

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

PRAMOD KUMAR JAIN SECURITIES PRIVATE LIMITED

IN THE MATTER OF

AXEL POLYMERS LIMITED

(CONSENT APPLICATION NO. 981 of 2008)

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the irregularities in the trading of shares of Axel Polymers Limited. The investigations, *prima facie*, revealed that Pramod Kumar Jain Securities Private Limited, a broker of Bombay Stock Exchange (hereinafter referred to as 'applicant') with SEBI Registration No. INB 010996030 during the period of August 02, 2000 to August 31, 2000 had along with others indulged in executing irregular trades in the scrip and also dealt with unregistered sub broker. It was, therefore, alleged that the applicant had violated the provisions of Section 12 of the SEBI Act, 1992 read with rules 3 of SEBI (Stock Brokers and Sub brokers) Rules, 1992 and Regulation 4 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 read with 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 against the applicant. Thereafter, SEBI issued Show Cause Notice No. EAD-5/PG/102773/2007 dated August 30, 2007 to the applicant.

3. While the above proceedings were in progress, the applicant vide letters dated September 16, 2008 and June 01, 2009 proposed settlement of the aforesaid proceeding 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 case for settlement on payment of Rs. 5,00,000/- (Rupees Five lakh only) towards settlement charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated September 04, 2009.

4. The applicant for the sole purpose of settling the matter without admitting or denying the charges, remitted a sum of Rs. 5,00,000/- (Rupees Five lakh only) vide Demand Draft No. 453265 dated September 22, 2009 drawn on HDFC Bank payable at Mumbai.

5. In view of the above, it is hereby ordered that this consent order disposes of the above said proceeding against the applicant (PAN AAACP6229P) in the matter. A copy of this order shall be sent to Bombay Stock Exchange (BSE).

6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing / reopening of the proceeding 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 2nd of December 2009 and shall come into force with immediate effect.

M. S. Sahoo
Whole Time Member

Dr. K. M. Abraham
Whole Time Member