WTM/AB/MIRSD/DoR/23/2021-22

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

ORDER UNDER SECTION 12(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 30A OF SEBI (INTERMEDIARIES) REGULATIONS, 2008

Noticee No.	Name of Noticees	PAN
1.	Wellindia Securities Limited (IN-DP-CDSL-483-2008)	AABCR5196G
2.	BRH Wealth Kreators Limited (IN-DP-NSDL-320-2009)	AACCB5141L
3.	Fairwealth Securities Ltd (IN-DP-CDSL-393-2007)	AAACF8795N
4.	Vrise Securities Private Limited (IN-DP-CDSL-498-2009)	AABCV7112L
5.	MK Chandan Broking Limited (RTG Share Broking Limited) (IN-DP-CDSL-537-2010)	AADCR9629L
6.	KSBL Securities Limited (IN-DP-CDSL-493-2008)	AAACK0784G
7.	Vineet Securities Private Limited (IN-DP-CDSL-391-2007)	AAACV1545L
8.	Anee Securities Private Limited (IN-DP-106-2015)	AAMCA2521M
9.	Karvy Stock Broking Ltd (IN-DP-175-2015 and IN-DP-414-2019)	AABCK5190K
10.	Anugrah Stock & Broking Ltd (IN-DP-93-2015)	AAACW2920N
11.	Sumpoorna Portfolio Limited (IN-DP-CDSL-665-2012)	AAOCS8998N

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1. Wellindia Securities Limited (IN-DP-CDSL-483-2008), BRH Wealth Kreators Limited (IN-DP-NSDL-320-2009), Fairwealth Securities Ltd (IN-DP-CDSL-393-2007), Vrise Securities Private Limited (IN-DP-CDSL-498-2009), MK

Chandan Broking Limited (RTG Share Broking Limited) (IN-DP-CDSL-537-2010), KSBL Securities Limited (IN-DP-CDSL-493-2008), Vineet Securities Private Limited (IN-DP-CDSL-391-2007), Anee Securities Private Limited (IN-DP-106-2015), Karvy Stock Broking Ltd (IN-DP-175-2015 and IN-DP-414-2019), Anugrah Stock & Broking Ltd (IN-DP-93-2015), Sumpoorna Portfolio Limited (IN-DP-CDSL-665-2012) (hereinafter referred to as **"Noticees"**) are depository participants registered with Securities and Exchange Board of India (hereinafter referred to as **"SEBI"**) in terms of Section 12(1) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act, 1992**") and SEBI (Depositories and Participants) Regulations, 2018 (hereinafter be referred to as, the "**DP Regulations, 2018**"). The Registration to the Noticees as depository participant was granted subject to certain conditions including the condition that they continue to be eligible to be admitted as a participant of the depository through which it has made the application to SEBI. At the time of grant of registration as depository participant, the Noticees were participants of the Depositories, the details of which are given hereunder:

Sl No	**Name of the Depository Participant**	**Depository**	**SEBI Registration Number**	**PAN Number**
1	Wellindia Securities Limited	CDSL	IN-DP-CDSL-483-2008	AABCR5196G
2	BRH Wealth Kreators Limited	CDSL and NSDL	IN-DP-NSDL-320-2009	AACCB5141L
3	Fairwealth Securities Ltd	CDSL	IN-DP-CDSL-393-2007	AAACF8795N
4	Vrise Securities Private Limited	CDSL	IN-DP-CDSL-498-2009	AABCV7112L
5	MK Chandan Broking Limited (RTG Share Broking Limited)	CDSL	IN-DP-CDSL-537-2010	AADCR9629L
6	KSBL Securities Limited	CDSL	IN-DP-CDSL-493-2008	AAACK0784G
7	Vineet Securities Private Limited	CDSL	IN-DP-CDSL-391-2007	AAACV1545L
8	Anee Securities Private Limited	CDSL	IN-DP-106-2015	AAMCA2521M
9	Karvy Stock Broking Ltd	CDSL and NSDL	IN-DP-175-2015 and IN-DP-414-2019	AABCK5190K
10	Anugrah Stock & Broking Ltd	CDSL	IN-DP-93-2015	AAACW2920N

11	Sumpoorna Portfolio Limited	CDSL	IN-DP-CDSL-665-2012	AAOCS8998N

CDSL – Central Depository Services (India) Limited
NSDL – National Securities Depository Limited

2. These Depositories where the Noticees were holding agreements with, have informed SEBI that the agreements between the Depositories and the Noticees have been terminated by them and the same has been communicated to the Noticees. The details of communication regarding the termination of their agreements with the Depositories, sent by the Depositories to the Noticees are as under:

Name of the Depository Participant	**Date of termination of DP agreement / Communication to the Depository Participant**	
	CDSL	**NSDL**
Wellindia Securities Limited	June 22, 2019	
BRH Wealth Kreators Limited	November 06, 2019	June 12, 2020
Fairwealth Securities Ltd	November 06, 2019	
Vrise Securities Private Limited	February 29, 2020	
MK Chandan Broking Limited (RTG Share Broking Limited)	March 11, 2020	
KSBL Securities Limited	March 13, 2020	
Vineet Securities Private Limited	May 25, 2020	
Anee Securities Private Limited	May 31, 2020	
Karvy Stock Broking Ltd	November 26, 2020	December 31, 2020
Anugrah Stock & Broking Ltd	November 26, 2020	
Sumpoorna Portfolio Limited	January 23, 2021	

3. In view of the above, I note that the Noticees are no longer participants of any Depositories. I note that the certificate of registration as depository participant have been granted to the Noticees subject to the conditions of registration provided under Regulation 35 of the DP Regulations, 2018. In this regard, I note that under Regulations 35(b) of the DP Regulations, 2018, one of the conditions of registration is that the applicant is eligible to be admitted as a participant of the depository through which it has made the application to the

SEBI. Since the agreements between the Depositories and the Noticees have been terminated, they no longer fulfil the conditions stipulated under Regulation 35(b) of the DP Regulations, 2018 by which Certificate of Registration was granted to the Noticees.

4. In view of the aforesaid, SEBI initiated proceedings under Section 12(3) of the SEBI Act, 1992 read with Regulation 30A of the SEBI (Intermediaries) Regulations, 2008 (hereinafter referred to as "**Intermediaries Regulations, 2008**") and vide SCNs dated September 03, 2021 called upon the Noticees to show cause as to why the certificate of registration granted under the Act or the regulations made thereunder, should not be cancelled under Section 12(3) of the SEBI Act, 1992 read with Regulation 30A of the Intermediaries Regulations, 2008. SCNs also advised the Noticees to file their reply to the SCN along with documentary evidence, if any, within 21 days from the date of receipt of the SCN, and failing which it would be presumed that the Noticees have no reply to submit and the matter would be further proceeded with on the basis of the evidence available on record.

5. SEBI advised CDSL to serve the SCNs to the Noticees. CDSL informed that they had sent the SCN to the last known address of the respective Noticees through courier. However, out of the 11 Noticees, SCNs were delivered only to 5 Noticees and could not be delivered to the remaining 6 Noticees. Accordingly, the SCNs were affixed at the respective premises or offices of the 6 Noticees to whom the SCN could not be delivered by courier, as per their last known addresses available with CDSL. The details of the last known address of the Noticees where delivery was made to 5 Noticees by courier by CDSL and where SCN for 6 Noticees were affixed by CDSL and date of delivery/affixture of such SCNs are given below:

Sl no.	**Name of the Depository Participant**	**Address**	**Date of delivery/affixure**	**Delivery mode**
1	Wellindia Securities Limited	A-78, Sector-2, Near Sector-15 Metro station, Noida - 201303	September 16, 2021	Courier

Sl no.	Name of the Depository Participant	Address	Date of delivery/affixure	Delivery mode
2	BRH Wealth Kreators Limited	Viswakarma-II, 29/5A, Dr. Ambedkar Sarani, Topsia Road, Kolkata-700046	September 17, 2021	Courier
3	Fairwealth Securities Ltd	A 312-323, 3 Floor, Somdatt Chamber -1, Bhikaji Cama Place, New Delhi 110066	January 21, 2022	Affixture by SEBI
4	Vrise Securities Private Limited	520, gurukripa, S.V.P. Road Opera House, Mumbai - 400004	December 08, 2021	Affixture by CDSL
5	MK Chandan Broking Limited (RTG Share BrokingLimited)	Office No - D, 2 Floor, 245/247, Alankar Theatre Building,1 Khetwadi Lane, S. V. P. Road, Mumbai 400004	December 08, 2021	Affixture by CDSL
6	KSBL Securities Limited	G-55, 3rd Floor, Royale Palace, Near Walia Nursing Home, Vikas Marg, Laxmi Nagar, New Delhi 110092	September 16, 2021	Courier
7	Vineet Securities Private Limited	M-1 & 2, Pratap Bhawan, Bahadur Shah Zafar Marg, New Delhi-110002	September 16, 2021	Courier
8	Anee Securities Private Limited	2/41Virat Khand, Gomti Nagar, Lucknow, Uttar Pradesh - 226010	December 07, 2021	Affixture by CDSL
9	Karvy Stock Broking Ltd	Karvy Millennium, Plot No 31, 2nd Floor Financial District, Gachibowli, Hyderabad, Telangana-500032	September 16, 2021	Courier
10	Anugrah Stock & Broking Ltd	1st Floor, Nisarg Apartment, Besant Road, Vile Parle (W), Mumbai-400056	December 08, 2021	Affixture by CDSL
11	Sumpoorna Portfolio Limited	C-56A/13 6th Floor, Sector-62,	December 08, 2021	Email by CDSL and

Sl no.	Name of the Depository Participant	Address	Date of delivery/affixure	Delivery mode
		Noida 201301		acknowledged by the Noticee

6. Further, SCNs were also published on the website of CDSL under the header Home>Depository Participants>DP Corner>Show Cause Notice Against DPs (From SEBI).

7. I note that till date of this order, no reply has been received from the Noticees. In view of this, I proceed to determine the matter on the basis of the material available on record. In this regard, I have considered the SCNs, the relevant provisions of law and other details available on record.

8. Before dealing with the SCNs it would be appropriate to refer to the relevant extract of the provisions of law involved in the matter. The relevant extract of the provisions of the SEBI Act, 1992, Intermediaries Regulations, 2008 and DP Regulations, 2018, is reproduced herein below:

Relevant extract of the provisions of the SEBI Act 1992

"…….12. Registration of stock brokers, sub- brokers, share transfer agents, etc

…

(3) The Board may, by order, suspend or cancel a certificate of registration in such manner as may be determined by regulations:

Provided that no order under this sub-section shall be made unless the person concerned has been given a reasonable opportunity of being heard.

Relevant extract of the provisions of the Intermediaries Regulations, 2008

30A. Special procedure for action on expulsion from membership of all the stock exchange(s) or clearing corporation(s) or termination of all the depository participant agreements with depository(ies).

……..

(3) On receipt of intimation from all the depositories where the participant was admitted, that the depository participant agreement has been terminated by the depository(ies), the Board may issue a notice to such participant calling upon the

noticee to make its submission(s), if any, within a period not exceeding twenty-one days from the date of service thereof, through a written reply, along with documentary evidence, as to why the certificate of registration, granted under the Act or the regulations made thereunder, should not be cancelled.

(4) No opportunity of personal hearing may be granted while disposing of the proceedings under this regulation.

(5) After considering the facts and circumstances of the case, material on record and the written submissions, if any, the Board shall endeavor to pass an order within twenty days from the date of receipt of submissions of the notice;

(6) The Board may, while passing such order, impose such conditions upon the person as it deems fit to protect the interest of the investors or its clients or the securities market.

(7) The Board may require the person concerned to satisfy the Board the factors as it deems fit, including but not limited to the following -

(a) the arrangements made by the person for maintenance and preservation of records and other documents required to be maintained under the relevant regulations;

(b) redressal of investor grievances;

(c) transfer of records, funds or securities of its clients;

(d) the arrangements made by it for ensuring continuity of service to the clients;

(e) defaults or pending action, if any……..”

Relevant extract of the provisions of the DP Regulations, 2018

“……Consideration of application for grant of certificate of registration:

35. *For the purpose of grant of certificate of registration, the Board shall take into account all matters which are relevant to or relating to the efficient and orderly functioning of a participant and in particular, whether the applicant complies with the following requirements, namely: —*

a)……..

b) the applicant is eligible to be admitted as a participant of the depository through which it has made the application to the Board;……..”

9. I note that the Noticees are registered with SEBI as depository participants and holding SEBI Certificate of Registration under the DP Regulations, 2018 and are depository participants of the Depositories as mentioned in para 1 above. I note that the said Certificate of Registrations have been granted by SEBI to the Noticees subject to the conditions of registration under Regulation 35 of the DP Regulations, 2018, which *inter* alia provides that the depository participant must be eligible to be admitted as a participant of the depository through which it has made the application to SEBI.

10. I note that the Depositories have informed SEBI that the agreements between the Depositories and the Noticees were terminated by them and the same has been communicated to the Noticees as mentioned in para 2. Therefore, I note that the Noticees are no longer participants of any Depositories. Thus, the Noticees have ceased to satisfy the conditions of registration stipulated in the Regulation 35(b) of DP Regulations, 2018. I note from paras 4 to 7 that the procedure as required for cancellation of registration as stipulated in the Intermediaries Regulations, 2008, has been followed. In view of the above, I find that the certificate of registration as depository participants, granted to the Noticees under the SEBI Act, 1992 and the DP Regulations, 2018, should be cancelled under Section 12(3) of the SEBI Act, 1992 read with Regulation 30A of the Intermediaries Regulations, 2008.

Directions:

11. In view of the foregoing, I, in exercise of the powers conferred under Section 12(3) of the SEBI Act, 1992 read with Section 19 of the SEBI Act, 1992 and Regulation 30A of the Intermediaries Regulations, 2008, hereby cancel the certificate of registrations of Wellindia Securities Limited (IN-DP-CDSL-483-2008), BRH Wealth Kreators Limited (IN-DP-NSDL-320-2009), Fairwealth Securities Ltd (IN-DP-CDSL-393-2007), Vrise Securities Private Limited (IN-DP-CDSL-498-2009), MK Chandan Broking Limited (RTG Share Broking Limited) (IN-DP-CDSL-537-2010), KSBL Securities Limited (IN-DP-CDSL-493-2008), Vineet Securities Private Limited (IN-DP-CDSL-391-2007), Anee Securities Private Limited (IN-DP-106-2015), Karvy Stock Broking Ltd (IN-DP-175-2015 and IN-DP-414-2019), Anugrah Stock & Broking Ltd (IN-DP-93-2015), Sumpoorna Portfolio Limited (IN-DP-CDSL-665-2012).

12. Irrespective of the cancellation of certificate of registration, the respective Noticees shall continue to be liable for anything done or omitted to be done by them as depository participant and shall continue to be responsible for payment of outstanding fees and dues and interest if any, due to SEBI.

13. The main purpose of cancellation of certificate of registration, as depository participant, of the Noticees is to prevent the misuse of their certificate of registration with SEBI, without being a participant of a depository, on unaware investors. Thus, Noticee shall continue to be liable for any action initiated or to be initiated as if their certificate of registration has not been cancelled and this order does not absolve the Noticees from any violation of the securities laws committed by the Noticees as registered depository participants.

14. The Noticees shall ensure to arrange for maintenance and preservation of records and other documents required to be maintained under the relevant regulations; redressal of investor grievances; transfer of records, funds or securities of its clients; continuity of service to its clients; and necessary actions with respect to the defaults or pending action, if any.

15. The Noticees shall comply with the provisions referred in Regulation 30A (8) of Intermediaries Regulations, 2008

16. This Order comes into force with immediate effect.

17. A copy of this order shall be served upon all the Noticees and the Depositories to ensure necessary compliances.

Sd/-

Date: February 14, 2022 **ANANTA BARUA**

Place: Mumbai **WHOLE TIME MEMBER**

SECURITIES AND EXCHANGE BOARD OF INDIA