

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
CONSENT ORDER

On the Application submitted by

SMC GLOBAL SECURITIES LIMITED (PAN: AAACS0581R)

In the matter of Jubilant Organosys Ltd.

CO/IVD-ID-4/1518/AO/ SRP/RK /08/2009

1. Securities and Exchange Board of India (SEBI) had initiated adjudication proceedings against SMC Global Securities Ltd. (hereinafter referred to as '**Noticee**') in the matter of Jubilant Organosys Ltd. for the alleged violation of the provisions of regulations 4(1), 4(2)(a), 4(2)(b), 4(2)(e), 4(2)(g) and 4(2)(n) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 and clause A(1), (2), (3), (4) and (5) of Code of Conduct for Stock Brokers read with regulation 7 of SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.
2. Shri Biju S. was appointed as Adjudicating Officer (**AO**) under section 15I of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**the Act**') read with SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as "**the Adjudication Rules**") to inquire into and adjudge under Sections 15HA and 15HB of the Act the aforesaid alleged violations. Consequently, Show Cause Notice No. A&E/BS/77857/2006 dated September 28, 2006 was issued by the AO to the Noticees under rule 4 of the Adjudication Rules. Pursuant to proceeding of Shri Biju S. on study leave the

undersigned has been appointed as AO vide order dated May 05, 2009.

3. While the adjudication proceedings were in progress, the Noticee made an application dated February 11, 2008 along with an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007 for settlement of the proceedings through Consent Order. Subsequently, the Noticee proposed revised consent terms vide letter dated June 17, 2009, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that they were willing to pay a sum of Rs.10,00,000/- (Rupees ten lakh only) towards settlement charges and Rs.25,000/- (Rupees twenty five thousand only) towards administrative expenses in the matter.
4. The revised consent terms as proposed by the Noticee was placed before the High Powered Advisory Committee (hereinafter referred to as ‘HPAC’) on July 24, 2009 and HPAC after deliberation recommended the case for settlement on the aforesaid revised consent terms proposed by the Noticee. The recommendations of HPAC were subsequently placed before the panel of Whole Time Members of SEBI.
5. The acceptance of consent proposal was communicated to the Noticee by SEBI vide letter dated August 31, 2009. In pursuance of the aforesaid consent terms, the Noticee has remitted a sum of Rs.10,25,000/- (Rupees ten lakh twenty five thousand only), vide demand draft No. 051384 dated September 3, 2009 drawn on HDFC Bank Ltd., Mumbai towards the terms of consent in the matter.

6. In view of above, it is hereby ordered that:

- i) this consent order disposes of the said proceedings pending against the Noticee under Securities and Exchange Board of India Act, 1992 and
- ii) passing of this order is without prejudice to the rights of SEBI to take enforcement actions including commencing/ reopening of the pending proceedings against the Noticee, if SEBI finds that:
 - a. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
 - b. The Noticee has breached any of the clauses/ conditions of undertakings/waivers filed during the current consent proceedings.

7. This consent order is passed on the 15th day of September 2009 and shall come into force with immediate effect.

**SATYA RANJAN PRASAD
ADJUDICATING OFFICER**