

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

**CONSENT ORDER**

On the Application submitted by  
**M/s. SUNIL KUMAR KAYAN & CO.**  
**(PAN: AGDPK5151F)**

CO/ERO/1655/AO/SRP/RK/75/2010

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1. The Securities and Exchange Board of India (**SEBI**) had initiated adjudication proceedings against M/s. Sunil Kumar Kayan & Co. (hereinafter referred to as '**Noticee**') for the alleged violation of the provisions of clauses A(1) to A(5), B(1), B(2) and B(4)(a) of the Code of Conduct for Stock Brokers as specified under schedule II of the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 read with regulation 7 of the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 and various SEBI circulars.
2. Shri Tajinder Singh was appointed as the Adjudicating Officer (**AO**), vide order dated May 7, 2009 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 Rules**") to inquire into and adjudge under Sections 15F and 15HB of the Act the aforesaid alleged violations. Pursuant to relieving of Shri Tajinder Singh from the services of SEBI the undersigned has been appointed as the AO vide order dated January 11, 2010.
3. A Show Cause Notice No. EAD/TS/172640/2009 dated August 10, 2009 was issued to the Noticee under rule 4 of the Rules. While the adjudication proceedings were in progress, the Noticee made an application dated October 5, 2009 along with an affidavit of 'undertakings and waivers' in terms of SEBI Circular No. EFD/Cir.-1/2007 dated April 20, 2007 for settlement of the proceedings through Consent Order. Subsequently, the Noticee proposed revised consent terms vide letter dated January 20, 2010, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that it was willing to pay a sum of Rs. 2,50,000/- (Rupees two lakh fifty thousand only) towards settlement charge 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 February 20, 2010

and HPAC after deliberation recommended the case for settlement on the aforesaid revised consent terms as 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 March 29, 2010. In pursuance of the aforesaid terms of consent, the Noticee has remitted a sum of Rs.2,50,000/- (Rupees two lakh fifty thousand only), vide demand draft No. 013611 dated April 30, 2010 drawn on HDFC Bank Ltd., Mumbai towards settlement charge 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 the Act, and
  - ii) Passing of this order is without prejudice to the right 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 28<sup>th</sup> day of May, 2010 and shall come into force with immediate effect.

**SATYA RANJAN PRASAD**  
**ADJUDICATING OFFICER**