

## SECURITIES AND EXCHANGE BOARD OF INDIA

## ORDER

UNDER SECTIONS 11, 11(4), and 11B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992.

In respect of:

Noticee No.	Name of the entity	PAN No.
1.	M/s. Cash Cow Broking & Advisory Solutions	AAIFC2855R
2.	Mr. Shailendra Sen	BUXPS9559Q
3.	Mr. Amit Jain	AGSPJ3021G
4.	Mr. Chirag Sharma	ASWPS7685C

*(Aforesaid entities are hereinafter individually referred to by their respective name or Noticee number and collectively as "the Noticees".)*

### **In the matter of Cash Cow Broking & Advisory Solutions**

1. Cash Cow Broking & Advisory Solutions, (hereinafter referred to as "**Cash Cow**") is a partnership firm wherein Mr. Shailendra Sen (Noticee no. 2), Mr. Amit Jain (Noticee no. 3) and Mr. Chirag Sharma (Noticee no. 4) are partners. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") had received complaints against Cash Cow, wherein it was alleged that Cash Cow was engaged in 'investment advisory services' without having the requisite registration as mandated under the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**") and Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 (hereinafter referred to as "**IA Regulations**").
2. After examination of the aforesaid complaints, a show cause notice was issued to the Noticees on March 12, 2020 (hereinafter referred to as the "**SCN**"), alleging that the Noticees were carrying out investment advisory activities without obtaining a

certificate of registration from SEBI. It was alleged in the said SCN that the Noticees violated Section 12(1) of SEBI Act read with Regulation 3(1) of the IA Regulations. The SCN called upon the Noticees to show cause as to why suitable directions including debarment from securities market, refund of fees collected, non-association with listed entities, intermediaries, etc., should not be passed under sections 11(1), 11(4) and 11B of the SEBI Act for violation of section 12(1) of the SEBI Act read with regulation 3(1) of the IA Regulations.

3. Pursuant to the above, SEBI, vide order dated January 18, 2022<sup>1</sup> (hereinafter referred to as the “**2022 order**”), found the Noticees to be engaging in unregistered investment advisory activities and accordingly, the Noticees were, *inter alia*, directed to refund the money received from the clients/ investors/ complainants (₹65,51,563), as fee or consideration in respect of the unregistered investment advisory activities. Aggrieved by the said directions, the Noticees approached the Hon’ble Securities Appellate Tribunal (hereinafter referred to as the “**SAT**”). Hon’ble SAT passed an interim order dated May 31, 2022 and directed the Noticees to deposit a sum of ₹30,00,000/- with SEBI pending disposal of the appeal. The said amount was to be kept in an interest-bearing account subject to the result of the appeal filed by the Noticees. However, the aforesaid direction was not adhered to by the Noticees. Hon’ble SAT, vide order dated April 27, 2023 (hereinafter referred to as the “**SAT Order**”), dismissed the appeal of the Noticees and found the Noticees to be involved in unregistered investment advisory activities. The relevant excerpt from the SAT Order is as under:

*“4. Having heard the learned counsel for the parties we find that admittedly the appellants were carrying on investment advisory services without obtaining a registration under Regulation 3 of the IA Regulations and therefore to that extent the order of the WTM does suffer from any error of law.*

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<sup>1</sup> Order available at - [https://www.sebi.gov.in/web/?file=/sebi\\_data/attachdocs/jan-2022/1642503607289\\_1.pdf#page=1&zoom=130,-5,847](https://www.sebi.gov.in/web/?file=/sebi_data/attachdocs/jan-2022/1642503607289_1.pdf#page=1&zoom=130,-5,847)

4. Holding that the Noticees had engaged in unregistered investment advisory activities, the Hon'ble SAT, further observed that the amount collected by the Noticees from unregistered investment advisory activities had to be re-calculated. Accordingly, the Hon'ble SAT, remanded the present matter to SEBI and directed that that the amount collected by the Noticees towards unregistered investment advisory activities shall be recalculated and refunded to the investors, pursuant to the Noticees depositing the sum of ₹30,00,000. The relevant excerpt from the SAT Order is as under:

*“6. It was urged that the direction to refund the amount by the WTM is erroneous. In this regard we do find that the appellants have alleged that they were carrying on business of investment advisory services, stock broking and internet services. In this regard the appellants have placed a certificate of a Chartered Accountant showing bifurcation of the amount collected under the three heads. Without going into the veracity of the certificate issued by the Chartered Accountant, we are of the opinion that the directions to refund the entire amount collected by the appellants is subject to further scrutiny by the WTM.*

...

*8. We find that by an interim order we had directed the appellants to deposit a sum of Rs. 30 lakh which has not been deposited till date. The appellants, therefore, have not complied with the directions of this Tribunal and therefore equity is not in their favour. However, the facts remains that the amount collected by the appellants towards investment advisory services is required to be calculated and refunded to the investors. Thus, we direct the appellants that such application so filed shall be accompanied by a deposit of Rs. 30 lakh as a condition precedent. If the amount is not deposited the application will not be entertained by the WTM...”*

5. In light of the aforesaid order, the Noticees filed an application dated May 26, 2023 and requested SEBI to re-calculate the amount to be refunded to the investors. However, the said application of the Noticees was rejected by SEBI on account of non-deposit of the amount of ₹30,00,000 (as directed by the Hon'ble SAT) and accordingly, recovery proceedings were initiated against the Noticees.
6. Aggrieved by the recovery proceedings, the Noticees again approached the Hon'ble SAT seeking extension of the SAT Order dated April 27, 2023. The said extension

was conditionally allowed by Hon'ble SAT, vide order dated August 08, 2024, subject to the Noticees depositing a demand draft of ₹30,00,000/- on August 8, 2024 and another ₹10,00,000/- within a week from the date of the said order. In terms of the order of Hon'ble SAT dated August 8, 2024, read with the order dated April 27, 2023, upon deposit of the said amounts, SEBI had to examine the application filed by the Noticees and recalculate the amount collected by the Noticees.

7. In accordance with the directions of the Hon'ble SAT, the Noticees deposited the requisite amount (a total of ₹40,00,000/-) and vide letter dated August 20, 2024, requested for (a) withdrawal of recovery proceedings and (b) for reconsidering application dated May 26, 2023 for recalculation of the refund amount. The request of the Noticees was considered and acceded to. Accordingly, the recovery proceedings were placed on hold and the Noticees, vide email dated November 12, 2024, were advised to submit information/ data, receipts, supporting documents, bank statements, etc., on the basis of which the Noticees had claimed that the amount collected by the Noticees from unregistered investment advisory activities was different from the amount determined by SEBI in the 2022 Order. The Noticees, vide email dated November 13, 2024, sought three weeks' time to furnish the said information. On account of failure on part of the Noticees to submit the relevant information, a reminder dated December 4, 2024 was sent to the Noticees. In response to the said reminder, the Noticees sought additional 3 weeks' time to furnish the said details.
8. The Noticees, vide letter dated December 23, 2024, filed written submissions in the matter and submitted that the amount collected by the Noticees through unregistered investment advisory activities was to the tune of ₹37,29,444/-. The Noticees further submitted that out of ₹37,29,444/-, the Noticees had refunded ₹32,83,930 to the investors, in terms of the directions of the 2022 Order of SEBI, and they were unable to track the remaining clients from whom ₹4,45,514/- was collected. However, examination of the data submitted by the Noticees and the information received from banks by SEBI revealed that the fees collected by the Noticees from unregistered investment activities was to the tune of ₹46,10,906.06/- (and not ₹37,29,444/-).

9. On account of the aforementioned variance in the figures submitted by the Noticees and the amount calculated by SEBI, vide a notice dated August 25, 2025, the Noticees were accorded with an opportunity to file written submissions in the matter. In response to the same, vide letter dated September 16, 2025, the Noticees filed their written submissions and submitted as under:
- i. The Noticees had engaged in investment advisory services without obtaining requisite registration from SEBI. However, no submissions are being made on merits and the present submissions are confined to the aspect of re-calculation of the fees received by the Noticees;
  - ii. SEBI has sought Noticees' comments only with respect to the amount of ₹46,10,906.06. The Noticees are not disputing the receipt of ₹37,29,444/- as fees for investment advisory services during the relevant period. Hence, the only dispute that remains is with regard to the balance amount of ₹8,81,462.06 (₹46,10,906.06 – ₹37,29,444 = ₹8,81,462.06);
  - iii. SEBI, in notice dated August 25, 2025, has not disputed or denied the fact that the Noticees have already made payment of ₹32,83,930/- to 121 clients. The absence of any contrary observation clearly implies that SEBI, having done its own verification, has accepted this position;
  - iv. Noticees in the reply dated August 20, 2024, have furnished all the information and supporting documents to substantiate the contention that they had only received ₹37,29,444/-. However, SEBI, in its notice dated August 25, 2025, has relied upon assumptions and presumptions to allege that an additional sum of ₹8,81,462.06 constituted as investment advisory fees instead of recognizing the same as internet service charges, partners' contribution (cash deposits) or brokerage;
  - v. In last several years, SEBI has not received any complaints against the Noticees and in the said circumstances there exists no factual or legal basis to treat the amount of ₹8,81,462.06/- as investment advisory fees;
  - vi. In the notice dated August 25, 2025, it has been stated that the cash deposits cannot be treated as partner contributions. However, during the relevant period, no reason or explanation was required to be furnished to banks at the time of depositing cash. Further, all clients/ investors had paid advisory fees exclusively through PayU and none of them deposited cash. Additionally,

SEBI has not been vested with the powers of Income Tax department where failure to provide an explanation may result in a presumption of income and on the contrary, the burden lies upon SEBI to establish that the cash deposits represent investment advisory fees;

- vii. The Noticees had also received certain amounts as fees towards Internet Services and had submitted documentary evidence in that regard along with letter dated August 20, 2024. However, SEBI, without questioning the authenticity of these documents, has merely contended that the documents are insufficient and that all invoices bear similar numbering. The Noticees had produced adequate material to substantiate that the amounts in question pertained to internet service charges and it would be unreasonable and impractical to expect the Noticees to now produce each and every document relating to transactions that occurred a decade ago;
- viii. SEBI may be pleased to accept the computation provided by the Noticees and hold that the alleged sum of ₹8,81,462.06 does not constitute investment advisory fees;
- ix. The Noticees have been restrained from accessing the market since the passing of the 2022 Order and in the absence of any subsisting justification, such debarment deserves to be lifted forthwith.

12. In light of the aforesaid submissions of the Noticee, an opportunity of hearing was granted to the Noticee on November 4, 2025. Further, as regards the submission of the Noticees that 121 clients had been refunded an amount of ₹32,83,930/-, vide email dated October 13, 2025, the Noticees were informed as under:

*“In terms of the directions of the Hon’ble SAT, the present proceedings are only limited to crystallizing/recalculating the amount collected by the Noticees through unregistered investment advisory activities. Thus, analysing the veracity of the claims of refund (Rs. 32, 83, 930 refunded to 121 clients) made by the Noticees do not constitute a part of the present proceedings and would be beyond the directions of the Hon’ble SAT. Any refund made by the Noticees has to be in adherence to the directions of the order dated January 18, 2022, passed by SEBI and the claims/submissions regarding the same will be verified at the implementation stage pursuant to crystallization of the amount collected by the Noticees.”*

13. On the scheduled date of hearing, the authorized representative of the Noticees, appeared in person and reiterated the submissions made vide letter dated September 16, 2025 and also made additional submissions in the matter. Pursuant to the hearing, the Noticees filed additional submissions which are summarized as under:

- i. In the calculation done by SEBI, a contra entry of ₹1,25,000/- has not been taken into account. The said amount was credited on May 6, 2016 in the Axis Bank account of Noticee no. 1, representing an internal transfer from another bank account of the Noticee no. 1 maintained with Central Bank of India. Therefore, the said transaction cannot be treated as a receipt towards unregistered investment advisory activities. SEBI has also not considered a reversal entry dated October 11, 2016 amounting to ₹9,005.75 reflected in the Axis Bank account;
- ii. After excluding the aforementioned amounts from the total calculation, the remaining difference shall remain ₹7,47,456.31 [₹46,10,906.06 - ₹1,25,000 - ₹9005.75] and the said amount largely represents the cash deposits made in the bank accounts of Noticee no. 1's own accounts. The said amount was not received from clients towards advisory services but represents internal cash infusions or re-deposits of withdrawn amounts;
- iii. No investor complaint has been received in last 3 – 4 years alleging non-refund or misappropriation of such deposits and SEBI has not produced any contrary evidence disproving Noticees' explanation regarding these deposits. Thus, these amounts cannot be treated as consideration for unregistered investment advisory activities;
- iv. The Noticees have duly complied with the directions issued vide 2022 Order and have demonstrated complete *bona fide*. The position of compliance is summarized as under:
  - a. ₹40,00,000/- deposited with SEBI;
  - b. Approximately ₹2,58,869/- are in the attached bank accounts of the Noticee no. 1;
  - c. Noticees have refunded ₹32,83,930/- directly to investors in accordance with the 2022 Order;

- d. Noticees have complied with the other conditions in the 2022 Order
- v. Despite the aforesaid steps taken by the Noticees towards compliance, the restraints imposed under paragraphs 19(viii) to 19(xi) continue to operate, resulting in severe and continuing hardship to the Noticees;
- vi. The period of restraint under the 2022 Order has already expired or substantially exceeded the duration originally imposed. The object of investor protection has been fully achieved and all dues have been settled and no pending complaints exist. The continuing restraint is now causing unwarranted hardship and operating as a double punishment, contrary to the settled principles of proportionality and fairness.
- vii. In light of the aforesaid submissions the Noticees prayed as under:
  - a. the restraint in terms of the paragraphs 19(viii) to 19(xi) of 2022 Order may be lifted and the Noticees may be permitted to resume their normal business and professional activities;
  - b. excess amount lying with SEBI may be refunded;
  - c. attachments over the bank accounts of Noticee no. 1 may be vacated

## **CONSIDERATION AND FINDINGS**

14. Having perused the submissions made by the Noticees, along with other material available on record, I deem it fit to first set out the scope of the present proceedings and thereafter, deal with the submissions made by the Noticees.
15. In brief, as noted above, the Noticees, vide the 2022 Order, *inter alia*, were directed to refund an amount of ₹65,51,563/- to the investors. Aggrieved from the same, the Noticees approached the Hon'ble SAT and Hon'ble SAT, vide its order dated April 27, 2023, *inter alia*, directed SEBI to re-calculate the total amount collected by the Noticees by way of unregistered investment advisory activities. I note that the present proceeding before me has its genesis in the above SAT Order and in terms of the said SAT Order, the scope of the present proceedings is strictly restricted to crystallizing the amount actually collected by the Noticees by undertaking unregistered investment advisory activities.

16. In this regard, while the 2022 Order directed refund of around ₹65.51 lakhs, the Noticees have argued that the said figure is incorrect as they were also involved in businesses other than investment advisory and received monies from other sources too. *Per* the submissions made by the Noticees, it is an admitted position that they had collected at least ₹37,29,444/- as fees for investment advisory services. However, SEBI's calculation, pursuant to the SAT Order, revealed that the Noticees had collected a sum of ₹46,10,906.06. Thus, the scope of present proceedings is to adjudge whether the balance amount of ₹8,81,462.06 (₹46,10,906.06 – ₹37,29,444 = ₹8,81,462.06) was collected by the Noticees through unregistered investment advisory activities.
17. At the outset, I deem it fit to note the submission of the Noticees that one contra entry (to the tune of ₹1,25,000/-) and one reversal entry (to the tune of ₹9005.75/-) were not taken into account while calculating the amount collected by the Noticees. Therefore, after taking into account the said figures, the amount in dispute would be ₹7,47,456.31 [₹46,10,906.06 - ₹37,29,444 - ₹1,25,000 - ₹9005.75]. In this regard, I note that SEBI, pursuant to analysing the material shared by the Noticees, has confirmed that there was a clerical error in not taking the aforesaid figures into account while re-calculating the amount collected by the Noticees through unregistered investment advisory activities. Thus, I find that while calculating the amount collected by the Noticees the aforementioned contra and reversal entries are liable to be adjusted in the final calculations. Accordingly, after taking into account the same, I note that the amount collected by the Noticees by undertaking unregistered investment advisory activities, in addition to the already admitted ₹37,29,444, is ₹7,47,456.31 [₹46,10,906.06 - ₹37,29,444 - ₹1,25,000 - ₹9005.75].
18. The Noticees have submitted that they have furnished all the information and supporting documents to establish the fact that they had only received ₹37.29 lakhs from unregistered investment activities but SEBI has relied upon assumptions and presumptions to allege that the Noticees had received ₹46,10,906.06 (an additional sum of ₹8,81,462.06) as investment advisory fees instead of recognizing the additional sum as internet service charges, partners' contribution (cash deposits) or brokerage.

19. I have perused the submission of the Noticees vis-à-vis the material available on record. The Noticees have claimed that they received ₹3,09,889/- during FY 2014-15, ₹8,41,021/- during FY 2015-16 and ₹3,00,601/- during FY 2016-17 from internet/software services. The Noticees, in support of their submissions, have enclosed invoices and bills regarding income received from internet services. They have also enclosed a ledger indicating the amount received from the clients from FY 2014-15 to 2016-17. A perusal of the invoices provided by the Noticees revealed that the said invoices lack credibility and the nature of the said evidence was of questionable nature. The subject invoices had identical invoice number(s) for multiple invoices and the format of the date in the invoices was different for different invoices. In addition to the same, there were multiple invoices wherein the name of the persons/customers was not mentioned and instead description such as 'cash', 'NEFT' and 'MMT' was mentioned. Further, on the basis of the corresponding bank statements, it could not be ascertained as to whether these transactions pertained to internet/software services. Therefore, the submissions of the Noticees as regards collection of monies from internet and software services is not tenable.
20. The Noticees have also argued that SEBI has failed to treat the cash deposits entries as partner contributions. As submitted, at the relevant time, there was no requirement to provide explanation/ reason to the banks while making cash deposits and all the clients/ investors (of investment advisory services) had to pay the advisory fees through PayU and not cash. The Noticees have also argued that the burden lies upon SEBI to establish that cash deposits pertained to investment advisory activities and not partner contributions and SEBI cannot, *per se*, assume that the said deposits pertained to unregistered investment advisory activities.
21. In this regard, the Noticees have submitted that a total sum of ₹11,59,942/- was received by them as partners' contribution, and have submitted ledger entries to support their submissions. I note that the Noticees have not produced any independent piece of evidence to substantiate their claims apart from the aforesaid ledger entries. No partnership agreement or any other document to establish that the partners were making contributions by making cash deposits has been produced before me. Further, no document has been brought on record to establish or even suggest that the partners were indeed making cash deposits. On perusal of the data

received from the Central bank of India, ICICI Bank and Axis Bank, a sum of only ₹4,77,558.69/- could be traced back to Noticee no. 2, Mr. Shailendra Sen (one of the partners in the firm) and remaining transaction entries could not be traced back to any of the alleged deposits made by the partners of the Noticee no. 1 or any other activity. In light thereof, only an amount of ₹4,77,558.69/- has been taken as partner contributions and cash deposits, in absence of any supporting documents, have not been considered as partner contributions.

22. As regards the calculation of amount collected by undertaking unregistered investment advisory activities, the Noticees have also argued that SEBI cannot rely upon assumptions and presumptions, without any cogent evidence or client complaints, to re-characterize internet service charges, partner contributions, or contra entries as investment advisory income. Further, the Noticees have submitted that the burden lies upon SEBI to prove beyond reasonable doubt that such amounts constitute advisory fees.

23. I disagree with the above arguments of the Noticees. At the cost of reiteration, there is no dispute as regards the fact that the Noticees had carried out unregistered investment advisory activity and collected at least ₹37,29,444/- as fees from the clients. However, as per SEBI's calculation, the Noticees have collected ₹44,76,900.34/- [₹46,10,906.06 - ₹1,25,000 - ₹9005.75] as fees from the clients through unregistered investment advisory activities and thus, the amount being disputed by the Noticees is ₹7,47,456.31. The Noticees have failed to appreciate the fact that while the 2022 Order treated all the credit entries in the ICICI Bank, Axis Bank and Central Bank of India of the Noticees as fees received from unregistered investment advisory activities, the notice dated August 25, 2025 (read with the adjustment of the contra entry noted above), issued pursuant to the SAT Order (dated April 27, 2023), has re-analysed and recalculated the entire credit entries and has only treated ₹44,76,900.34/- as fees received from unregistered investment advisory activities. The said amount of ₹44,76,900.34/- has been arrived at after reanalysing the bank statements and the documents submitted by the Noticees.

24. It is not in dispute that the Noticees had received funds from clients in the Axis, ICICI and Central Bank of India bank accounts. It is also not in dispute that the details of these bank accounts were mentioned on the website of Noticee no. 1 and the Noticees were soliciting funds in these accounts by publishing the details of the said three accounts on the website. Further, the Noticees have also admitted that they collected around ₹37.29 lakhs from the clients in these accounts. For the remaining amount, the Noticees have failed to bring on record any reliable evidence to establish that the said funds were received in the bank accounts towards internet / software services, partner's contribution or any other service as claimed by them. In the present set of facts, it is clear that the Noticees had published details of the three bank accounts on their website and had in deed received funds from their clients / investors in the said bank accounts. Thus, in the above discussed facts and circumstances wherein Noticees had undisputedly carried out unregistered investment advisory, publicized on their website specific bank accounts in which they solicited fee / money from their clients and actually received fee / money from the clients, I do not find any infirmity in the inference that unexplained credits of funds (cash or otherwise) in the said bank accounts have to be treated as fee towards unregistered investment advisory. Accordingly, I find that no further onus lies on SEBI in the matter in relation to calculation of the fee collected by the Noticees by carrying out unregistered investment advisory.

25. Lastly, the Noticees have also argued that the period of restraint under the 2022 Order has already expired or substantially exceeded the duration originally imposed and the object of investor protection has been fully achieved. Further the Noticees have settled all dues and no investor complaints are pending and therefore, the restraint directions in terms of the 2022 Order may be lifted and the attachments over the bank accounts of Noticee no. 1 may be vacated. In this regard, as already noted, the scope of the present proceedings, in terms of Hon'ble SAT's Order (dated April 27, 2023), is strictly limited to calculating the amount collected by the Noticees through unregistered investment advisory activities and review of directions imposed by the 2022 Order are not within the scope of the present proceedings. Therefore, the above contentions of the Noticees as regards the directions of the 2022 Order cannot be addressed in the instant proceedings.

## **CONCLUSION**

26. Having dealt with the submissions of the Noticees and having perused the material on record, I find that the Noticees had collected an amount of ₹44,76,900.34 through unregistered investment advisory activities.

## **DIRECTIONS**

27. In view of the foregoing, I, in exercise of the powers conferred upon me under Sections 11(1), 11(4) and 11B read with Section 19 of the SEBI Act, hereby direct that:
- a. The Noticees shall refund an amount of ₹44,76,900.34/- to the clients/ investors/ complainants, in accordance with the directions issued by SEBI order dated January 18, 2022;
  - b. All the modalities and procedures mentioned in the SEBI order dated January 18, 2022, as regards the refund of amount collected by the Noticees, shall apply *mutatis mutandis* to the direction of refund issued vide the present Order;
  - c. The timelines in relation to the refund process as mentioned in Para 19 of the SEBI order dated January 18, 2022 shall commence from the date of receipt of this Order by the Noticees.
28. It is hereby clarified that the money deposited by the Noticees in the interest bearing bank account, in terms of the Hon'ble SAT's Order (dated April 27, 2023) may be utilized by the Noticees towards ensuring refund in terms of the directions issued vide this Order read with the SEBI order dated January 18, 2022. In this regard, the bank shall allow debit from the said account, only for the purpose of making refund to the clients/ investors of the Noticees.
29. The present Order shall always be read with the SEBI order dated January 18, 2022.
30. A copy of this Order shall be sent to the Noticees, recognized Stock Exchanges, the relevant Banks, Depositories and Registrar and Transfer Agents of Mutual Funds to

ensure that the directions given vide this Order (read with SEBI order dated January 2022) above are strictly complied with.

**Place: Mumbai**

**Date: March 13, 2026**

**AMARJEET SINGH  
WHOLE TIME MEMBER  
SECURITIES AND EXCHANGE BOARD OF INDIA**