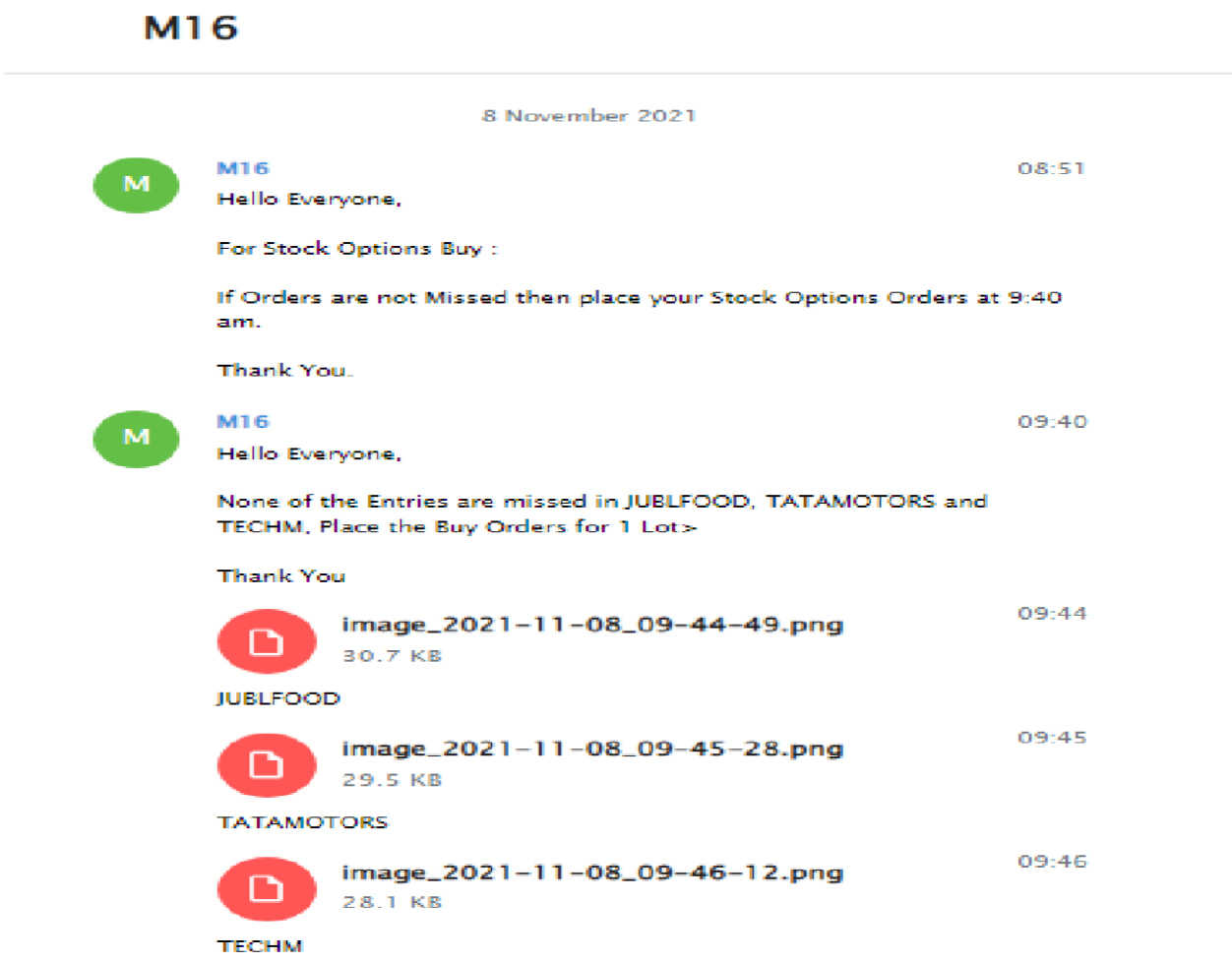
Recommendation Day – November 8, 2021

70. As seen at Screenshot no. 14 below, on November 8, 2021 at 09:40 hrs., the following message was posted on the Telegram Group – "M16" along with several stock specific attachments that include order parameters:

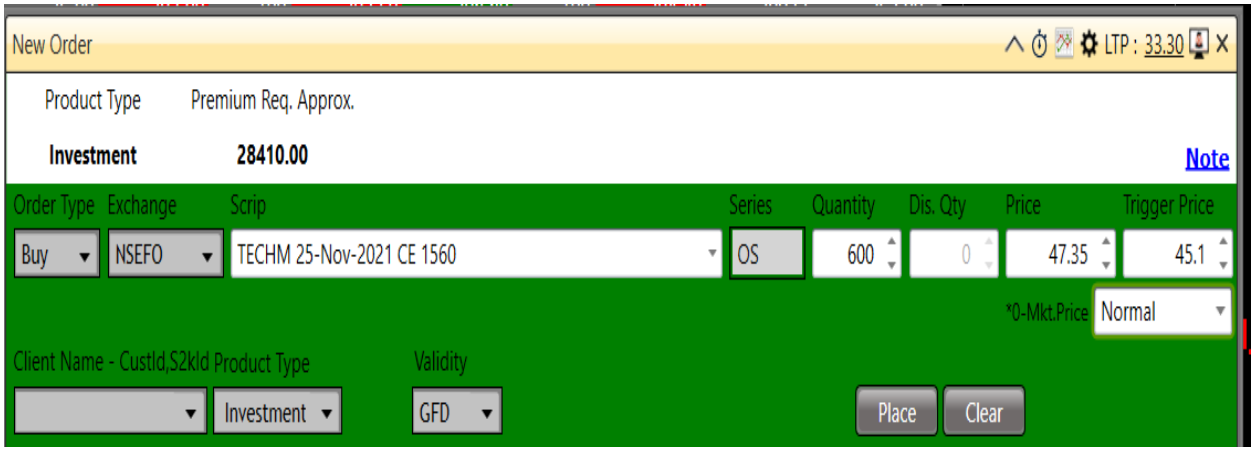
> "*Hello Everyone, None of the Entries are missed in JUBLFOOD, TATAMOTORS AND TECHM. Place the Buy Orders for 1 Lot".*

Further as seen at Screenshot no. 15 the call option for Tech Mahindra (TECHM) bearing expiry date of November 25, 2021, was for a strike price of Rs.1560; having trigger price of INR 45.1 with a Buy Limit Price of INR 47.35.

Screenshot no. 14



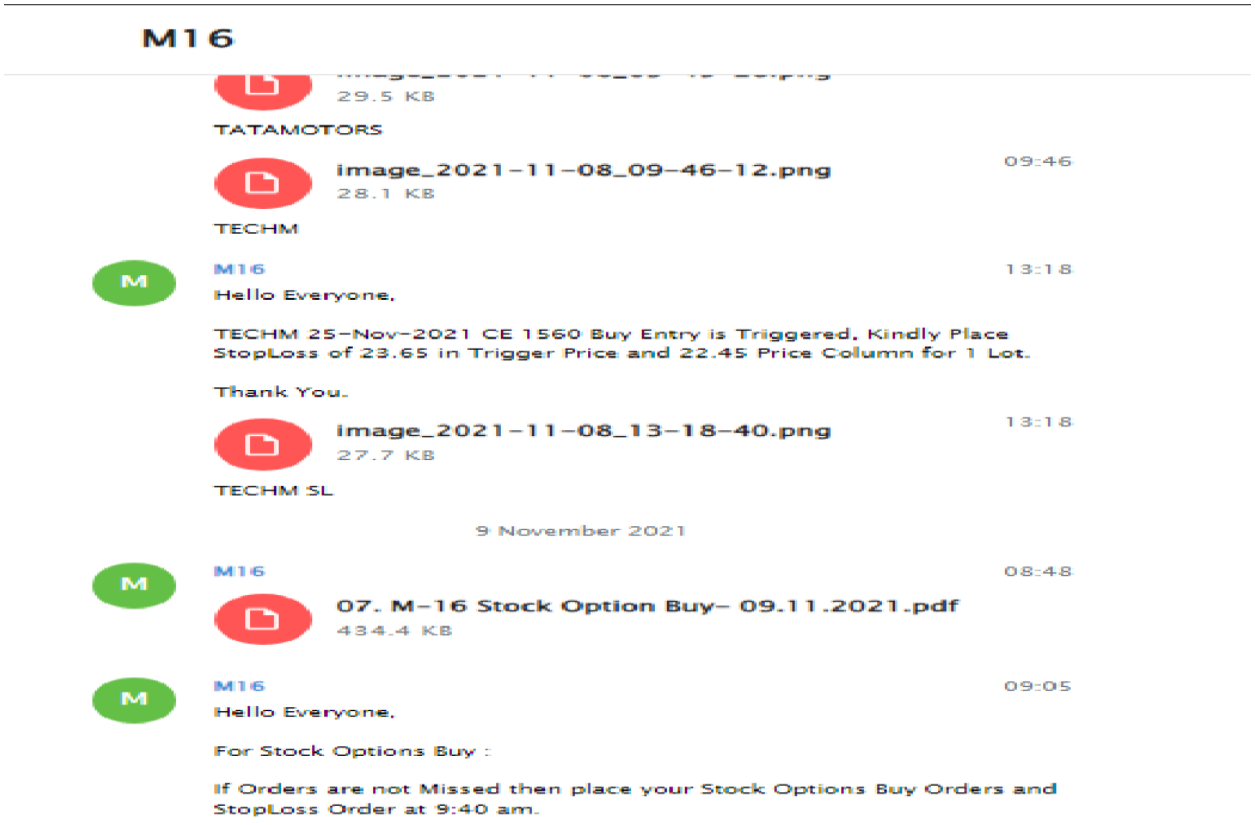
Screenshot no. 15



71. Further, as shown at Screenshot no. 16 below, on November 8, 2021 another message was posted on the channel at 13:18 hrs.:

"TECHM 25-Nov-2021 CE 1560 Buy Entry for TECHM is Triggered. Kindly Place StopLoss of 23.65 in Trigger Price and 22.45 Price Column for 1 Lot."

Screenshot no. 16



72. On further examination and upon perusal of the orders placed and trades executed by course participants who were part of the 'M16' telegram channel and as given at Table 2 below, it is noted that on November 8, 2021, five complainants/course participants had placed a buy order for 600 Quantity of TECHM (1 lot) between 09:40 hrs. and 09:48 hrs. for a limit price of Rs.47.35 with a trigger price of Rs.45.10. Further, all these five buy orders were executed into trades on November 8, 2021 at 13:15 hrs. for a price of Rs.47.35

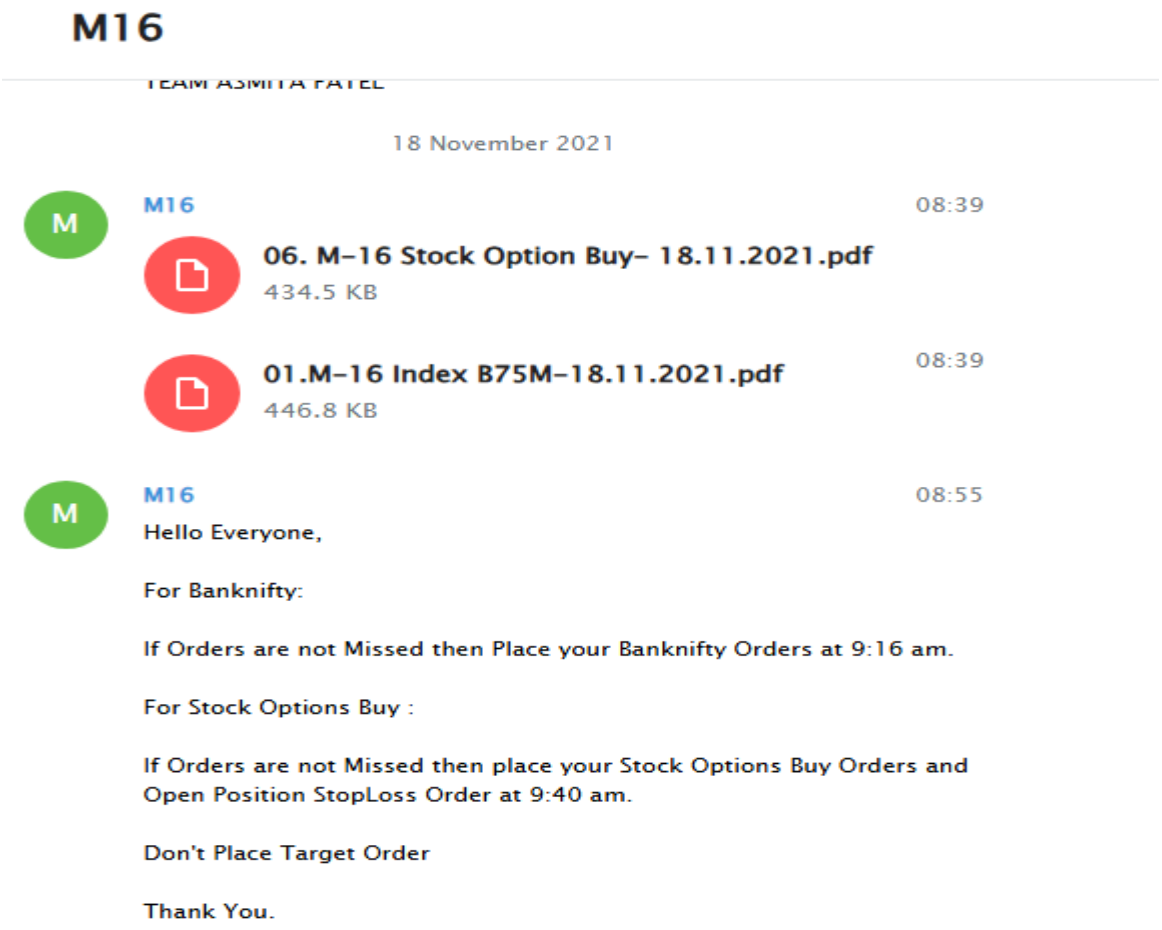
Table 2

BUY LEG – November 08, 2021					
Day Date	08-Nov-2021	08-Nov-2021	08-Nov-2021	08-Nov-2021	08-Nov-2021
Symbol	TECHM	TECHM	TECHM	TECHM	TECHM
Instrument Type	OPTSTK	OPTSTK	OPTSTK	OPTSTK	OPTSTK
Option Type	CE	CE	CE	CE	CE
Strike Price	1,560.00	1,560.00	1,560.00	1,560.00	1,560.00
Client Name	VxxOx MxxDAx	DxxINDxx AxxRx	SxxIx MxxHEx	KxxAx xxJ MxxILx	RxxI KxxAx GxxTA
Client Pan No	CxxPM51xxx	AxxPA62xxx	BxxPM18xxx	CxxPK09xxx	AxxPG55xxx
Settlement Price for OI	1,556.20	1,556.20	1,556.20	1,556.20	1,556.20
Settlement Price	47.80	47.80	47.80	47.80	47.80
Expiry Date	25-Nov-2021	25-Nov-2021	25-Nov-2021	25-Nov-2021	25-Nov-2021
Brght Forward Long Quantity	0	0	0	0	0
Brght Forward Short Quantity	0	0	0	0	0
Days Buy Quantity	600	600	600	600	600
Days Sell Quantity	0	0	0	0	0
Buy Avg Price	47.35	47.35	47.35	47.35	47.30
Sell Avg Price					
Days Buy Value	28,410.00	28,410.00	28,410.00	28,410.00	28,380.00
Days Sell Value	-	-	-	-	-
Post Adjusted Long Quantity	600	600	600	600	600
Post Adjusted Short Quantity	0	0	0	0	0
trade_date_time	08/11/2021 13:15	08/11/2021 13:15	08/11/2021 13:15	08/11/2021 13:15	08/11/2021 13:15
trade_price	47.35	47.35	47.35	47.35	47.35
trade_quantity	600	600	600	600	600
buy_order_date_time	08/11/2021 9:42	08/11/2021 9:40	08/11/2021 9:43	08/11/2021 9:44	08/11/2021 9:48
buy_order_trigger_price	45.10	45.10	45.10	45.10	45.10
buy_order_limit_price	47.35	47.35	47.35	47.35	47.35

73. It is also noted from the order/trade logs that complainants/course participants who took the buy trades on November 8, 2021 had been placing sell orders for the TECHM Option on a daily basis for a limit price of Rs.22.45 and a trigger price of Rs.23.65 as communicated on the telegram channel except for one complainant / course participant who did not continue to place order as per the instructions on the telegram channel after November 08, 2021.

74. Further, as seen at Screenshot no. 17 below on November 18, 2021, at 08:39 hrs. a message was posted on the telegram channel along with the excel sheet placed at Screenshot no. 18 below which contained outstanding positions that were executed based on previous recommendations. This also included TECHM Call Option having expiry date of 25-Nov-2021 and strike price of INR 1560/- which was executed on November 08, 2021

Screenshot no. 17



Screenshot no. 18

Orders for : 18-11-2021 | Thursday

Global School of Trading

N.	Scrip Name	Monthly Status	BUY_System Entry Price	BUY_System Entry Trig. Price 0%	BUY_System Entry Our Entry	Notional Target Price	Notional Target Trig. Price	STATUS	SL For Target Lot Price	SL For Target Lot Trig. Price	SL For APS Lot Price	SL For APS Lot Trig. Price	Comments	Lot Size
Select Below Mention Company to place the orders														
1	JUBLFOOD 25-Nov-2021 PE 3900	Bearish	72.45	69.00	69.00	130.55	0.00	TT	26.55	27.95	26.55	27.95		125
2	TATAMOTORS 25-Nov-2021 CE 515	Bullish	21.15	20.15	20.15	33.40	0.00	TT	10.75	11.30	10.75	11.30		2850
3	TECHM 25-Nov-2021 CE 1560	Bullish	47.35	45.10	45.10	77.30	0.00	TT	22.45	23.65	22.45	23.65		600
Track Below Mention Company for the Calculation														
4	ASHOKLEY 25-Nov-2021 CE 157.5	Bullish	4.30	4.10		8.85	0.00		0.90	0.95	0.90	0.95		4500
5	AUROPHARMA 25-Nov-2021 PE 660	Bearish	8.75	8.35	8.35	16.15	0.00	TT	3.00	3.15	3.00	3.15		650
6	DLF 25-Nov-2021 CE 440	Bullish	8.50	8.10		16.25	0.00		2.50	2.65	2.50	2.65		1650
7	HINDPETRO 25-Nov-2021 CE 360	Bullish	5.25	5.00		11.70	0.00		0.50	0.55	0.50	0.55		2700
8	L&TFH 25-Nov-2021 PE 85	Bearish	2.90	2.75	2.75	5.15	0.00	TT	1.10	1.15	1.10	1.15		8924
9	MINDTREE 25-Nov-2021 CE 4700	Bullish	260.40	248.00	248.00	379.35	0.00	TT	152.45	160.45	152.45	160.45		200
10	RBLBANK 25-Nov-2021 CE 217.5	Bullish	5.20	4.95		8.85	0.00		2.25	2.35	2.25	2.35		2900
11	TITAN 25-Nov-2021 CE 2480	Bullish	77.15	73.50	73.50	123.05	0.00	TT	38.45	40.45	38.45	40.45		375
12	VOLTAS 25-Nov-2021 CE 1300	Bullish	17.50	16.65		36.90	0.00		3.00	3.15	3.00	3.15		500

75. As per the daily instructions given by the *Noticee No.1*, stop loss sell orders were placed by four participants on November 18, 2021 during 09:40 hrs. and 09:49 hrs for a trade price of INR 22.45 and a trigger price of INR 23.65 (as seen in Table 3 below).

76. Subsequently at 13.05 hrs. on November 18, 2021 itself, the stop loss sell orders referred in the immediately preceding paragraph were executed for a trade price of INR 22.45 (refer Table 3 below). At the same moment, the following message as seen at Screenshot no. 19 below was posted at 13:28 hrs. on the telegram channel:

> "*TECHM 25-Nov-2021 CE 1560 BUY Stoploss is Hit. Place the New Orders as per New Calculations*".

Screenshot no. 19

77. On the same day, at 13:39 hrs, another image was posted (as shown in Screenshot no. 20 below) that included revised instructions for placing new orders for an option of the same underlying stock (TECHM) with a different strike price of INR 1660/-.

Screenshot no. 20

		BUY_System Entry			Notional Target		STATUS	SL For Target Lot		SL For APS Lot	
Scrip Name	Monthly Status	Price	Trig. Price	Our Entry	Price	Trig. Price		Price	Trig. Price	Price	Trig. Price
			0%								
TECHM 25-Nov-2021 CE 1660	Bullish	17.70	16.85		37.85	0.00		2.70	2.85	2.70	2.85

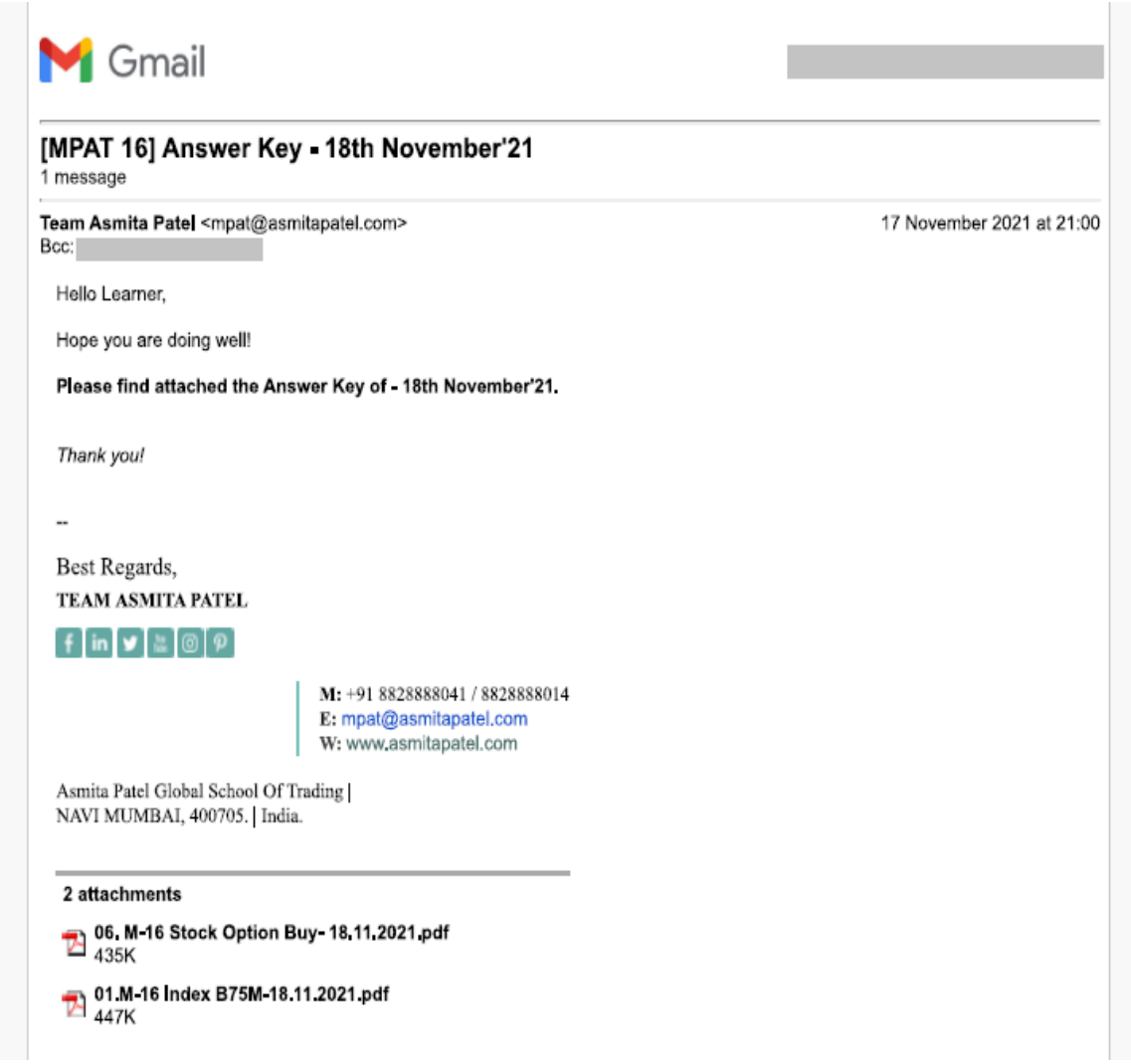
78. As seen from the Table 3 below, on November 18, 2021, pursuant to the trigger of stop loss, the details of sell trades executed by four complainants/ course participants is given under:

Table 3

SELL LEG – November 18, 2021				
Day Date	18-Nov-2021	18-Nov-2021	18-Nov-2021	18-Nov-2021
Symbol	TECHM	TECHM	TECHM	TECHM
Instrument Type	OPTSTK	OPTSTK	OPTSTK	OPTSTK
Option Type	CE	CE	CE	CE
Strike Price	1,560.00	1,560.00	1,560.00	1,560.00
Client Name	VxxOx MxxDAx	SxxIx MxxHEx	KxxAx RxJ MxxILx	RxxI KxxAx GxxTx
Client Pan No	CxxPM51xxx	BxxPM18xxx	CxxPK09xxx	AxxPG55xxx
Settlement Price for OI	1,567.70	1,567.70	1,567.70	1,567.70
Settlement Price	25.70	25.70	25.70	25.70
Expiry Date	25-Nov-2021	25-Nov-2021	25-Nov-2021	25-Nov-2021
Brght Forward Long Quantity	600	600	600	600
Brght Forward Short Quantity	0	0	0	0
Days Buy Quantity	0	0	0	0
Days Sell Quantity	600	600	600	600
Buy Avg Price				
Sell Avg Price	22.45	22.45	22.45	22.45
Days Buy Value	-	-	-	-
Days Sell Value	13,470.00	13,470.00	13,470.00	13,470.00
Post Adjusted Long Quantity	0	0	0	0
Post Adjusted Short Quantity	0	0	0	0
trade_date_time	18/11/2021 13:05	18/11/2021 13:05	18/11/2021 13:05	18/11/2021 13:05
trade_price	22.45	22.45	22.45	22.45
trade_quantity	600	600	600	600
sell_order_date_time	18/11/2021 9:49	18/11/2021 9:42	18/11/2021 9:42	18/11/2021 9:40
sell_order_trigger_price	23.65	23.65	23.65	23.65
sell_order_limit_price	22.45	22.45	22.45	22.45

79. In addition to the above, it is also noted that an email dated November 17, 2021 was sent at 21.00 hrs. by the *Noticee no.1* to the course participants of the M16 session (given at Screenshot no. 21). This email also had the same attachments that were posted on the telegram channel M16 on November 18, 2021 at 8.39 hrs. (refer to Screenshot no. 17).

Screenshot no. 21



Gmail

[MPAT 16] Answer Key - 18th November'21
1 message

Team Asmita Patel <mpat@asmitapatel.com> 17 November 2021 at 21:00
Bcc:

Hello Learner,

Hope you are doing well!

Please find attached the Answer Key of - 18th November'21.

Thank you!

--

Best Regards,
TEAM ASMITA PATEL

M: +91 8828888041 / 8828888014
E: mpat@asmitapatel.com
W: www.asmitapatel.com

Asmita Patel Global School Of Trading |
NAVI MUMBAI, 400705. | India.

2 attachments

06. M-16 Stock Option Buy- 18.11.2021.pdf
435K

01.M-16 Index B75M-18.11.2021.pdf
447K

<u>Recommendation Day – June 20, 2022</u>

80. As seen from the Screenshot no. 22 below, on June 20, 2022, at 08:39 hrs., several pdf. documents were seen attached to the telegram channel which are found to be in the form of pre-designed worksheets prepared by the *Noticee no.1*. These worksheets were shared alongwith the recommendations on the Telegram

group, “M17 Technical Update”. The telegram chats had details with respect to positions to be executed as well as specific instructions were given for placing orders relating to Index Options and Stock Options. On the same day, at 09:08 hrs. the *Noticee no.1*, circulated a message in the said Telegram Group, instructing the course participants to place sell orders *(instruction for entering into a short sell position)* for Call Option of NIFTY Index bearing expiry date of June 30, 2022 - for a strike price of 15200. The worksheets prepared by the *Noticee no. 1*, as seen at Screenshot no. 23, show the Trigger Price as Rs.273.15 with a Sell Limit Price of Rs.254.05.

81. The Screenshot no. 22 below, also shows another message posted on telegram channel ‘M17 Technical Update’ on June 20, 2022 at 09:42 A.M. stating:

“*NIFTY 30-Jun-2022 CE 15200 Sell Entry is Triggered. Kindly Place STOPLOSS as 437.05 in Trigger Price and 467.65 in Price Column.”*

The stop loss price and trigger price are also referred by the *Noticee no.1* in its worksheets which is referred at the Screenshot no. 23 below. As seen at, Screenshot no. *22* it is noted that the course participants were instructed to place stop loss orders (*for liquidating the currently taken sell position*) by placing a counter buy order for a buy limit price of INR467.65 and trigger price of INR437.05.

Screenshot no. 22

M17 Technical Update

20 June 2022

M17 Technical Update 08:39

NIFTY OP Sell 20-06-2022.pdf
420.9 KB

Stock Option Sell- 20-06-2022.pdf 08:39
419.4 KB

M17 Technical Update 09:08

Order Placement Time

Hello Everyone,

For **NIFTY Option Sell:**

- If Orders are not Missed than Place your NIFTY Option Sell Orders at 9:25 AM.
- Place Open Position Target Order at 9:15 AM

For **Stock Options Sell** :

- If Orders are not Missed than place your Stock Options Sell Orders and Open Position StopLoss Order at 9:25 AM.
- Place Open Position Target Order at 9:15 AM

Hello Everyone, 09:18

TATASTEEL 30-Jun-2022 CE 940 Target is Triggered.
Don't put stop loss order for the same.
We will calculate new entries after market hours and will not put any entries in TATASTEEL for today.

M17 Technical Update 09:42

Hello Everyone,

NIFTY 30-Jun-2022 CE 15200 Sell Entry is Triggered.
Kindly place STOPLOSS as 437.05 in Trigger Price and 467.65 in Price Column.

Thank You.

Screenshot no. 23

asmitapatel

Index Option Sell Pyramiding

Orders for : 20-06-2022 | Monday

SR.N.	Scrip Name	Monthly Status	OP Type	SELL_System Entry Price	SELL_System Entry Trig. Price	SELL_System Entry Our Entry	Target Price	Target Trig. Price	STATUS	Stop Loss Price	Stop Loss Trig. Price	Comments	Lot Size	Spot Data	Start Strike	End Strike	Last Choice
				7%	7.5%		60%	0%		7%	60%						
Select Below Mention Company to place the orders																	
Trade 1	NIFTY 30-Jun-2022 CE 15200	Bearish	CE	254.05	273.15		109.25	0.00		467.65	437.05		50	15183.4	15200	15950	15150

82. Based on the posts given at Screenshot no. 22 , the course participants placed orders for which trades were executed as referred at Table 4 below. It is noted that on June 20, 2022, three complainants/course participants had placed sell orders for 50 Quantity of NIFTY (1 lot) between 09:16 hrs. to 09:37 hrs. for a limit price of INR 254.05 with a trigger price of INR 273.15. As one complainant had put a sell limit price of INR 264.05, the trigger price for that order was INR 282.60. The trades for these three sell orders were executed on June 20, 2022 at 9:40 hrs. at prices ranging from INR 269.2 to INR 272/-. This trade price falls within the range as recommended by the *Noticee no.1* based on its own analysis, details of which are given at Screenshot no. 23 .

Table 4

SHORT LEG (SELL)			
Day Date	20-Jun-2022	20-Jun-2022	20-Jun-2022
Symbol	NIFTY	NIFTY	NIFTY
Instrument Type	OPTIDX	OPTIDX	OPTIDX
Option Type	CE	CE	CE
Strike Price	15,200.00	15,200.00	15,200.00
Client Name	DxxALx RxxENDxx PxxTKx	AxxIJIx DxxKAx TxxMBxx	H S MxxALIDxxx

Client Pan No	AxxPP63xxx	AxxPT11xxx	AxxPH32xxx
Settlement Price for OI	15,350.15	15,350.15	15,350.15
Settlement Price	315.65	315.65	315.65
Expiry Date	30-Jun-2022	30-Jun-2022	30-Jun-2022
Brght Forward Long Quantity	0	0	0
Brght Forward Short Quantity	0	0	0
Days Buy Quantity	0	0	0
Days Sell Quantity	50	50	50
Buy Avg Price			
Sell Avg Price	269.20	271.15	272.00
Days Buy Value	-	-	-
Days Sell Value	13,460.00	13,557.50	13,600.00
Post Adjusted Long Quantity	0	0	0
Post Adjusted Short Quantity	50	50	50
trade_date_time	20/06/2022 9:40	20/06/2022 9:40	20/06/2022 9:40
trade_price	269.20	271.15	272.00
trade_quantity	50	50	50
sell_order_date_time	20/06/2022 9:37	20/06/2022 9:25	20/06/2022 9:16
sell_order_trigger_price	0	0	0
sell_order_limit_price	264.05	254.05	254.05

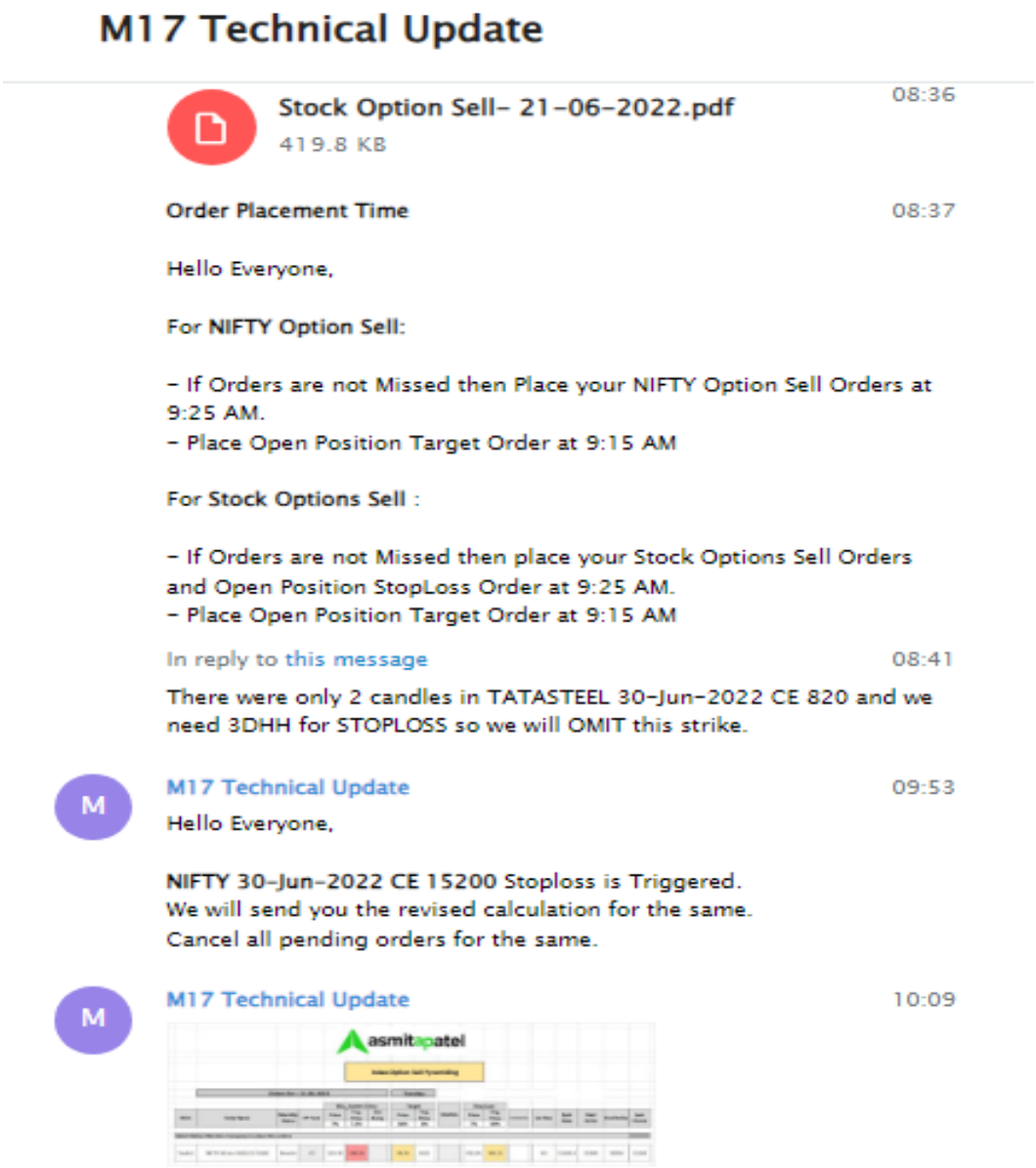
83. On June 21, 2022, at 08:36 A.M. as seen at Screenshot no. 24 below, a message was circulated in the M17 Technical Update Telegram Group along with excel sheet, containing outstanding positions that were executed based on previous recommendations. This also included recommendation of NIFTY having expiry date of June 30, 2022 having strike price of INR 15200/- for which the trades were executed on the previous day i.e. June 20, 2022. On June 21, 2022 itself and as seen at Table 5 below, based on the instructions provided by the *Noticee No. 1,* stoploss buy orders were placed by three participants during 09:20 hrs to 09:25 hrs with limit prices ranging from INR 464.80 to INR 467.65.

Table 5

SHORT COVERING LEG (BUY)			
Day Date	21-Jun-2022	21-Jun-2022	21-Jun-2022
Symbol	NIFTY	NIFTY	NIFTY
Instrument Type	OPTIDX	OPTIDX	OPTIDX
Option Type	CE	CE	CE
Strike Price	15,200.00	15,200.00	15,200.00
Client Name	DxxALx RxxENDxx PxxTKx	AxxIJxx DxxKAx TxxMBRx	H S MxxALIDxxx
Client Pan No	AxxPP63xxx	AxxPT11xxx	AxxPH32xxx
Settlement Price for OI	15,638.80	15,638.80	15,638.80
Settlement Price	508.35	508.35	508.35
Expiry Date	30-Jun-2022	30-Jun-2022	30-Jun-2022
Brght Forward Long Quantity	0	0	0
Brght Forward Short Quantity	50	50	50
Days Buy Quantity	50	50	50
Days Sell Quantity	0	0	0
Buy Avg Price	439.20	435.00	438.30
Sell Avg Price			
Days Buy Value	21,960.00	21,750.00	21,915.00
Days Sell Value	-	-	-
Post Adjusted Long Quantity	0	0	0
Post Adjusted Short Quantity	0	0	0
trade_date_time	21/06/2022 9:51	21/06/2022 9:51	21/06/2022 9:51
trade_price	439.20	435.00	438.30
trade_quantity	50	50	50
buy_order_date_time	21/06/2022 9:25	21/06/2022 9:25	21/06/2022 9:20
buy_order_trigger_price	0.00	0.00	0.00
buy_order_limit_price	464.80	467.65	467.65

84. Subsequently, on June 21, 2022 itself at 09:51 hrs, the stop loss buy orders which are stated in the immediately preceding paragraph were executed for trade prices between INR 435/- to INR 439.20. Around the same time, the following message as seen at Screenshot no. 24 below was posted at 09:53 hrs. on the telegram channel.

Screenshot no. 24



85. The Screenshot no. 24 also had an attached worksheet which was posted at 10:09 hrs. This worksheet (as shown in Screenshot no. 25 below) included revised instructions for placing new sell orders for the same option.

Screenshot no. 25

86. <u>Facts determined based on analysis of trades executed based on recommendations:</u>

86.1. Postings of the *Noticee no.1* on telegram channel "M16" on November 8, 2021 at 9:40 hrs. with respect to the lot size, trigger price and limit price for TECHM (Tech Mahindra) is immediately followed by course participants placing orders on the live market which subsequently got executed into trades.

86.2. Pursuant to trigger of stop loss, the *Noticee no.1* on November 18, 2021 at 13:28 hrs. posted recommendation to buy TECHM with expiry date of November 25, 2021 and asked to place the new order as per new calculations.

86.3. Recommendations given by the *Noticee no.1*, through its telegram channel 'M17 Technical Update' on June 20, 2022 at 9:08 hrs., with respect to placing of sell orders for Call Option of Nifty Index was seen to be immediately followed by the sell orders placed by three course participants for the same scrip, quantity, limit price and trigger price as recommended by the *Noticee no.1*. These sell orders were subsequently executed into trades. It is also seen that, subsequent to the above recommendations even when there was a stop loss trigger, the same was communicated through telegram channels for the information of course participants and they were also intimated that revised calculation would be provided.

86.4. The *Noticee no.1* is found to have prepared its own work sheets based on its own analysis on the scrips which it wanted course participants to trade. The worksheets give details such as specific scrip name, target price, stop loss price, etc. and the same is published on the telegram channels as recommendation to course participants.

86.5. The above instances show a *prima facie* co-relation between recommendations given by the *Noticee no.1* on its telegram channels and the immediate placing of orders by course participants on the live market which subsequently resulted into execution of trades.

86.6. The *Noticee no.1* posted the same attachments on the M16 telegram channel on November 18, 2021 and on its email dated November 17, 2021 to course participants of M16 session. The course participants have carried out trades on November 18, 2021 (refer to Table 3 above) based on the instructions/attachments posted on the telegram channel and the attachments to the email sent by the *Noticee no.1*.

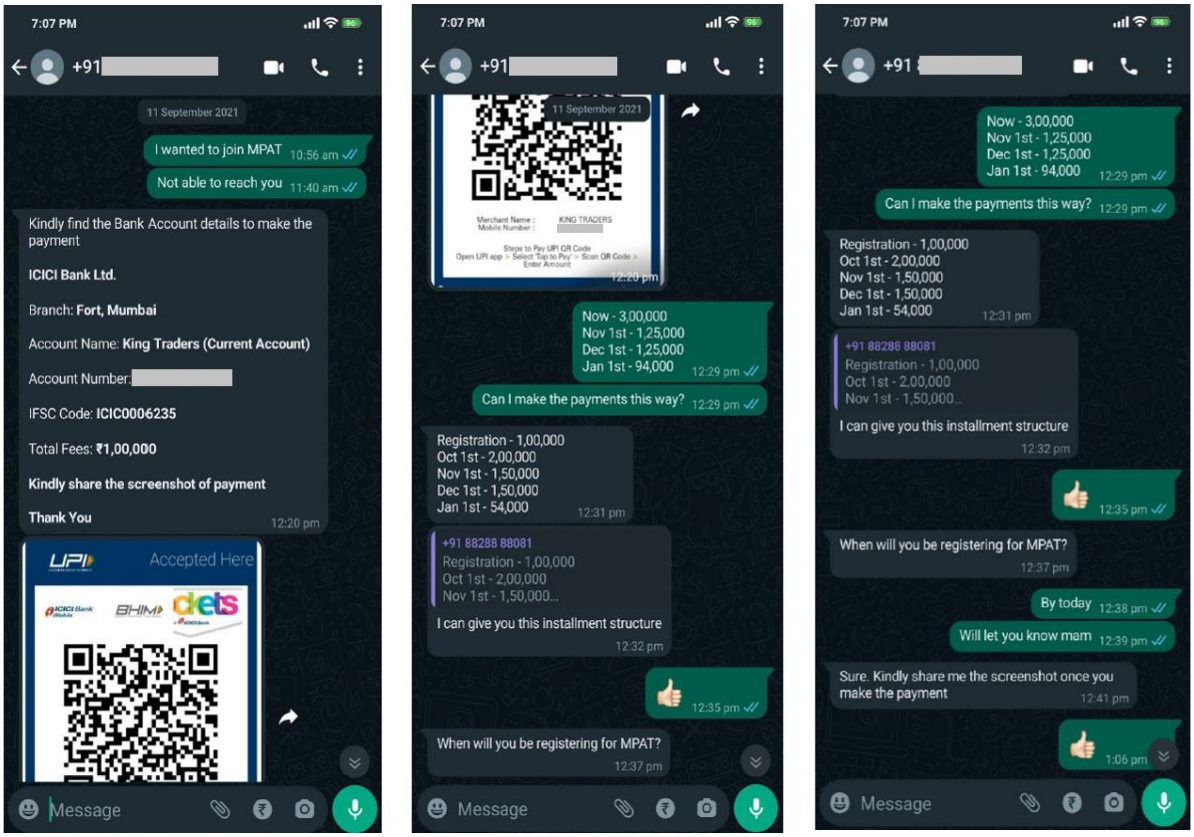
D.8. Analysis of connections between the *Noticee no.1* and King Traders, Gemini Enterprise and United Enterprises

87. Given below are few samples of, how on the advice of the *Noticee no.1*, payments were made by course participants of the *Noticee no.1* to the bank accounts of King Traders *(Noticee no.4),* Gemini Enterprise *(Noticee no.5)* and United Enterprises *(Noticee no.6).*

88. In case of MPAT16 course , on perusal of a screenshot of WhatsApp conversation (Screenshot no. 26 below) provided by the course participant, it is noted that on September 11, 2021, the course participant had shown his interest in joining the MPAT course, for which the *Noticee no.1* operating through mobile number, 8xx8888xxx, had given the details of bank account no. 6xx505390xxx, which belonged to King Traders. The *Noticee no.1* had asked the course participant to share a screen shot once the payment is done. The course participant provided various bank receipts in support of his submission of payment totalling to INR 7,00,000/- to King Traders. Inspite of repeated insistences the course participant was not provided with any invoice by the *Noticee no.1* as proof for payments made.

However, an email was received from the email ID of the *Noticee no.1,* welcoming the course participant and congratulating him for being a part of the MPAT course.

Screenshot no. 26



89. In addition to above, another evidence would show how the participant was asked to make payment to the bank account of King Traders. This evidence is in the form of Chat no. 1 below which was provided by one of the complainants:

Chat no. 1

02/09/21, 16:40 - +91 xx288 88xxx: Good Evening Ma'am,
This is Axxu here from Team Asmita Patel Global School Of Trading
02/09/21, 16:41 - +91 xx288 88xxx: As discussed, please find the details for the Let's Make India Trade Grand Live Event
…….
Do share the screenshot once you make the payment
Thank You
02/09/21, 16:43 - +91 xx288 88xxx: https://youtu.be/fCHKdW3dgrk

02/09/21, 16:44 - Jyoti: Thanks, could you please schedule for trade live session? Will it happen during 6th sep - 10th sep or afterwards?

02/09/21, 16:44 - +91 xx288 88xxx: LMIT Training Calendar.pdf (file attached)

LMIT Training Calendar.pdf

02/09/21, 17:43 - +91 xx288 88xxx: Kindly find the Bank Account details to register for the LMIT Diamond Ticket

ICICI Bank Ltd.* Branch: *Fort, Mumbai* Account Name: *King Traders (Current Account)* Account Number: *6xx505390xxx* IFSC Code: *ICIC0006235* Amount: *Rs. 46,000/-

Kindly share the screenshot once the payment is initiated

Thank You

……

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Only Price Action

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**Register Now*:* 👇

https://rzp.io/l/ck0Jdq7

Do send the screenshot once you register

**For More Details contact:* 8xx8888xxx*

Regards,

Team Asmita Patel

90. As seen from the above Chat no. 1, the *Noticee no.1* through telephone 8xx8888xxx (*this telephone no. was acknowledged by the Noticee no.1 as belonging to it*) is seen to be providing the bank account details of 'King Traders' for making a payment towards registration for the course '*LMIT Diamond Ticket' (*The *Noticee no.1 has stated the name of this course in its reply of June 13, 2024).* The chats with the course participant also show statements such as "*Multiply Your Capital With Options Buying Strategies", "The Right Time To Enter Markets And Make Money Is Now".*

91. In case of another course participant for MPAT course, an amount of INR2,50,000/- was paid to Gemini Enterprise having bank account no.1xx905001xxx with ICICI Bank in 11 transactions during the period from June 23, 2022 to July 6, 2022 which is an abstract of the course fee for F.Y. 2022-23. It is seen that the *Noticee no.1* had issued an invoice for an amount of INR7,00,000/- (Screenshot no. 27 below towards payments made by the above complainant for the MPAT course.

Screenshot no. 27

Tax Invoice

Asmita Patel Global School of Trading FY 23-24 Unit No 1402 to 1405, Fairmount By Metro. 14th Floor, Off Palm Beach Road, Sector 17, Sanpada, Navi Mumbai GSTIN/UIN: 27AASCA6577F1Z4 State Name : Maharashtra, Code : 27 E-Mail : accounts@asmitapatel.com	Invoice No. **APS/23-24/456**	Dated **30-Apr-23**
	Delivery Note	Mode/Terms of Payment
	Reference No. & Date. **APS/23-24/456 dt. 30-Apr-23**	Other References
Consignee (Ship to) **Mr.** [redacted] Jayanagar Bangalore - 560076 State Name : Karnataka, Code : 29	Buyer's Order No.	Dated
	Dispatch Doc No.	Delivery Note Date
Buyer (Bill to) **Mr.** [redacted] Jayanagar Bangalore - 560076 State Name : Karnataka, Code : 29	Dispatched through	Destination
	Terms of Delivery	

Sl No.	Particulars	HSN/SAC	GST Rate	Quantity	Rate	per	Amount
1	**MPAT [M17] - Interstate**	999294	18 %				**5,93,220.00**
	Output IGST 18%				*18*	*%*	**1,06,779.60**
	Round Off						**0.40**
	Total						**₹ 7,00,000.00**

Amount Chargeable (in words) *E. & O.E*

INR Seven Lakh Only

HSN/SAC	Taxable Value	Integrated Tax Rate	Integrated Tax Amount	Total Tax Amount
999294	5,93,220.00	18%	1,06,779.60	1,06,779.60
Total	**5,93,220.00**		**1,06,779.60**	**1,06,779.60**

Tax Amount (in words) : **INR One Lakh Six Thousand Seven Hundred Seventy Nine and Sixty paise Only**

Company's PAN : **AASCA6577F**

Declaration
We declare that this invoice shows the actual price of the services described and that all particulars are true and correct.

Terms and Conditions
1. The course fee is entirely non-refundable, non -transferable, and non-adjustable in any case.
2. If you are not able to attend this course for the registered date then, you can attend the same course in the next session within 4 months any where in India.

for Asmita Patel Global School of Trading FY 23-24

Authorised Signatory

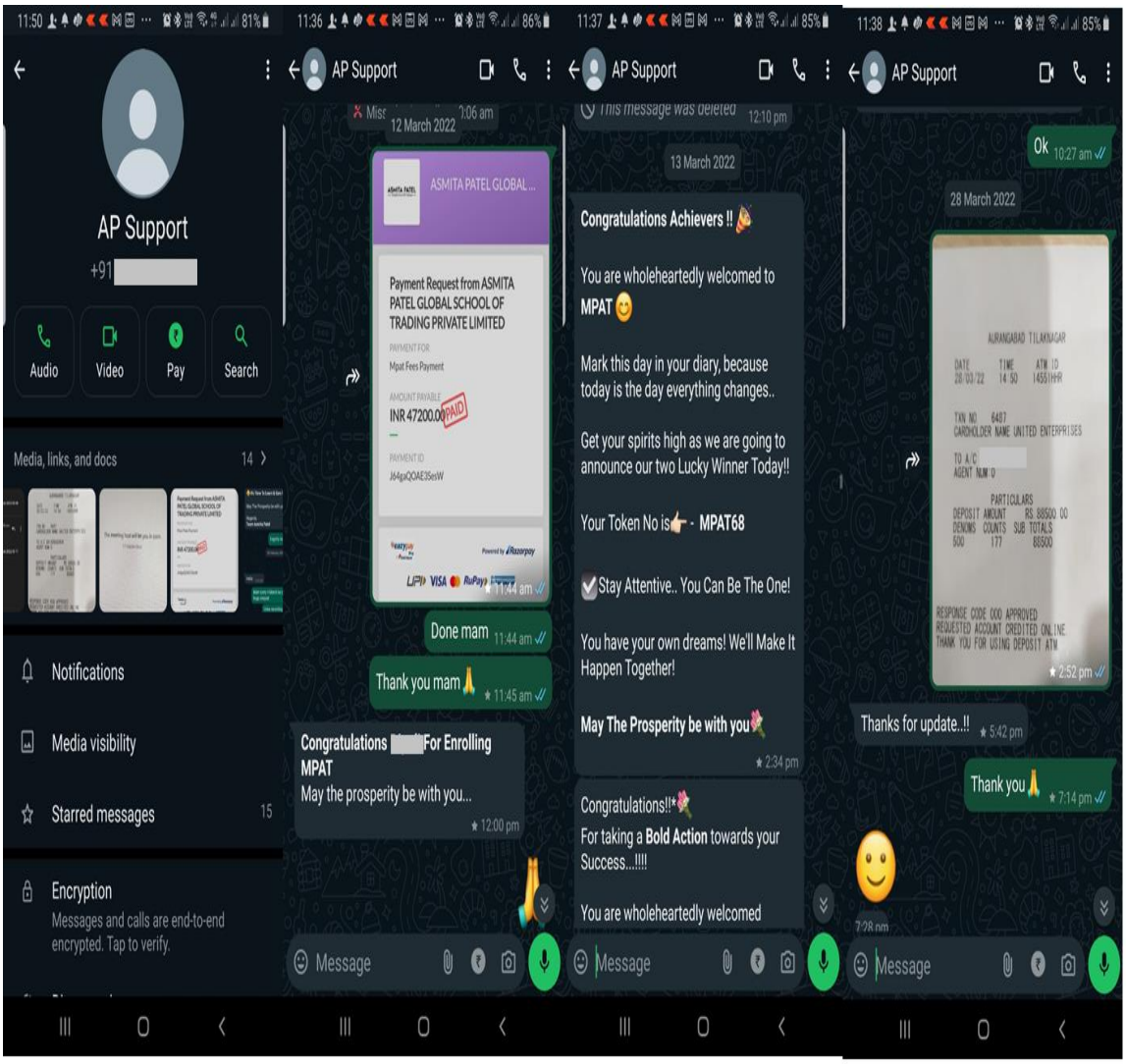
This is a Computer Generated Invoice

92. It is noted that, the above invoice was issued by the *Noticee no.1* on April 30, 2023, however, the submissions of *Noticee no.1* made vide its reply dated June 13, 2024 showed that the above referred course participant was a subscriber for its courses for the three years 2021-22, 2022-23 and 2023-24 and the total amount collected is INR 15 lacs. This prima facie shows that, *Noticee no.1*, had acknowledged the payment of fees by the course participant to Gemini Enterprise by considering him as a course participant for the financial year 2022-23.

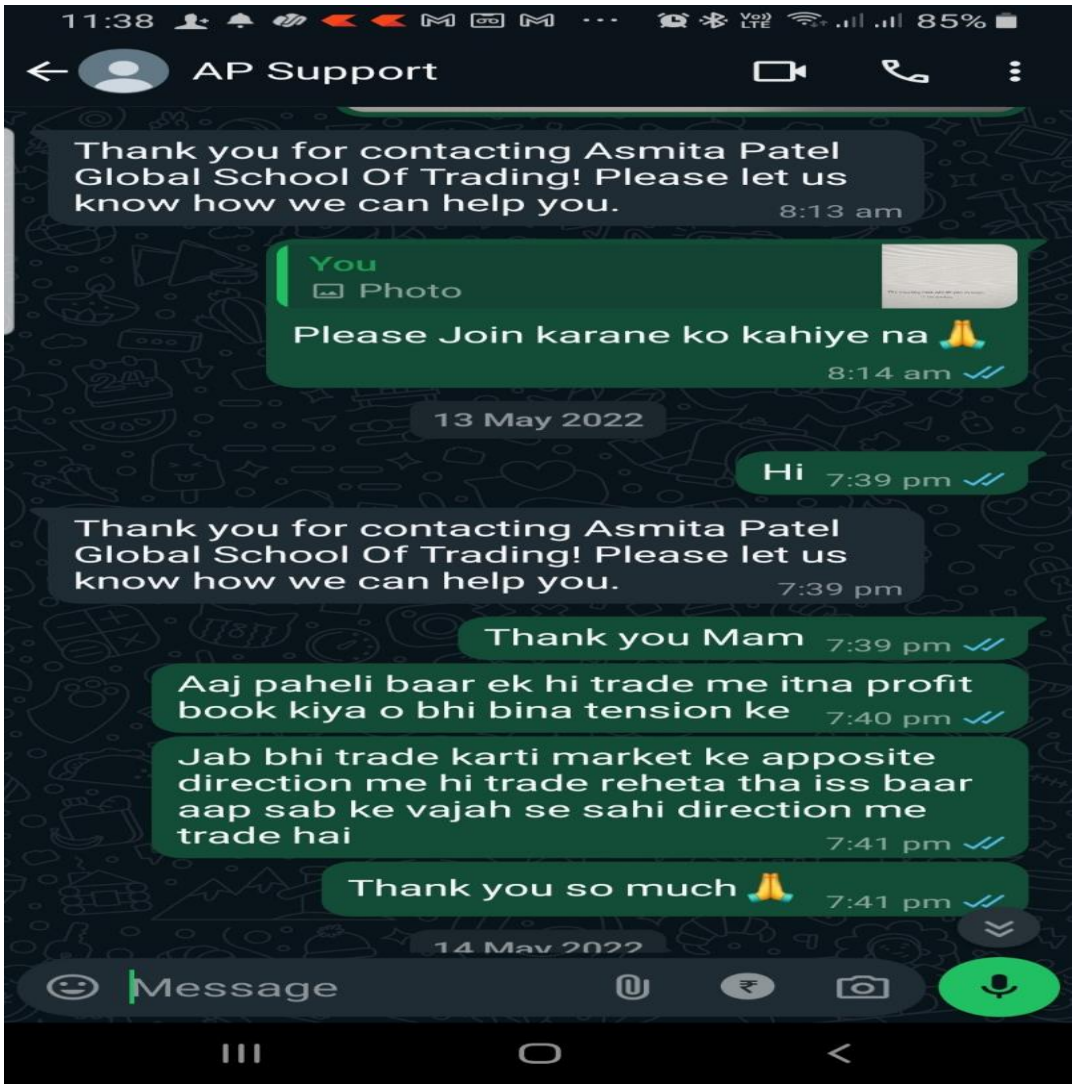
93. As seen at Screenshot no. 28 below, another complainant, an MPAT & Options Multiplier(OM) course participant, had made the payment of INR 88,500/- (through

cash deposit) to United Enterprises on March 28, 2022. Further, during WhatsApp chats with telephone no. 8xx8888xxx *(this telephone no. has been accepted by the Noticee no.1 in its submissions as belonging to it*), the said complainant uploaded the said payment receipt of payment made to United Enterprises and the *Noticee no.1* is seen to have acknowledged this payment made by complainant. Further, a WhatsApp chat to the said course participant (details as seen in the Screenshot no. 29 below) indicating the positive performance of the recommendations provided by the *Noticee no.1* reads as follows: *"Aaj paheli baar ek hi trade me itna profit book kiya o bhi bina tension ke. Jab bhi trade karti market ke apposite direction me trade reheta tha iss baar aap sab ke vajah se sahi direction me trade hai".*

Screenshot no. 28



Screenshot no. 29



94. In case of another MPAT&OM course participant, a payment of INR 5,00,000/- was paid by him to United Enterprises while INR 1,50,000/- was paid to Gemini Enterprise. However, the course fee details provided by the *Noticee no.1* only include INR 59,000/- paid by him. The several conversations over WhatsApp (*Chat no. 2 below provided on sample basis*) with the contact number, 8xx88 88xxx (this telephone number has been acknowledged by the *Noticee no.1 as belonging to it*), wherein payment solicited through United Enterprises are as under:

Chat no. 2

*3/14/22, 12:56 - +91 xx288 88xxx: Greetings From *Team Asmita Patel**
Congratulations! Your MPAT registration is successful.
Given below is your installment structure for the payment:
25.03.2022 = 2,00,000
25.04.2022 = 2,00,000
25.05.2022 = 1,50,000
Bank Account Details:
ICICI Bank Ltd.
Branch: Borivali (East) Mumbai
Account Name: United Enterprises (Current Account)
Account Number: 0xx805002xxx
IFSC Code: ICIC0000418
Kindly send the screenshot once the payment is initiated, and also acknowledge the payment structure.
Thank You

Regards,
Accounts Dept.

95. <u>Facts Determined based on analysis of connection between the *Noticee no.1* and the three proprietary firms</u>

95.1. Various chats have been noted whereby some course participants have been advised by the *Noticee no.1* to make payments to bank accounts of King Traders, Gemini Enterprise and United Enterprises for the courses offered by the *Noticee no.1*.

95.2. There are instances of acknowledgement made by the *Noticee no.1* with respect to payments made by these course participants in the bank accounts of King Traders, Gemini Enterprise and United Enterprises. In some cases though payment receipts have not been issued, there are emails and chats from the *Noticee no.1* acknowledging the inclusion of the course participant for the course which is possible only after the receipt of the course fee.

95.3. The chats also show indications of positive performance from the recommendations provided by the *Noticee no.1* to course participants.

D.9. Details of information sought and reply received from *Noticees* and ABC Ltd**.**

96. SEBI vide emails dated May 24, 2024 and August 7, 2024, advised the *Noticee no.1,* to provide details of: (i) courses offered (ii) whether *Noticees* were associated with King Traders, Gemini Enterprise and United Enterprises who were found to be collecting fees from some course participants and if so, the reasons for the same; (iii) details of bank accounts and social media accounts held by *Noticees* during August 26, 2019 to October 31, 2023 (iv)confirmation from *Noticees* with respect to certain mobile numbers which complainants stated to have been used by the *Noticee no.1*. In reply to the above queries, the *Noticee no.1* vide its reply dated June 13, 2024, July 30, 2024 and August 25, 2024, made various submissions.

97. Details of list of courses offered by the *Noticee no.1* was submitted which shows that the curriculum of various courses provided included stock market relating topics such as Stock Market Foundation, Order related topics, Technical Analysis, Risk Management Rules, etc. The *Noticee no.1* has stated that an amount of INR 90.49 crores was collected towards courses offered for the period from 2019-20 to 2023-24.

98. The year wise break up of collection of fees as provided by the *Noticee no.1* is given below:

Table 6

Year	Amount collected by APGSOT towards courses offered (in Rs.).
2019-20	1,01,79,440
2020-21	6,52,74,911
2021-22	15,67,98,599
2022-23	46,55,69,854
2023-24	20,71,01,304
Grand Total	**90,49,24,108**

99. Details of social media accounts operated by the *Noticee no.1* as provided vide its reply of dated June 13, 2024 is as under:

Table 7

S.No	Website	Channel Name	Creation Date	Active / Inactive	Closure Date
1	Youtube	Asmita Patel	06-07-2019	Active	-
2	Instagram	asmitapatelofficial	19-07-2019	Active	-
3	Facebook	Asmita Patel	19-07-2019	Active	-
4	Telegram	M16	21-09-2021	Inaccessible	Last communication – March 2023
5	Telegram	M17 Technical Update	28-02-2022	Inaccessible	Cannot be ascertained
5	Telegram	M17 Non-Technical Update	-	Inaccessible	Cannot be ascertained

100. The *Noticee no.1* submitted to have operated telegram channels i.e. M16, M17 Technical Update and M17 Non-Technical Update (*these channel names matched with the names provided by complainants*). The *Noticee no.1*, did not provide any chat backups relating to the aforesaid telegram channels and the said channels were no longer accessible.

101. The *Noticee no.1*, submitted that the mobile numbers namely 8xx8888xxx, 8xx8888xxx, 8xx8888xxx, 8xx8888xxx, 8xx8888xxx, 8xx8888xxx & 8xx8888xxx were operated by individuals who were employed by the *Noticee no.1* and that these mobile numbers were used for communication and coordination purposes related to educational services. The *Noticee no.1* has denied any connection with the mobile number 8xx2996xxx.

102. Further, vide reply dated June 13, 2024, the *Noticee no.1*, denied any connection (directly or through its directors) with three sole proprietorship firms namely, King Traders, Gemini Enterprise and United Enterprises. However, it also stated to have limited financial transactions (payments received) with Gemini Enterprise and United Enterprises to an extent of INR9,00,000/- and INR 20,59,000/- respectively during March and April 2023 and no transaction with King Traders.

103. The *Noticee no.1* vide its reply dated August 25, 2024 has submitted that one of its employees, had orchestrated a scheme for misappropriation of funds received towards course fees from students/investors/participants by asking the students/investors/participants to deposit the instalments of course fees to bank accounts viz. King Traders, United Enterprises and Gemini Enterprise. The *Noticee no.1,* stated that its employee had misrepresented by using the various company phone numbers to solicit course fees from students/investors/participants and made them to deposit the course fee in bank accounts viz. King Traders, Gemini Enterprise and United Enterprises.

104. The *Noticee no.1* further submitted that, in July 2022, it came to its attention that course participants have been asked to pay their course fees in the account of 'United Enterprises'. The *Noticee no.1* then went ahead to investigate the matter and learnt that the said employee had asked the course participants to deposit part of the fees into bank accounts of the aforesaid three proprietary firms. On confrontation, the said employee confessed to have siphoned off INR 1.2 crores. The said employee revealed that the idea of siphoning of fees triggered in his mind when some course participants had asked him if they could pay the fees without GST. Further, the *Noticee no.1*, submitted that, on persistent follow-ups with the said employee, out of the total INR 1.2 crores, the *Noticee no.1*, could retrieve INR 29.59 lacs from the employee through bank transfers. The *Noticee no.1* also stated that INR 21 lacs was returned in cash and the remaining amounts are yet to be recovered. The *Noticee no.1,* further submitted that, it had terminated services of the said employee. This response was not part of the earlier responses filed by the *Noticee no.1* on June 13, 2024 and July 30, 2024. *Noticee no.1* had made the above submissions as part of its response only in its reply dated August 25, 2024.

105. The *Noticee no.1* submitted that (i) it did not render any investment advice on buying, selling, dealing or subscribing to any specific security; (ii) it did not conduct portfolio management and no profit sharing arrangements (iii) it did not promise any guaranteed or assured returns (v) it did not provide personalised tips

(vi)No promotion of listed companies or financial products and did not do trades in students/investors/participants accounts. It further submitted that its role was to empower students/investors/participants and impart them with the necessary skills and technical know-how to make sound investment decisions. It actively encouraged students/investors/participants to stop viewing the stock market as a venue for quick returns and instead promote responsible trading practices with a focus on long-term financial education and disciplines trading strategies. It further stated that its activities did not constitute rendering of investment advice/portfolio management/ assured returns/personal tips and it did not force/coerce or manipulate any student to undertake any course or force/induce to trade at any point of time. It was also submitted that no guarantee or assured returns was given and informed students/investors/participants that they are free to open a demat/trading account with any broker during their course of education. Further, it's role as an Authorized Person of ABC Ltd. had nothing to do with the funds remitted by students/investors/participants for educational courses.

106. It was also submitted that the *Noticee no.2* has been awarded "Times Leading Icon 2021" for "Excellence in Financial Education" and recognized in the category of "Niveshak Naari" (2024), as an eminent female trader and educator.

107. With regard to its association with ABC Ltd., the *Noticee no.1* has replied that during the course of the curriculum, few students/investors/participants sought guidance pertaining to demat-cum-trading account. The *Noticee no.1* informed students/investors/participants that they were free to open the same with any broker of their choice. If the student insists then their account was opened with ABC Ltd. wherein the *Noticee no.2* is an Authorised Person. The *Noticee no.1* submitted that since different brokers have different platforms, the course was taught on portal of one of the broker (ABC Ltd.) for ease of convenience. Many students/investors/participants already had an existing account with ABC Ltd. before joining the education course. The *Noticee no.1* submitted that all participants were well aware of *Noticee no.2's* association with ABC Ltd. and the SEBI has proposed to regulate these matters only vide the SEBI's Board meeting dated June 27, 2024.

108. The *Noticee no.1* submitted that the students/investors/participants had voluntarily signed binding agreements. These students/investors/participants are now by complaining to SEBI as a pressure tactic trying to force the *Noticee no.1* to meet their illegitimate demands. A private grievance and contractual disputes wrongly given a colour of non-existent securities regulatory issue. The *Noticee no.1* understands that complainants are using some malafide and unsubstantiated telegram images and that such images ought to be verified for its authenticity and also be read in its holistic context.

109. The *Noticee no.1* claimed that it had always tried to operate within regulatory boundaries and has been ethical in its conduct as an educational institute. Hence, the enquiry/examination be concluded with a warning/censure as has regularly been done by the SEBI in other similar cases.

Details of information sought from *Noticee nos. 4* to *6*

110. Vide letters dated December 10, 2024, *Noticee nos. 4* to *6* were advised to provide its replies regarding their nature of business, bank details and tax filings, details on arrangement with *Noticee nos.1* and *2* for soliciting fees from course participants of the *Noticee no.1*, total amount collected by the three proprietary firms from course participants along with the utilization of the fees collected at their end. The said letters were sent to *Noticee nos. 4 to 6* at their commercial & residential addresses (as mentioned in the KYC details submitted by ICICI Bank) and also through emails.

111. It is seen that no response has been received from *Noticee nos.* 4 to *6 to the* above said letters.

Reply from ABC Ltd.

112. Details were sought from the broker ABC Ltd., calling for information as to whether 42 complainants in the instant matter had opened trading account with it based on the advice given by the *Noticee no.2* during sessions held by the *Noticee no.1*. ABC Ltd. in reply to the above query informed that 38 of the 42

complainants' trading accounts were linked to *Noticee no.2* as an Authorized Person. Of these 38 accounts, 32 accounts were opened in the year 2021 which is the same year when the course participants had enrolled for the MPAT course offered by the *Noticee no.1*.

113. <u>Facts determined based on reply received from the *Noticees*, and ABC Ltd.</u>

113.1. The *Noticee no.1* collected INR 90.49 crores as fees for various courses offered by it.

113.2. The *Noticee no.1* was active through various social media channels during the examination period.

113.3. The *Noticee no.1* accepted that various telephone numbers referred at para 101 above were used by it in its business.

113.4. The *Noticee no.1* initially denied any connection with three sole proprietorship firms King Traders, Gemini Enterprise and United Enterprises in its earlier reply dated June 13, 2024. However, in its subsequent reply dated August 25, 2024 it admitted that one of its employees had advised course participants to deposit the course fees in bank accounts of King Traders, Gemini Enterprise and United Enterprises as course participants had asked him if they could pay the fees without GST. The *Noticee no. 1* submitted that the said employee siphoned off a total INR 1.2 crores through payments made to the bank accounts of these three proprietary firms. On confrontation, the said employee confessed to the misappropriation of funds. Further, on persistent follow-ups, the *Noticee no.1* claimed to have retrieved from the said employee, INR 29.59 lacs through bank transfer and INR 21 lacs in the form of cash. The *Noticee no.1* further stated that it had terminated the services of the said employee. However, it is noted that nowhere in its reply did the *Noticee no.1* provided any information with respect to filing of any criminal complaint or any other legal proceeding against the said employee for alleged siphoning of INR 1.2 crores and due to the reason that the act of the said employee has led to the avoidance of payment of GST by the course participants. The *Noticee no.1* has not even shown what action it has initiated against the three proprietary firms who received the course fee from participants on its behalf illegally. The fact about its employee doing such illegal activity was not submitted by the

Noticee no.1 in its replies of June 13, 2024 and July 30, 2024 and was only submitted subsequently. These facts prima facie indicate that the above submissions of the *Noticee no.1* is just an afterthought and has been made without any supporting documents.

113.5. It is also interesting to note that, during the examination period, the *Noticee no.1,* in spite of the fact that course participants had paid the fees into the accounts of King Traders, Gemini Enterprise and United Enterprises had immediately admitted them to various courses. This arrangement of collecting of fees being routed through other entities apparently could not have been possible without the knowledge of the *Noticee no.1.* Further, the fact that no legal action was taken against the employee as well as on the three proprietary firms, prima facie, indicates that the routing of funds through three proprietary firms was carried out with the understanding of the *Noticee no.1*.

113.6. The *Noticee no.1* has denied any connection with the mobile number 8xx2996xxx. This is relevant as some messages have been given from this number to students/investors/participants asking them to pay fee to United Enterprises. However, as seen at para 93 above, a WhatsApp conversation is noted whereby, course participant made a payment of INR 88,500/- to United Enterprises and further, an operator of telephone no. 8xx8888xxx (*this telephone no. has been accepted by Noticee no.1*) is seen to have acknowledged this payment. This proves that the mobile number 8xx2996xxx also belongs to the *Noticee no.1*.

113.7. The *Noticee no.1's* submission that the enquiry / examination conducted against it be concluded with a warning / censure, is a clear indication that the *Noticee no.1* is well aware that its activities which are brought out in the preceding paragraphs are even in its knowledge *prima facie* violations of provisions of the SEBI Act and Regulations framed thereunder.

D.10. Inspection of the office of the *Noticee no.2* as authorised person of Stock Broker – ABC Limited on January 9, 2024:

114. On inspection of ABC Ltd. it was seen that, there is no proper segregation maintained between the operations of the *Noticee no.2* in her capacity of Authorized Person from the operations of the *Noticee no.1*.

115. Several support team employees of the *Noticee no.2* as Authorised Person was seen resolving the queries raised by participants of the *Noticee no.1*'s courses. The queries raised by participants were perused and they were noted to be related to the recommendations provided by the *Noticee no.1* regarding the position sizing, previous recommendations provided resulting in losses, targets and strategies etc.

116. During the said inspection, an email was found which was sent by support@asmitapatel.com to various participants of the *Noticee no.1*'s courses that included steps to join a specific Telegram Channel. From the email records, it is noted that Telegram groups were active at least until March 2023. On perusal of emails of support@asmitapatel.com, it is noted that in July 2023, several participants were seen enquiring regarding the closure of Telegram Groups and lack of live support for daily order placement.

117. Several excel documents circulated to participants included clear instructions regarding the entry/exit price, timing of entry/exit, revisions to be made in existing positions based on outcomes etc.

Analysis of trading accounts of *Noticees*

118. To ascertain the profitability of *Noticees* own trading accounts, information sought from Exchanges and Depositories of trading/demat accounts held by *Noticees* was analysed.

119. It was noted that most of the trading/demat accounts were inactive apart from the trading accounts owned by *Noticee no.1* and *Noticee no.2*.

120. As per the reply received from the stock brokers, the *Noticee Nos. 1 and 2* have earned a Net Profit (after charges) of INR 12,28,365/- during the period from 2019-20 upto January 30, 2024.

121. Based on the above findings, it is observed that the profit earned by *Noticees* doesn't appear to be commensurate with the claims made during the courses offered by the *Noticee no.1.* Information sought from the stockbrokers of *Noticee* Nos. 1 and 2 stated that the turnover/volume generated by trading accounts held in the name of the *Noticee nos.1* and *2* for the period from August 26, 2019 to January 31, 2024 was INR 15,27,92,283/-. The *Noticee no.2* misrepresented the course participants through baseless claims such as managing a huge portfolio of INR 140 Crores on her Proprietary System (as displayed in the Screenshot no. 30 below). During the LMIT course and Pre-MPAT course referred at para 35.1 and 35.2 earlier it was claimed that she is managing funds of INR 283 crores.

122. In view of the above, it can be seen that the claims made by the *Noticee no.2* with respect of managing a huge portfolio of INR 140 crores or INR 283 crores appear to be completely false and made with an intention to attract participants to various courses.

Screenshot no. 30

E. ANALYSIS OF THE BANK ACCOUNTS AND CALCULATION OF FEES COLLECTED

123. The details of bank accounts, alongwith the statements and Account Opening documents of the *Noticee no.1* and the three sole proprietorship firms namely King Traders, Gemini Enterprise and United Enterprises were analysed. The details of the same are as under:

124. Bank account held in the name of the *Noticee no.1*: A/c no – 7xx705700xxx:
The objects clause of the *Noticee no.1* as mentioned in the Memorandum of Association, which was provided to the bank as part of KYC, included the main object of the *Noticee no.1* as follows;

> ***"To carry on the business of providing advisory services in securities market, share trading, mutual funds, commodities trading and provide training to clients to manage wealth in securities market."***

125. The account opening form of the *Noticee no.1* states that the *Noticee no.1* is involved in "Advisory Services". The account was opened on September 06, 2019 and till October 31, 2023 *(the period within the examination period)* had a total of INR107.93 crore as credits from a total of 5,152 transactions executed during the period. Of these credits, an amount of INR 22,02,000/- was directly traced through 20 transactions during the period from July 28, 2021 to December 4, 2021 in the bank statement based on payment details provided by complainants. The above amount of INR 107.93 crore pertains only to the examination period and the *Noticee no.1* was seen to be receiving fees after the examination period as well, which is discussed in the subsequent paragraphs.

126. The credit transactions in the bank account were examined based on the key words in the narrations. A summary of the credit transactions for the above referred period based on the analysis of narration of entries in the aforesaid bank account is as under:

Table 8

S. No.	Narration	Credits (Rs.)	Remarks
1	Razorpay	61,44,90,032.10	Course revenue from Online payments made through Payment Gateway links posted on Website.
2	Instamojo	4,35,24,334.75	Course revenue from Online payments made through Payment Gateway links posted on Website.
3	MPAT	25,73,170	Direct receipts w.r.t MPAT Course
4	TFIS	49,27,490	Direct receipts w.r.t TFIS Course
5	LMIT	17,37,438	Direct receipts w.r.t LMIT Course
6	TFP	6,80,578	Direct receipts w.r.t TFP Course
7	Freedom	2,22,258	Direct receipts w.r.t TFP Course
Total credits that are attributable to keywords		**66,81,55,300.85**	

127. In order to examine the continuity in the activities of the *Noticee no.1*, further analysis of the aforesaid bank account for the post examination period from November 1, 2023 to October 31, 2024 (hereinafter referred to as "post examination period") was carried out. The total credits received in the aforesaid bank account during this period was INR 36,33,60,437/-. Out of which based on the key words in the narrations, it is prima facie noted that the *Noticee no.1* had continued its activities of providing investment advisory/ research analyst services. Details of the amounts collected by the *Noticee no.1* during the post examination period based on the analysis of narration of entries in the bank account of the *Noticee no.1* referred at para 136 is as under:

Table 9

Key word	Amount	Instances	Last date of transaction containing keyword
RAZORPAY	15,96,49,082.55	267	29-10-2024
TFP	26,59,904.00	38	25-07-2024
FEES	3,97,001.00	7	18-11-2023
TFIS	1,43,988.00	6	14-03-2024
ONE LIFE	50,001.00	2	12-01-2024
COURSE	15,458.00	2	22-04-2024
STOCK MARKET	1,18,000.00	1	06-11-2023
INSTAMOJO	7,102.89	1	10-11-2023
LMIT	7,552.00	1	04-12-2023
Total	**16,30,48,089.44**	**317**	

128. As seen from the above Table 8 and Table 9 , payments received in the above referred bank account were initiated through Payment Gateways such as Razorpay/Instamojo. While visiting the course link for registration of the various courses offered on the *Noticee No.1's* website(asmitapatel.com), it gets redirected to Razorpay's/ Instamojo payment page. Further, the narrations given against the credit transactions show the name of the courses provided by the *Noticee no.1*. As given in the above Table 8 and Table 9, based on the keyword search the *Noticee no.1* collected an amount totalling to INR 83,12,03,390.29, i.e (INR 66,81,55,300.85 plus INR 16,30,48,089.44) for rendering unregistered investment advisory/ research analyst services.

Details of fees collected as provided by the *Noticee no. 1* vide its reply dated June 13, 2024

129. The *Noticee no.1*, in reply to the SEBI's query had vide reply dated June 13, 2024, provided details of students/investors/participants, courses attended by the students/investors/participants, duration of the course, fees paid by the students/investors/participants, mode of receipt of payment etc. On perusal of the details, it is noted that the total amount collected as 'fees paid by the student' as

provided by the *Noticee no.1* is INR 90,49,24,107.70 for the period from 2019-20 to 2023-24. This is higher than the amount arrived on the basis of keyword search.

130. It is seen that the amount of fees of INR 90.49 crores has covered the period from 2019-20 to 2023-24 (i.e. till March 31, 2024) and therefore the fees collected by the *Noticee no.1* for the period from April 1, 2024 till October 31, 2024 also needs to be considered for arriving at the total amount of fees collected by the *Noticee no. 1* during the examination and post examination period.

131. Details of the amount collected by the *Noticee no.1* for the period from April 1, 2024 till October 31, 2024 based on the analysis of narration of entries in the bank account of the *Noticee no.1* referred at para 124 is as under:

Table 10

April 2024 to October 2024			
Key word	**Amount**	**Instances**	**Last Date**
RAZORPAY	7,67,33,247.40	151	29-10-2024
COURSE	15,458.00	2	22-04-2024
TFP	11,06,016.00	14	25-07-2024
	7,78,54,721.40	**167**	

132. Putting together the amount of fees collected by the *Noticee no. 1* during the period from 2019-20 till March 31, 2024 which is INR 90.49 crores, as per its own submissions, and the amount of fees collected for the period from April 1, 2024 till October 31, 2024 is as seen at Table 10 above. The total amount of fees collected by the *Noticee no.1,* through its ICICI bank account no. 7xx705700xxx is INR 98.27 crores.

133. **Bank account held in the name of King Traders – A/c no – 6xx505390xxx**

King Traders is a sole proprietary firm and its proprietor is Mr. Sagar Dhanjibhai Sutar. The registered and communication address as per the Account Opening Form is Shop No - 2, 272 Lucky House, NR Shere-Punjab Hotel, Fort, Mumbai - 400001. The nature of business mentioned in the form is E-commerce.

134. A total of 17,096 transactions were executed in the account during the period February 2, 2021 to March 01, 2022 *(the account was opened and closed between these dates during the examination period*) and had received credits to the tune of INR 49.99 Crores. Of these credits, an amount of INR 69,04,250/- was directly traced through 60 transactions during the period between June 9, 2021 to January 31, 2022 in the bank statement based on payment details provided by complainants.

135. However, based on keyword search the following is a summary of transactions in its bank account:

Table 11

S. No.	Narration	Credits (Rs.)	Remarks
1	Fees	1,07,86,300	Fees towards APGSOT courses
2	MPAT	2,82,46,584	Receipts w.r.t MPAT Course
3	Asmita	74,63,854	APGSOT receipts
4	Education	10,78,900	APGSOT receipts
5	Instal (installment)	64,02,000	Installments towards APGSOT courses
6	TFP	6,80,578	Direct receipts w.r.t TFP Course
7	Freedom	2,22,258	Direct receipts w.r.t TFP Course
Total credits that are attributable to keywords		**5,48,80,474**	

136. In view of the above, it is seen that, based on the connection (which was established at para 95 above) King Traders had with the *Noticee no.1*, an amount of INR 5,48,80,474/- *(as per narration* given in the Table 11 above*)* was received by King Traders on behalf of the *Noticee no.1.*

137. **Bank account held in the name of Gemini Enterprise – 1xx905001xxx**

Gemini Enterprise is a sole proprietary firm and its proprietor is Mr. Suresh Parmashivam. The entity's registered address as per the Bank Account Opening Form is Raghuleela Mega Mall 142, Lower Side Poisar Gymkhana Road, Mumbai - 400067. The nature of industry as per the KYC information is Travel & Tourism.

138. A total of 2,889 transactions were executed in the account between the period February 6, 2021 to August 3, 2022 *(the account was opened and closed between these dates during the examination period*) and received credits to the tune of INR 7.73 crores. Of these credits, on May 26, 2022, an amount of INR1,50,000/- was directly traced in the bank statement based on payment details provided by complainants**.**

139. However, based on keyword search, the following is a summary of transactions in its bank account:

Table 12

S. No.	Narration	Credits (Rs.)	Remarks
1	Asmita	8,17,800	Fees towards APGSOT courses
2	Fees	5,38,210	Fees towards APGSOT courses
3	MPAT	14,49,500	Receipts w.r.t MPAT Course
Total credits that are attributable to keywords		**28,05,510**	

140. In view of the above, it is seen that based on the connection (which was established at para 95 above) Gemini Enterprise had with the *Noticee no.1*, an amount of INR 28,05,510/- (as per narration given in the Table 12 above) was received by Gemini Enterprise on behalf of the *Noticee no.1.*

141. **<u>Bank account held in the name of United Enterprises – 0xx805002xxx</u> :**
United Enterprises is a sole proprietary firm and its proprietor is Mr. Jigar Rameshbhai Dawada. The entity's registered address as per the Bank Account Opening Form is 301, C65, Swaminarayan Mandir, Sector 10, Mira Road, Shanti Nagar, Thane - 401104. The nature of industry as per the KYC information is Agriculture.

142. A total of 6,595 transactions were executed in the account between the period October 29, 2021 to October 31, 2023 *(the account was opened on October 29, 2021 and last date of transaction is October 31, 2023)* and received credits to the tune of INR 40.37 crores. Of these credits, an amount of INR 5,88,500/- was directly traced through 5 transactions during the period between March 14, 2022 to April 29, 2022 in the bank statements based on payment details provided by complainants.

143. However, based on the keyword search the following is a summary of transactions in its bank account:

Table 13

S. No.	Narration	Credits (Rs.)	Remarks
1	Fees	24,53,800	Fees towards APGSOT courses
2	MPAT	23,75,000	Receipts w.r.t MPAT Course
3	Asmita	9,95,000	Fees towards APGSOT courses
Total credits that are attributable to keywords		**<u>58,23,800</u>**	

144. In view of the above, it is seen that based on the connection (which was established at para 95 above) United Enterprises had with the *Noticee no.1*, an amount of INR 58,23,800/- (as per narration given in the Table 13. above) has been received by United Enterprises on behalf of the *Noticee no.1.*

F. CALCULATION OF COURSE FEES RELATED TO SPECIFIC COURSES BY *NOTICEES*

145. Certain facts have already been determined in this order at earlier paragraphs. These are evidences of the *Noticee no.1* providing stock specific advices and receiving course fees in its bank account as well as in the bank accounts of the three proprietary firms. There are evidences of assured returns promised to course participants. There are evidences of false claim of performance.

146. It has also been seen that there appears to be prima facie an understanding between the *Noticee no.1* and the three proprietary firms to use the bank accounts of the three proprietary firms by the *Noticee no. 1* for collecting fees from the course participants. Therefore, for the purpose of calculation of course fees received by the *Noticee no.1*, the amount collected through the three proprietary firms namely, King Traders (*Noticee no.4*), Gemini Enterprise (*Noticee no.5*) and United Enterprises (*Noticee no.6*) has also been taken into account.

147. However, it is pertinent to state that the evidences placed in this order pertain to (i) zoom sessions held by the *Noticee no.1* for the pre MPAT and LMIT sessions; (ii)postings on telegram channels operated by the *Noticee no.1* for the MPAT 16, MPAT 17 and M17 Non Technical Update courses; and (iii) the WhatsApp chats the *Noticee no.1* had with the Options Multiplier (OM) course participants. These evidences prima facie establish that the *Noticee no.1* is providing stock specific advices and which cannot be considered to be just educational services. The *Noticee no.1* is seen providing excel sheets of recommendation, giving entry/exit calls, monitoring the trades of course participants and assuring guaranteed returns. However, since evidences relate to only a few courses, I am inclined to consider the amounts received by *Noticees* towards LMIT, MPAT and Options Multiplier (OM) courses as the amount which require consideration for impounding. It may be clarified that during video of LMIT course, it is seen that LMIT students/investors/participants who join MPAT course are given credit of fee that they have paid for LMIT course. Hence, these fees are required to be considered together and not separately.

148. The *Noticee no. 1* vide letter dated June 13, 2024 had provided the list of courses alongwith the details of fees collected by it for these courses. The list covers a period of three years from 2021-22 to 2023-24. From this list, the fees collected by the *Noticee no. 1*, through the LMIT, MPAT and Options Multiplier (OM) courses for the period from 2021-22 to 2023-24 is as under:

Table 14

Course Name	Amount collected
MPAT	12,98,73,003
OM : PRO	9,32,87,153
LMIT	7,09,58,943
OM : Prime	6,91,65,387
LMIT Masters	5,06,46,486
Masters in Price Action Trading	1,18,90,552
The Options Multiplier PRO	1,17,44,092
LMIT - UT	1,06,65,071
LMIT : Pro	84,23,262
The Options Multiplier Prime	53,28,979
LMIT : Diamond	53,17,346
Options Multiplier	51,92,000
LMIT : Prime	48,16,660
LMIT Platinum	41,15,840
Options Multiplier PRO	32,36,976
LMIT : UT	29,69,250
LMIT Diamond	29,25,810
The Master in Price Action Trading	24,79,000
The MPAT	24,78,000
OM	23,85,000
LMIT Master	19,81,156
LMIT GOLD	19,55,167
Master in Price Action Trading	16,52,000
OMP	5,20,380
Options Multiplier Prime	2,33,640
Lets Make India Trade	2,21,368
The Lets Make India Trade	1,07,026
LMIT : Prime	67,260
LMIT- Prime	21,974
LMIT : Equity	16,520
Grand Total	**50,46,75,300**

149. As seen from the above table, the *Noticee no.1* collected an amount of INR 50,46,75,300/- as fees for the courses LMIT, MPAT and Options Multiplier (OM) courses for the period from 2021-22 to 2023-24.

150. With respect to King Traders (*Noticee no.4*), Gemini Enterprise (*Noticee no.5)* and United Enterprises (*Noticee no.6),* the amounts given at tables 11 to 13 above is the amount which has been arrived at based on the associated keywords. However, as in the case of bank account of the *Noticee no.1*, in these cases too we need to consider fees against specific courses only at this stage. In view of the same, the amounts of fees, details of which are given in the Table 15 below, is taken into account for calculation of amount which is required to be considered for impounding.

Table 15

Name of the Noticee	Course Name	Fees collected (Rs.)
King Traders (*Noticee no.4*)	MPAT	2,82,46,584/-
Gemini Enterprise (*Noticee no.5*)	MPAT	14,49,500/-
United Enterprises (*Noticee no.6*)	MPAT	23,75,000/-
Total		3,20,71,084/-

151. In view of the above, it is, prima facie, held that an amount of INR 53,67,46,384/- (INR 50,46,75,300/- + INR 3,20,71,084/-,), is the amount that is required to be considered for impounding.

G. ROLE OF ENTITIES

Asmita Jitesh Patel (*Noticee no.2*)

152. The *Noticee no. 2* is a Director of the *Noticee no.1* since its inception and is also registered as an Authorised Person with ABC Ltd. The *Noticee no. 2* has a significant presence over social media platforms and it is seen that whatever stock specific recommendations which prima facie appear to be provided by the *Noticee no.1* is through the *Noticee no.2*. Further, all the activities of the *Noticee no.1* which have been elaborated above have taken place when the *Noticee no.2* was in-charge of and was responsible for the conduct of the business of the *Noticee no.1*.

153. Further, the *Noticee no.2*, did not follow a proper segregation between her activities in the *Noticee no.1* and as an Authorised Person of ABC Ltd. The *Noticee*

no.2's team in her capacity as Authorised Person of ABC Ltd. was seen resolving the queries of the course participants of the *Noticee no.1.* Further, the *Noticee no.2* misrepresented not only course participants but also the public at large about managing a huge portfolio in her proprietary system of INR 140 crores or INR 283 crores. The details provided by the stockbroker of *Noticee Nos. 1 and 2* show that turnover/volume generated by the trading accounts held in the name of the *Noticee nos.1* and *2* for the period from August 26, 2019 to January 31, 2024 was INR 15.27 crores, which does not commensurate with the claims made by the *Noticee no. 2* on the social media platforms or during video sessions with students/investors/participants.

154. Jitesh Jethalal Patel (*Noticee no.3*)

The *Noticee no.3* is the spouse of the *Noticee no.2* and is one of the director of the *Noticee no.1,* since its inception. From the submissions made by course participants, it is also noted that in one of the videos related to LMIT sessions the *Noticee no. 3* is seen taking a pledge along with the *Noticee no. 2.* This pledge is in the form of inducing the students/investors/participants into committing to their courses and achieving financial freedom. Further, being a Director of the *Noticee no.1* makes him responsible for all the activities carried out by the *Noticee no.1.* which have been elaborated above. These activities have taken place when the *Noticee No.3* was in-charge of and was responsible for the conduct of the business of the *Noticee no.1*.

155. King Traders (*Noticee no.4*), Gemini Enterprise (*Noticee no.5*) and United Enterprises (*Noticee no.6*)

It is seen that during the examination period, some course participants, based on the advice given by the *Noticee no.1*, transferred fee into accounts of *Noticee nos. 4 to 6*. Queries were raised to these *Noticees* regarding the arrangement they had with the *Noticee no.1* for soliciting fees from course participants. However, no response is received from any of these *Noticees*. There being no submission from said *Noticees* and the fact that course participant paid the fee through these *Noticees* and there has been no action taken by the Noticee no.1 against these Noticees establishes, prima facie, the fact that there was an understanding between

Noticee no.1 with *Noticee nos. 4 to 6* for collecting the fees from course participants for providing investment advisory/ research analyst services. This act on the part of *Noticee nos. 4 to 6* prima facie establishes their role for the violations if prima facie found to be established against the *Noticee no.1*.

H. EXAMINATION OF VIOLATION OF PROVISIONS OF THE SEBI ACT AND REGULATIONS MADE THEREUNDER

156. After recording *prima facie* findings on the factual aspects, the next issue that emerges for my consideration is whether the acts and omission on the part of the *Noticee no. 1*, are in violation of provisions of the SEBI Act and Regulations made thereunder. It is also to be examined how the *Noticee nos.2 to 6* could also had to be in violation of these securities laws. If there is a violation, then necessary order is required to be passed in accordance with provisions of the securities laws.

157. The text of relevant provisions of the SEBI Act, 1992, IA Regulations, RA Regulations, and PFUTP Regulations are reproduced below for ready reference:

SEBI *Act, 1992*

Functions of Board

11. (1) Subject to the provisions of this Act, it shall be the duty of the Board to protect the interests of investors in securities and to promote the development of, and to regulate the securities market, by such measures as it thinks fit.

…….

(4) Without prejudice to the provisions contained in sub-sections (1), (2), (2A) and (3) and section 11B, the Board may, by an order, for reasons to be recorded in writing, in the interests of investors or securities market, take any of the following measures, either pending investigation or inquiry or on completion of such investigation or inquiry, namely: —

……..

(b) restrain persons from accessing the securities market and prohibit any person associated with securities market to buy, sell or deal in securities

……..

(d) impound and retain the proceeds or securities in respect of any transaction which is under investigation

……

(4A)Without prejudice to the provisions contained in sub-sections (1), (2), (2A), (3) and (4), section 11B and section 15-I, the Board may, by an order, for reasons to be recorded in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner.

Power to issue directions

11B(1) Save as otherwise provided in section 11, if after making or causing to be made an enquiry, the Board is satisfied that it is necessary,—

(i) in the interest of investors, or orderly development of securities market; or

(ii) to prevent the affairs of any intermediary or other persons referred to in section 12 being conducted in a manner detrimental to the interest of investors or securities market; or

(iii) to secure the proper management of any such intermediary or person,

it may issue such directions, —

(a) to any person or class of persons referred to in section 12, or associated with the securities market; or

(b) to any company in respect of matters specified in section 11A, as may be appropriate in the interests of investors in securities and the securities market.

Explanation. —For the removal of doubts, it is hereby declared that the power to issue directions under this section shall include and always be deemed to have been included the power to direct any person, who made profit or averted loss by indulging in any transaction or activity in contravention of the provisions of this Act or regulations made thereunder, to disgorge an amount equivalent to the wrongful gain made or loss averted by such contravention.

(2) Without prejudice to the provisions contained in sub-section (1), sub-section (4A) of section 11 and section 15-I, the Board may, by an order, for reasons to be recorded in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner.

Cease and desist proceedings

11D. If the Board finds, after causing an inquiry to be made, that any person has violated, or is likely to violate, any provisions of this Act, or any rules or regulations made thereunder, it may pass an order requiring such person to cease and desist from committing or causing such violation:

***Provided** that the Board shall not pass such order in respect of any listed public company or a public company (other than the intermediaries specified under section 12) which intends to get its securities listed on any recognised stock exchange unless the Board has reasonable grounds to believe that such company has indulged in insider trading or market manipulation.]*

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:

***Provided** that a person buying or selling securities or otherwise dealing with the securities market as a 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 immediately before the establishment of the Board for which no registration certificate was necessary prior to such establishment, may continue to do so for a period of three months*

from such establishment or, if he has made an application for such registration within the said period of three months, till the disposal of such application:

***Provided** further that any certificate of registration, obtained immediately before the commencement of the Securities Laws (Amendment) Act, 1995, shall be deemed to have been obtained from the Board in accordance with the regulations providing for such registration.*

Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

***12A.** No person shall directly or indirectly—*

(a) use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;

(b) employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange;

(c) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;

Penalty for fraudulent and unfair trade practices.

15HA. If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty [which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher]

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.

***Delegation**.*

19. The Board may, by general or special order in writing delegate to any member, officer of the Board or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under section 29) as it may deem necessary.

Contravention by companies

27. (1) Where [a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder] has been committed by a company, every person who at the time the [contravention] was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the [contravention] and shall be liable to be proceeded against and punished accordingly:

***Provided** that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the [contravention] was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such [contravention].*

(2) Notwithstanding anything contained in sub-section (1), where an [contravention] under this Act has been committed by a company and it is proved that the [contravention] has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the [contravention] and shall be liable to be proceeded against and punished accordingly.

Explanation: For the purposes of this section, —

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

IA Regulations

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:

RA Regulations

Application for grant of certificate.

3(1) On and from the commencement of these regulations, no person shall act as a research analyst or research entity or hold itself out as a research analyst unless he has obtained a certificate of registration from the Board under these regulations:

SEBI (PFUTP) Regulations, 2003

3. ***Prohibition of certain dealings in securities***

No person shall directly or indirectly-

(a) buy, sell or otherwise deal in securities in a fraudulent manner;

(b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;

(c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;

(d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed

on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

4. ***Prohibition of manipulative, fraudulent and unfair trade practices***

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities markets.

Explanation. –

For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market.

(2) Dealing in securities shall be deemed to be a manipulative fraudulent or an unfair trade practice if it involves any of the following:—

…….

(k) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading in a reckless or careless manner and which is designed to, or likely to influence the decision of investors dealing in securities;

(o) fraudulent inducement of any person by a market participant to deal in securities with the objective of enhancing his brokerage or commission or income;

(s) mis-selling of securities or services relating to securities market.

11. (1) The Board may, without prejudice to the provisions contained in sub-sections (1), (2), (2A) and (3) of section 11 and section 11Bof the Act, by an order, for reasons to be recorded in writing, in the interests of investors and securities market, issue or take any of the following actions or directions, either

pending investigation or enquiry or on completion of such investigation or enquiry, namely:—

(b) restrain persons from accessing the securities market and prohibit any person associated with securities market to buy, sell or deal in securities;

(d) impound and retain the proceeds or securities in respect of any transaction which is in violation or prima facie in violation of these regulations;

158. It is required to be examined whether the above narrated acts on the part of the *Noticee no. 1* are in *prima facie* violation of:
    i Sub-section (1) of section 12 of the SEBI Act, 1992 and sub-regulation (1) of the regulation 3 of the IA Regulations;
    ii Sub-section (1) of section 12 of the SEBI Act, 1992 and sub-regulation (1) of the regulation 3 of the RA Regulations
    iii Clauses (a), (b) and (c) of section 12A of the SEBI Act, 1992 read with Sub-regulation (a), (b), (c), (d) of regulation 3, sub-regulation (1) of regulation 4, clauses (k), (o) and (s) of sub-regulation 2 of regulation 4 of the PFUTP Regulations.

159. The aforesaid provisions have been reproduced in the earlier paragraphs. I note that that the essence of sub-section (1) of section 12 of the SEBI Act, 1992 and sub-regulation (1) of regulation 3 of the IA Regulations and sub-regulation (1) of regulation 3 of the RA Regulations is *inter alia* to prohibit carrying out the activity of an investment adviser/ research analyst without obtaining the requisite registration from the SEBI.

160. We also need to see whether there is violation of clauses (a), (b) and (c) of section 12A of the SEBI Act, 1992 read with sub-regulations (a), (b), (c), (d) of regulation 3, sub-regulation (1) of regulation 4, clauses (k), (o) and (s) of sub-regulation (2) of regulation 4 of the PFUTP Regulations.

161. The aforesaid provisions have also been reproduced in the earlier paragraphs. In brief, these provisions prohibit:

i. Buying, selling or dealing in securities in a fraudulent manner;

ii. use of or employment of any manipulative or deceptive device or contrivance, in contravention of the provisions of the SEBI Act or rules or regulations made thereunder;

iii. employment of any device scheme or artifice to defraud in connection with dealing with securities;

iv. engagement in any act, practice, course of business which operate/would operate as fraud or deceit upon any person in contravention of the provisions of the SEBI Act or rules or regulations made thereunder;

v. dealing in securities which is manipulative, fraudulent or an unfair trade practice;

vi. disseminating information or advice through any media, which the disseminator knows to be false or misleading, or which is either designed to or likely to influence the decisions of investors;

vii. fraudulently inducing any person to deal in securities to increase the income;

viii. mis-selling of services relating to securities market.

162. Clause (l) of sub-regulation (1) of regulation 2 of the IA Regulations which defines "investment advice" as:

> *"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"*

163. In terms of clause (m) of sub-regulation (1) of regulation 2 of the IA Regulations which defines "investment adviser" as:

"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;

164. Prior to amendment w.e.f. 16-12-2024, *Sub-clause (i) to (v) of clause (u) of sub-regulation (1) of regulation 2 of RA Regulations defines "research analyst" as:*

i. *preparation or publication of the content of the research report; or*

ii. providing research report; or

iii. making 'buy/sell/hold' recommendation; or

iv. giving price target; or

v. offering an opinion concerning public offer,

with respect to securities that are listed or to be listed in a stock exchange, whether or not any such person has the job title of 'research analyst' and includes any other entities engaged in issuance of research report or research analysis.

Clause (w) of sub-regulation (1) of regulation 2 of RA Regulations defines 'research report' as :

"research report" means any written or electronic communication that includes research analysis or research recommendation or an opinion concerning securities or public offer, providing a basis for investment decision and does not include the

following communications: -

(i) comments on general trends in the securities market;

(ii) discussions on the broad-based indices;

(iii) commentaries on economic, political or market conditions;

(iv) periodic reports or other communications prepared for unit holders of mutual fund or alternative investment fund or clients of portfolio managers and investment advisers;

(v) internal communications that are not given to current or prospective clients;

(vi) communications that constitute offer documents or prospectus that are circulated as per regulations made by the Board;

(vii) statistical summaries of financial data of the companies;

(viii) technical analysis relating to the demand and supply in a sector or the index;

(ix) any other communication which the Board may specify from time to time;

165. Violations by the *Noticee no.1*

I have perused and considered the findings of examination and as can be clearly seen from the facts narrated above, the *Noticee no.1*, imparted advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products in lieu of consideration. There are evidences of (i) excel sheets of specific securities recommendations given to each participants; (ii) suggestion of entry and exit point; (iii) suggestion of stop loss; (iv) assurance of returns; (v) claims of performances and (vi) monitoring of trading. All this clearly fall within definitions of Investment Advisor and Research Analsyts. However, it is seen that neither the *Noticee no.1* nor its directors/employees have registered themselves under IA / RA Regulations with SEBI. Such acts, on the part of the *Noticee no. 1* are *prima facie* found to be of the nature of unregistered investment advisor / research analyst and thus violation of the provisions of Section 12A of the SEBI Act, as well as regulation 3 of both IA and RA Regulations.

166. It is also seen that the *Noticee no.1* through the *Noticee no.2* falsely claimed that she was managing a portfolio of INR 140 crores or INR 283 crores. The *Noticee no.2* has been found to be giving promise of assured returns to not only attract participants to join its course but also to exit their investments like mutual funds and invest in trading. The *Noticee no.1* has been attracting students/investors/participants to trade by promising that trading in securities has less risk than other businesses. It is also seen that the *Noticee no.1* advised its course participants to pay the fees to the bank accounts of the three proprietary firms with which the *prima facie* connection of the *Noticee no.1* has already been established. The course participants were mandated to open trading account with ABC Ltd. and on query regarding the same the *Noticee no.1* submitted that it had not insisted the same. However, evidences have been discussed earlier which shows that it did insist. This act of the *Noticee no.1* has been carried out with the clear intention of enhancing the commission of the *Noticee no.2*, as Authorised

Person of ABC Ltd. as well as to lure students/investors/participants to trade. These acts of the *Noticee no.1*, is *prima facie* in violation of clauses (k), (o) and (s) of sub-regulation 4 of the PFUTP Regulations.

167. In view of the above discussion, I also hold that the *Noticee no. 1* has violated clauses (a), (b) and (c) of section 12A of the SEBI Act, 1992 read with provisions of sub-regulations (a) to (d) of regulation 3 as well as sub-regulation (1) of regulation 4 and clauses (k), (o) and (s) of sub-regulation (2) of regulation 4 of the PFUTP Regulations. Though any of these violation would satisfy invocation of powers to issue directions but in this case, all the above violations have been noticed due to overlapping nature of violation.

168. Violations by the *Noticee No. 2* and the *Noticee no.3*

As the *prima facie* violation on the part of the *Noticee no. 1* has been established, it is to be seen as to who all are the natural persons, who are to be held liable in terms of section 27 of the SEBI Act. As per this provision, wherever violation has been committed by a company, every person who at the time the contravention was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly.

169. At paragraphs 3 to 5 of the present order, the details of the directors of the *Noticee no.1* have been provided. It is noted that the *Noticee no.2* and the *Noticee no.3* have been Directors of the *Noticee no.1* since its incorporation. The *Noticee no.2* (Ms. Asmita Jitesh Patel) happens to be the spouse of the *Noticee no. 3* (Mr. Jitesh Jethalal Patel). It is further seen that after incorporation of the *Noticee no.1*, both *Noticee no.2* and *Noticee no. 3* have continued to be on the helms of its affairs throughout the examination period. As already noted in the earlier paragraphs, the *Noticee no.2* has a large number of followers on her Youtube channels who are enticed to become participants in courses conducted by the *Noticee no.1* through the *Noticee no.2* and its employees. Further, most of the online sessions of the *Noticee no.1* were carried out by the *Noticee no.2*. It is also of importance that all

the violations of the *Noticee no.1,* which have been elaborated above have taken place when the *Noticee no.2* and the *Noticee no.3* were responsible for the conduct of the business of the *Noticee no.1*. Hence, under section 27 of the SEBI Act, both the *Noticee no.2* and the *Noticee no.3*, are *prima facie* guilty of contravention committed by the *Noticee no 1*.

170. The activity of providing investment advisory and research analyst services for which registration is essential, has not stopped and is continuing till October 2024 as explained at paras 130 and 132 above. Thus, I hold that for the violations which are observed to have been committed *prima facie* by the *Noticee no. 1*, the natural persons that need to be held responsible under section 27 of the SEBI Act.

171. Violation by *Noticees* no. 4 to Noticee no. 6

As elaborated in the preceding paragraphs, *Noticee nos. 4 to 6* received fees into their bank accounts from course participants based on the advice given by the *Noticee no.1*. I find that this arrangement is not a onetime instance but it is seen to be a regular practice followed by the *Noticee no.1*. This practice establishes that there was an understanding the *Noticee no.1* had with *Noticee nos. 4 to 6* for collection of fees. Therefore, *Noticee nos. 4 to 6* were conduit in collecting the fees from course participants for the *Noticee no. 1*, which was providing unregistered investment advisory and research analyst services. This act on the part of *Noticee nos. 4 to 6* prima facie establishes their role in aiding and abetting the *Noticee no. 1* for the violations prima facie found established against it.

I. NEED OF INTERIM EX-PARTE ORDER

172. It is now essential to examine the need for an interim order.

173. Sub-section (4) of section 11 and section 11B (reproduced at para no. 156 above) empower the SEBI to issue directions to restrain persons from accessing the securities market and prohibit any person associated with the securities market to buy, sell or deal in securities and to issue “such directions as may be necessary” in

the interest of investors of the securities market. Further, sub-section (4A) of section 11 and sub-section (2) of section 11B of the SEBI Act, empowers the SEBI to impose penalty after holding an enquiry in the prescribed manner. Section 11D of the SEBI Act, 1992 empowers the SEBI to pass an order directing a person to cease and desist from an activity which has violated or is likely to violate any provisions of the SEBI Act, 1992 or the rules and regulations made thereunder. Further, clause (d) of sub-section (4) of section 11 of the SEBI Act and clause (d) of sub-regulation (1) of regulation 11 of the PFUTP Regulations, empowers the SEBI to impound and retain the proceeds of securities in respect of transactions which are under investigation or which are *prima facie* in violation of the PFUTP Regulations.

174. Section 19 of the SEBI Act, 1992 provides for delegation of power and functions, and in pursuance of the same, the power to issue interim directions have been delegated to Whole Time Members of the Board.

175. As discussed earlier, a *prima facie* case of violation of securities laws has been made against the *Noticee no. 1*, for which the *Noticee no. 2* and the *Noticee no.3* are also liable in terms of provisions of section 27 of the SEBI Act. *Noticee Nos. 4 to 6* have aided and abetted to the *Noticee No. 1* in committing the violations therefore, they are also liable for the violations. The violations that have been observed are not some small technical violations, but are of such a nature that they go to the roots of the need for having a regulatory framework for investment advisors and research analysts. Under the IA/RA Regulations*, a* comprehensive framework has been laid down with the sole objective of protection of investors' interest. There are entry barriers in terms of networth requirements, educational qualification and experience. Further, after grant of registration, there are responsibilities cast upon the registered investment adviser and research analyst like maintaining risk profiles and issuing advice suitable to the risk profile. It is also mandated that they shall not provide any promise or assurance of favourable review in its research report making disclosures to the clients etc. However, by acting as an unregistered investment advisor and research analyst, the *Noticee no. 1* has been able to circumvent all the regulatory requirements pertaining to an investment adviser and research analyst and has collected large amounts of fee from the investors alongwith providing

educational training related to securities market and thereby harming investors' interest. This has resulted in comprising investors interest which has subsequently resulted into a large number of complaints.

176. The *Noticee no.2* has significant presence over the social media websites such as You tube, Instagram, Facebook, and Telegram. There is a likely chance that being influenced by the social media presence and followership, gullible investors may continue to fall prey to the unregistered investment advisory/ research analyst activities of the *Noticee no. 1*.

177. I note that the *Noticee no.1* in its submissions had stated that, it only carries out an educational activity and does not render any investment advice on buying and selling of any specific security. It has also submitted that it does not promise any guaranteed or assured returns. Further, the *Noticee no.1,* stated to have not advised the course participants to open demat/trading account with ABC Ltd.

178. I would now give a point wise reply to the *Noticee no.1's* submissions given in the immediately preceding paragraph. The *Noticee no.1* has stated to have not given any investment advice on buying and selling of any specific security. However, evidences discussed in the earlier part of the order clearly establishes prime facie that the communications by the Noticee no.1 to students/investors/participants contain specific name of the security, type and lot size, entry range alongwith instructions on stop loss triggers, missed order and cancelling instructions. It has also been noted that the communication given by the *Noticee no.1* had resulted in the course participants immediately placing of orders on live market. There are screen shots of the telegram channel as well as transcripts of video recordings whereby the *Noticee no.1* is seen giving specific instructions to the course participants with respect to- (i)having trading account with ABC Ltd. (ii) to ensure that funds are available in the account of course participants with ABC Ltd. to execute trades. The transcripts of video recordings given in the preceding paragraphs even show that the *Noticee no.1* is providing claim of guaranteed returns and also insisting course participants to exit mutual funds/provident fund and bring in capital.

179. Thus it can be seen that that the submissions of the *Noticee no.1* is contrary to the findings which have been determined in the preceding paragraphs. A look at various evidences discussed in this order would confirm that the postings on the telegram channels were nothing but investment advice/research analyst services for buying and selling of specific securities and that in video transcript it did promise guaranteed/assured returns. It may be noted that giving assurance of profit/return is prohibited for both registered as well as unregistered Investment Advisors and Research Analyst.

180. At this stage, it is clarified that there would not have been any cause of action if the *Noticee no.1* had been providing educational services. In fact, financial literacy is the need of the hour for long-term growth of the Security Market. There are many entities, who are engaged in this noble profession and are contributing to the growth of the Security Market. Their efforts need to be applauded. However, this case prima facie does not appear to be case of providing educational services. This is based on various evidences that have been collected and discussed in this order like, providing stock specific entry/exit points to students/investors/participants in excel sheets, monitoring their investment in live market to check whether they are placing orders as per these recommendations as well as informing them when stop loss triggers. Students/investors/participants were being handheld in the live trading session. They are attracted to this course through false claim of funds that the *Noticee no. 2* is managing. There are assurances of guaranteed returns. None of these attributes would be seen in a case where educational activity is carried out.

181. At this stage, it may be clarified that SEBI through circular no SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2025/11, dated 29th January 2025, has given clarifications on provisions related to association of persons regulated by the Board, MIIs, and their agents with persons engaged in prohibited activities. This circular through Annexure A, in FAQ format, answer to question no 8, clarifies what constitute educational services. It is produced below:

8. What distinguishes education and advice/recommendation?

A person engaged solely in education shall mean that such person is not engaged in any of the two prohibited activities. Such person should not be using the market price data of the preceding three months to speak/talk/display the name of any security including using any code name of the security in his/her talk/speech, video, ticker, screen share etc. indicating the future price, advice or recommendation related to security or securities.

182. The two prohibited activities referred to in this answer are (i) providing advice or any recommendation, directly or indirectly, in respect of or related to a security or securities, without being registered with or otherwise permitted by the Board to provide such advice or recommendation; and (ii) making any claim, of returns or performance expressly or impliedly, in respect of or related to a security or securities, without being permitted by the Board to make such a claim.

183. I agree that this circular is dated January 29, 2025 and would apply prospectively. However, what is educational activity and what is not educational activity is understood well before the issuance of this circular. Providing stock specific advice is quite clearly outside the scope of educational activity. It clearly falls within the domain of investment advisory/research analyst activity. Further, in this case there are monitoring of investments, real time communication of wrong trade, stop loss, etc. which clearly shows that even before the issuance of this circular, the *Noticee no. 1* was doing more than just educational activity, at least in the courses whose evidences are discussed in this order. Thus, there is a need to issue an ad-interim order to stop the *Noticees* from carrying out these activities and also to protect the interest of students/investors/participants/investors. 42 of these have complained to SEBI with evidences.

184. Further, on seeking information on the list of social media accounts operated by *Noticees,* the *Noticee no.1* vide its reply dated June 13, 2024, admitted to have operated the social media accounts which are referred at para 99 above, however, it failed to provide complete details of its date of creation and closure of all these accounts as well as no details were provided with respect to the backup of chats of telegram channels MPAT16 and MPAT17. By not furnishing the complete details,

the examination of the SEBI has been constrained as the complete details of investment advisory / research services given to its clients are missing which is an essential component of the present and future proceedings.

185. Further, on perusal of the bank statement of the *Noticee no.1,* it is noted that the bank account referred at para 124 is currently active. The details of the transactions in the bank statement provides a clear indication that the *Noticee no.1* has been still carrying out the activities of providing investment advisory services/ research analyst services. The details at given at tables 8 and 10 above, includes details of the payment gateways of Razorpay and Instamojo which were used by the *Noticee no.1* on its website to direct the course participants for making payments to the courses offered and further the various narrations in the bank statement show that the *Noticee no.1* has been actively carrying out the services of Unregistered Investment Advisor/ Research Analyst beyond the examination peirod.

186. In view of the above discussion and the fact that the *Noticee no. 1* was found to be continuing with the unregistered investment advisory/ research analyst activities makes it imperative to take emergent necessary action to prevent further damage to the interest of investors that may be caused by the unregistered investment advisory/ research analyst activity of the *Noticee no. 1*, and therefore, the same needs to be stopped immediately by regulatory intervention. It is also essential that a large amount of INR 53.67 crores which is required to be impounded does not escape. Further, it is also essential that interest of investors (who have complained as well as other investors who may have been similarly misguided) is protected.

187. At this stage, I seek to place reliance on the order of the Hon'ble Securities Appellate Tribunal, passed in the matter of ***Amalendu Mukherjee Vs. SEBI (Appeal (L) no. 169 of 2020)***, wherein the Hon'ble Tribunal has underscored the necessity of passing impounding orders by *inter alia* observing as:

> "*We are of the opinion that the WTM is empowered under the SEBI Act and the Regulations to pass an ex-parte order in order to protect the interests of securities market and the investors. If such impounding order is not passed, it*

may result in defeating the ultimate direction of disgorgement if any, as there would be chances of such monies being dissipated by the appellant. …"

188. I observe that the stock market of a country is a barometer of its economic development. It is also an established fact the primary responsibility of a securities market regulator like the SEBI is to protect the interest of investors and in pursuance of the said responsibility, the SEBI has *inter alia* laid down detailed regulations in form of IA/ RA Regulations. India's capital market in the recent times has witnessed tremendous growth, characterized particularly by increasing participation of common public based on investors' confidence. This confidence in the capital market can be sustained largely by ensuring investors protection so that the trust of investor is enhanced. However, facts of the case as narrated above glaringly disclose how the investors' trust has been compromised and how the system is being abused for personal gains by *Noticees* by, devising ways to circumvent the provisions of law. In this particular case there are 42 complainants who have provided evidences of how the *Noticee no.1* took money from them with wrong claims and advising them, handholding them by providing entry/exit positions. It assured that their capital that they had employed in trading would give substantial returns. Thus, there are clear evidences of misguiding the investors.

189. The Hon'ble Supreme Court of India, in the matter of ***N. Narayanan Vs. Adjudicating Officer, SEBI [(2013) 12 SCC 152]*** has *inter alia* observed as:

"…We would like to demonstrate on the facts of this case as well as law on the point that market abuse has now become a common practice in the India security market and, if not properly curbed, the same would result in defeating the very object and purpose of SEBI Act which is intended to protect the interests of investors in securities and to promote the development of securities market. Capital market, as already stated, has witnessed tremendous growth in recent times, characterized particularly by the increasing participation of the public. Investors' confidence in capital market can be sustained largely by ensuring investors protection.

Securities Market abuse

Prevention of market abuse and preservation of market integrity is the hallmark of Securities Law. Section 12A read with Regulations 3 and 4 of the Regulations 2003 essentially intended to preserve market integrity and to prevent Market abuse. The object of the SEBI Act is to protect the interest of investors in securities and to promote the development and to regulate the securities market, so as to promote orderly, healthy growth of securities market and to promote investors protection. Securities market is based on free and open access to information, the integrity of the market is predicated on the quality and the manner on which it is made available to market. Market abuse impairs economic growth and erodes investors confidence. Market abuse refers to the use of manipulative and deceptive devices, giving out incorrect or misleading information, so as to encourage investors to jump into conclusions, on wrong premises, which is known to be wrong to the abusers....."

190. In continuation to the above parameters which warrants the need to pass an Interim Order against the *Noticees*, I also note that the *Noticee no.1* in its reply dated June 13, 2024 as submitted to have collected INR 90,49,24,107.70 for the period from 2019-20 to 2023-24 as fees for the courses provided by it. This put together with the amounts collected through *Noticee nos. 4 to 6* during the examination period i.e. *Noticee no.4*, INR 5,48,80,474/-; *Noticee no. 5*, INR 28,05,510/- and *Noticee no.6*, INR 58,23,800/- amounts to a total of INR 1,04,62,88,613/-. In addition to the findings in the instant order, I am of the view that the *Noticees* are required to explain why the amount of INR 1,04,62,88,613/- which includes not only the courses for which evidences were placed before me but also the other courses conducted by the *Noticee no. 1,* should not be treated as unregistered advisory and research analyst services.

191. There is a need to show cause the *Noticees* as to why the amount of INR 1,04,62,88,613/-, should not be considered as fees collected by the *Noticees* for carrying out unregistered advisory and research analyst services. Though the amount considered for impounding is only INR 53,67,46,384/- as directly related to

evidences produced, *Noticees* are required to provide explanation for the entire amount of INR 1,04,62,88,613/-. *Noticees* are also required to show cause why the amount collected from disgorgement should not be refunded to students/ investors/ participants.

192. I have also noted that the *Noticee no.1* has sent emails dated January 12, 2025 and February 3, 2025, inter alia, denying the allegations and requesting to grant a personal hearing prior to taking any decision in the matter. However, as already stated in the preceding paragraphs above, the violations committed by *Noticees* are serious and not in the nature of technical violations. I further note that these violations are continuing atleast till October 31, 2024. Further, taking into consideration the social media influence the *Noticee no.1* has through the *Noticee no.2* there are chances of the investors to continue to fall prey to the unregistered investment advisory/ research analyst activities of the *Noticee no. 1* and the fee collected by the *Noticee no.1* towards various courses may also go beyond the regulatory reach, if not impounded. Therefore, I am of the view that at this juncture, there is a need to pass an Interim order against the *Noticees*. It may also be clarified that this interim order is passed after considering the replies dated June 13, 2024, July 30, 2024 and August 25, 2024 of the *Noticee no.1* which contains its version. So it is not a case where the order is passed without examining the replies of *Noticees*.

193. In addition to the aforesaid, it is also relevant to mention that *Noticee no. 1* vide an email dated February 04, 2025 has informed that it has filed a suo motu settlement application in the matter . In this regard, I find it relevant to refer to the proviso of regulation 8(2) of the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018, which provides that the filing of a settlement application shall not prohibit the initiation of any proceedings, in so far as may be deemed necessary for the purpose of issuance of interim civil and administrative directions to protect the interests of investors and to maintain the integrity of the securities markets. Thus, legally there is no bar on passing of this order even if *Noticee* has filed settlement application.

194. Though there is no bar on passing of this order, in the nature of direction, on filing of a settlement application, I agree that this discretion of whether to pass an order or wait for the settlement needs to exercised judiciously. In this case there are various circumstances because of which the balance of judgement would shift towards passing of interim order. The facts narrated above show that the amount involved is not small (more than 53 crore) and 42 students/investors/participants have already complained (there could be more students/investors/ participants having complaints but have not approached SEBI). The magnitude of these numbers in itself would suggest an action otherwise there is danger of the amount escaping regulatory reach. There is also a risk that trust of investors in the security market would be compromised if no order is passed even after 42 complainants have provided direct evidences of violations. At the same time, it is understood that the direction issued should be proportionate to the violation. Hence, in this case the direction of impounding is issued only with respect to INR 53,67,46,384 as against total fee of INR 1,04,62,88,613 collected by *Noticees*. Though they are required to provide explanation for the entire amount. Further, the direction is to make a FDR of this amount of INR 53,67,46,384 in the name of the *Noticees* with lien to SEBI. Thus the amount would continue to earn interest in the name of the *Noticees* and if the *Noticees* are able to prove that they have not violated any laws, they would get the FDR back with interest. There is no direction against *Noticees* not to carry out educational activity. Direction is being passed only for cease and desist with respect to violations that are narrated in this order. If any *Noticee* is willing to carry out educational activity there is no prohibition but it must abide by the circular no SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2025/11, dated January 29, 2025, where guidance is provided about what constitutes educational activity. It is also clarified that findings in this order are prima facie finding and *Noticees* have full opportunity to provide their defence and prove their innocence. This being prima facie finding should also be viewed in that manner and should not be taken as final verdict against anyone.

195. The three emails cited in the preceding paragraphs were received while this order was being finalised. I have given full consideration and thoughts to these three emails even though it meant delay in issuance of this order. After due consideration

and considering balance of judgement, I found it appropriate to pass this interim order (for reason discussed in the preceding paragraph) with directions which are essential to protect the interest of investors and maintain their trust in the security market.

J. JOINT AND SEVERAL LIABILITY

196. As seen in the preceding paragraphs, the instant matter warrants invocation of power of issuance of *interim* order, the issue that now needs discussion is who among *Noticees* would be prima facie liable for impounding of ill-gotten gains due to the fraudulent scheme devised by *Noticees*. Each *Noticee* has played specific roles at various stages which have prima facie, been found to be in violation of SEBI Act, and regulations made thereunder. Examination revealed that, prima facie, the *Noticee no. 1* alongwith the *Noticee no.2* and the *Noticee no.3* devised a scheme wherein students/investors/participants were lured to trade in specific stocks and told to open trading account with ABC Ltd. Recommendations of buy/sell of specific securities were provided and uploaded on telegram channels owned by the *Noticee no.1*. The acts of the *Noticee no.1* makes it evident that it was providing investment advice/ research analyst services to students/investors/participants for a consideration in the pretext of imparting education. As seen further, the *Noticee no.1*, also collected fees from course participants through *Noticee nos. 4* to *6* by giving specific instructions to course participants to pay the course fees to the bank account of *Noticee nos. 4* to *6*. This arrangement of the *Noticee no.1* to route through funds through *Noticee nos. 4* to *6* was not a one time instance but a regular practice being followed. Considering the material on record, I note that all *Noticees* are jointly and severally liable for impounding of the proceeds to the tune of INR 53,67,46,384/- generated from the amounts collected by *Noticees* as fees from course participants for courses, LMIT, MPAT and Options Multiplier (OM) offered by the *Noticee no.1*. This amount is arrived at based on details of prima facie ill-gotten gains detailed at Table 16 below where details of payments received by each of *Noticees* is computed separately for each of them.

197. The amount of ill-gotten gain for which *Noticees* are jointly and severally liable, arrived at is detailed below at Table 16 .

Table 16

Sr. No.	Name of the Noticee (1)	Amount of ill-gotten gain (INR) (2)	Entities jointly and severally liable for ill-gotten gains (3)
1.	Asmita Patel Global School of Trading Private Limited (for the period from 2019-20 to March 2024)	50,46,75,300	1. Asmita Patel Global School of Trading Private Limited 2. Asmita Jitesh Patel 3. Jitesh Jethalal Patel
3.	King Traders, Proprietor, Mr. Sagar Dhanjibhai	2,82,46,584	1. Asmita Patel Global School of Trading Private Limited 2. King Traders, Proprietor, Mr. Sagar Dhanjibhai
3.	Gemini Enterprise, Proprietor, Mr. Suresh Parmashivam	14,49,500	1. Asmita Patel Global School of Trading Private Limited 2. Gemini Enterprise, Proprietor, Mr. Suresh Parmashivam
4.	United Enterprises, Proprietor, Mr. Jigar Rameshbhai Dawada	23,75,000	1.Asmita Patel Global School of Trading Private Limited 2.United Enterprises, Proprietor, Mr. Jigar Rameshbhai Dawada
	Total Ill-gotten Gain	**53,67,46,384**	

K. INTERIM ORDER

198. In view of the discussion recorded above and being guided by the aforesaid order of the Hon'ble Courts, I am of the view that this is a fit case to exercise powers of passing interim order so as to protect the interest of investors as well as to protect the unlawful/ill-gotten gains, which may be siphoned off beyond regulatory reach. Accordingly, I, in exercise of the powers conferred upon me under sub-section (1) of section 11, clause (b) and (d) of sub-section (4) of section 11, sub-section (1) of section 11B, section 11D read with section 19 of the SEBI Act, 1992 read with clause (b) and (d) of sub-regulation (1) of regulation 11 of PFUTP Regulations, hereby by way of the present *interim* order cum show cause notice, issue the following directions, which shall remain in force until further orders:

i. *Noticee Nos. 1 to 3* shall cease and desist from offering unregistered investment advisory and research analyst services from acting as or holding themselves out to be investment advisor/ research analyst. They shall cease to solicit or undertake such activity or any other unregistered or fraudulent activity in the securities market, directly or indirectly, in any manner whatsoever;

ii. *Noticee Nos. 1 to 6* are restrained from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever until further orders. If *Noticees* have any open position in any exchange traded derivative contracts, as on the date of the 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. *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 this order. Further, this direction shall not apply to functioning of the *Noticee no.2* for and on behalf of clients only in her capacity as Authorised Person of ABC Ltd.

iii. An amount of INR 53,67,46,384/- being the total unlawful gain earned prima facie from the alleged unregistered investment advisory and research analyst business, shall be impounded jointly and severally from the *Noticee nos. 1* to *6* in accordance with the Table 16 above.

iv. *Noticees* within 15 days from the date of service of this order are directed to open fixed deposit accounts either in any *Noticees'* name or jointly/severally as per Table 16 with lien mark in favour of the SEBI and the monies kept therein shall not be released without the permission from the SEBI. The fixed deposit account/s shall be for, the amount of unlawful gains as calculated in Table 16 .

v. Banks are directed that no debits shall be made, without the permission of the SEBI, in respect of the bank accounts held by *Noticee nos. 1 to 6*, except for the purposes of transfer of funds to the Fixed Deposit Account/s as mentioned in the Table 16 above. Further, the Depositories are also directed that no debit shall be made, without the permission of the SEBI, in respect of the demat accounts held by *Noticees*. However, credits, if any, into the accounts may be allowed. Banks and the Depositories are directed to ensure that all the aforesaid directions are strictly enforced. Further, debits in the bank accounts may also be allowed for amounts available in the account in excess of the amount to be impounded INR 53,67,46,384/-. Banks are allowed to debit the accounts for the purpose of complying with this Order.

vi. The Registrar and Transfer Agents are directed to ensure that, they neither permit any transfer nor redemption of the securities, including Mutual Funds units, held by *Noticees*.

vii. *Noticees* are directed not to dispose of or alienate any of their assets/properties, till such time the amount of unlawful gain is credited in Fixed Deposit Account/s except with the prior permission of the SEBI.

viii. The directions stipulated in sub-paragraphs (ii), (v), (vi) and (vii) shall cease to apply upon compliance with direction as stipulated in sub-paragraph (iv) of this paragraph.

ix. *Noticees* are directed to provide a full inventory of all their assets whether movable or immovable, or any interest or investment or charge in any of such assets, including property, details of all their bank accounts, demat accounts, holdings of shares/securities if held in physical form and mutual fund investments and details of companies in which they hold substantial or controlling interest immediately but not later than 7 working days of this Order.

x. *Noticees* are further directed not to collect any money or fee from the existing clients on account of investment advisory and research analyst services.

xi. *Noticees* are directed to immediately withdraw and remove all websites, advertisements, representations, literatures, videos, brochures, materials, publications, documents, communications, etc. in relation to the unregistered investment advisory and research analyst services activity, until further orders. The aforesaid information/ data shall continue to be retained by *Noticees* for the purpose of quasi-judicial proceedings.

199. The *prima facie* observations/findings contained in this Order are made on the basis of the material available on record. In light of the alleged violations of provisions of the SEBI Act, 1992, the IA Regulations, the RA Regulations and the PFUTP Regulations by *Noticees,* this Order shall be treated as a Show Cause Notice under sub-section (1) of section 11, clause (b) and (d) of sub-section (4) of section 11, sub-section (4A) of section 11, sub-section (1) of section 11B, and sub-section (2) of section 11B, section 11D of the SEBI Act 1992, read with clause (b) and (d) of sub-regulation (1) of regulation 11 of the PFUTP Regulations, read with the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005, calling upon

Noticees to show cause as to why following directions shall not be passed against them:

a) Direction to disgorge the amount of INR 1,04,62,88,613/- along with interest. The aforesaid amount includes not only the amount collected as fees by the *Noticees* for LMIT, MPAT and Options Multiplier (OM) courses but also includes the fees collected by the *Noticees* for the other courses offered by the *Noticee no.1* through which it carried out unregistered investment advisory and research analyst services along with interest;

b) Direction to restrain them from accessing the securities market and prohibiting them from buying, selling or otherwise dealing in securities for an appropriate period;

c) Direction to restrain from associating themselves with any intermediary registered with the SEBI in any capacity.

d) Directions for imposition of penalty under sub-section (4A) of section 11 and sub-section (2) of section 11B read with section 15EB of the SEBI Act, 1992 for carrying out unregistered investment advisory and research analyst activities; and

e) Directions for imposition of penalty under sub-section (4A) of section 11 and sub-section (2) of section 11B with section 15HA of the SEBI Act, 1992 for violation of provisions of the PFUTP Regulations.

f) Direction for refund to students/investors/participants.

200. A copy of this Order shall be served upon the *Noticees*. *Noticees* may file their replies to the SEBI within 21 days from the date of receipt of this Order and avail an opportunity of personal hearing in the matter, if they so desire.

201. This Order is without prejudice to any other action that SEBI may initiate under the securities laws, as deemed appropriate, against the above mentioned *Noticees*.

202. This Order shall come into force with immediate effect and shall be in force till further Orders.

203. A copy of this Order shall be forwarded to the Stock Exchanges, Depositories, relevant Banks, Registrar and Transfer Agents and Banks to ensure necessary compliance.

204. A copy of this Order shall also be forwarded to Central Board of Indirect Taxes and Customs as well as to the Central Board of Direct Taxes since fees are seen to be diverted to other entities for possible violation of GST and/or Income Tax.

KAMLESH CHANDRA VARSHNEY

Digitally signed by KAMLESH CHANDRA VARSHNEY
Date: 2025.02.06 23:17:52 +05'30'

KAMLESH C. VARSHNEY

PLACE: MUMBAI

WHOLE TIME MEMBER

DATE: FEBRUARY 06, 2025

SECURITIES AND EXCHANGE BOARD OF INDIA