

**CO/MIRSD/DRA-P/220/2009**  
**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA**  
**MUMBAI**  
**CONSENT ORDER**  
**ON THE APPLICATION SUBMITTED BY**  
**B R JALAN SECURITIES PVT LTD**  
**(Regn. No. INB010996931)**  
**IN THE MATTER OF**  
**ENQUIRY PROCEEDINGS AGAINST B R JALAN SECURITIES PVT LTD**  
**(CONSENT APPLICATION NO. 649 OF 2008)**

1. Securities and Exchange Board of India (SEBI) had conducted an inspection of the books of accounts and other records of B R Jalan Securities Pvt Ltd (hereinafter referred to as "the applicant"), a trading member (INB010996931) of the Bombay Stock Exchange for the period April 2001 to March 2003. The inspection, prima facie, revealed irregularities, such as, non-maintenance of counter foil/duplicate of the contract notes, failure to frame code of internal procedure, failure to print order time, trade ID, transaction ID and time of transaction on contract notes, dealings with unregistered sub-brokers, etc.
2. In view of the above findings, SEBI initiated enquiry proceedings under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002, alleging violation of provisions of the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992, SEBI (Prohibition of Insider Trading) Regulations, 1992 and various circulars issued by SEBI. Based on the enquiry report, a show cause notice dated November 29,

2004 was issued to the applicant. The applicant replied to the show cause notice vide letter dated January 11, 2005.

3. While further proceedings in the matter were in progress, the applicant, vide application dated April 22, 2008, requested for settlement of the proceedings through a consent order in terms of SEBI circular No.EFD/ED/Cir.01 dated April 20, 2007. The applicant proposed revised terms of consent vide letter dated November 27, 2008. The High Powered Advisory Committee, constituted by SEBI, considered the terms proposed by the applicant and recommended the case for settlement. As per the terms of settlement, the applicant shall pay Rs. 6,00,000/- (Rupees six lakh only) as settlement charges. SEBI accepted the said terms of settlement and communicated the same to the applicant.
4. For the sole purpose of settling the matter on hand and without admission or denial of guilt on his part to the finding of fact or conclusion of law, the applicant has remitted a sum of Rs. 6,00,000/- (Rupees six lakh only) vide demand draft No. 259361 dated May 11, 2009 drawn on Bank of India, Mumbai towards the settlement charges.
5. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings pending before SEBI against the applicant for the violations mentioned above.
6. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing or reopening pending proceedings against the applicant, if:
  - i. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or
  - ii. the applicant breaches any of the clauses/conditions of undertakings/ waivers filed during this consent proceeding.

7. A copy of the order shall be served on Bombay Stock Exchange of which the applicant is a trading member.
8. This consent order is passed on the 18<sup>th</sup> day of May, 2009 and shall come into force with immediate effect.

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

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