

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

**CONSENT ORDER  
ON THE APPLICATION SUBMITTED BY  
M/S. SARJAN SECURITIES PVT. LTD.**

**IN THE MATTER OF  
M/S. TATA FINANCE LTD.  
(CONSENT APPLICATION NO. 229 / 2007)**

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the irregular trading in the shares of Tata Finance Ltd. during September 2000 – March 2001. The investigations, *prima facie*, revealed that M/s. Sarjan Securities Pvt. Ltd., a sub-broker of M/s. Arcadia Shares and Stock Brokers Private Limited, broker of BSE (hereinafter referred to as the 'applicant') had indulged in back dating and falsification of contract notes, bills and books of accounts, etc. in respect of off-market transactions in the shares of Tata Finance Ltd.
2. Pursuant to the investigations, SEBI initiated proceedings under Section 11B of the Securities and Exchange Board of India Act, 1992 against the applicant and issued a show cause notice dated October 05, 2005 alleging that the applicant had violated Regulation 6 (d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995. The applicant did not submit any reply to the said show cause notice, though it availed the opportunity of personal hearing on October 19, 2007.
3. While further proceedings in the matter were in progress, the applicant vide letter dated October 25, 2007, proposed settlement of the pending

proceedings through a 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. As per the terms of settlement, the applicant shall pay Rs. 2,50,000/- (Rupees two lakh fifty thousand only) towards settlement charges. The said terms of settlement were accepted by SEBI and communicated to the applicant vide letter dated October 10, 2008.

4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs. 2,50,000/- (Rs. two lakh fifty thousand only) vide demand draft No. 467483 dated October 21, 2008 drawn on IDBI Bank, Mumbai towards settlement charges.
5. In view of the above, it is hereby ordered that this consent order disposes of the said 11B proceedings pending before SEBI against the applicant, in the matter of Tata Finance Ltd.
6. This order is without prejudice to the right of SEBI to take enforcement action, including commencing / reopening of the pending proceedings against the applicant, if:
  - a. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue;
  - b. the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.

7. A copy of this order shall be served on Bombay Stock Exchange Limited of which the applicant is a sub-broker.
8. This consent order is passed on this day, the 14<sup>th</sup> of November, 2008 and shall come into force with immediate effect.

**T. C. NAIR**  
**WHOLE TIME MEMBER**

**M. S. SAHOO**  
**WHOLE TIME MEMBER**