

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI**

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY**

**JAICO SECURITIES PRIVATE LIMITED**

**IN THE MATTER OF**

**JINDAL STAINLESS LIMITED**

**&**

**BSEL INFRASTRUCTURE REALTY LIMITED AND  
MAHARASHTRA SEAMLESS LIMITED.**

**&**

**COSMO FILMS LTD.**

**(CONSENT APPLICATION NOs. 50 of 2007, 667 & 667A of 2008)**

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the irregularities in the trading of shares of Jindal Stainless Limited, BSEL Infrastructure Realty Limited and Maharashtra Seamless Limited, and M/s Cosmo Films Limited. The investigations, *prima facie*, revealed that Jaico Securities Private Limited, a broker of National Stock Exchange (hereinafter referred to as 'applicant') with SEBI Registration No. INB 230600735 during the period of August 2003 to March 2004 had along with others indulged in executing irregular trades in these scrips. It was, therefore, alleged that the applicant had violated the provisions of Regulation 4 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 and the

Code of Conduct prescribed under Regulation 7 of the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.

2. Pursuant to the said investigations, SEBI initiated enquiry proceedings under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 and adjudication proceeding under the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, against the applicant. Thereafter, SEBI issued Show Cause Notice No. EAD/GBR/984201/2007 dated July 11, 2007, Show Cause Notice No. IVD/ID-6/BM/DM/BSEL-MSSL/108216/2007 dated November 08, 2007 and Show Cause Notice No. EAD-5/VSS/RK/120899/2008 dated March 18, 2008 to the applicant.

3. While the above proceedings were in progress, the applicant vide letters dated July 26, 2007, May 06, 2008 and April 13, 2009 proposed settlement of the aforesaid proceedings through consent order in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The High Powered Advisory Committee constituted by SEBI, considered the consent terms proposed by the applicant and recommended the cases for settlement on payment of Rs. 20,00,000/- (Rupees Twenty lakh only) towards settlement charges along with voluntary suspension of certificate of registration as broker for a period of two months. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated August 05, 2009.

4. The applicant for the sole purpose of settling the matters without admitting or denying the charges, remitted a sum of Rs.20,00,000/- (Rupees Twenty lakh only) vide Demand Draft No.521190 dated August 18, 2009 drawn on ICICI Bank Ltd., payable at Mumbai. The applicant also vide letter dated August 19, 2009,

undertook to undergo voluntary suspension of certificate of registration as broker for a period of two months.

5. In view of the above, it is hereby ordered that this consent order disposes of the above said proceedings against the applicant. It is also ordered that the applicant shall not buy, sell or otherwise deal in securities as a broker for a period of two months from October 26, 2009. A copy of this order shall be sent to National Stock Exchange (NSE) to ensure that the applicant (PAN No. AAACJ1347G) does not deal in securities as a broker during the period specified herein.

6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing / reopening of the proceedings pending against the applicant, if:

- a. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or
- b. The applicant breaches any of the consent terms or undertakings filed in this consent proceeding.

7. This consent order is passed on this day, the 23 of October 2009 and shall come into force with immediate effect.

**M. S. Sahoo**  
**Whole Time Member**

**Dr. K. M. Abraham**  
**Whole Time Member**

