

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

Consent Order. NJD/IPICL/AO/DRK/AS/EAD-3/CO-24/2009

CONSENT ORDER

(Consent Application No.1285/2009)

(Consent Application No.1284/2009)

In the matter of

Jaysukhlal Jagjivan Stock Broking Pvt. Ltd.

(Stock Broker SEBI Regn No.-INB 010982739)

Shri Nitin Jaysukhlal Doshi

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI'), vide order dated September 11, 2007 initiated adjudication proceedings against BSE Stock Broker Jaysukhlal Jagjivan Stock Broking Pvt. Ltd. to inquire into and adjudge under Section 15HA and 15HB of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the '**SEBI Act**'), violation of the provisions of sub-regulation 2(b), (e) and (m) of Regulation 4 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 read with clause A(1) (2) (3) and(4) of the Code of Conduct for Stock Brokers as prescribed in Schedule II of the SEBI (Stock Broker and Sub Broker) Regulations, 1992 alleged to have been committed by Stock Broker Jaysukhlal Jagjivan Stock Broking Pvt. Ltd. in respect of its dealings in the scrip of Industrial & Prudential Investment Company Ltd. (hereinafter referred to as '**IPICL**').
2. Further, SEBI vide the aforesaid order dated September 11, 2007 has also initiated adjudication proceedings against Shri Nitin Jaysukhlal Doshi , Director of the aforesaid BSE Stock Broker, Jaysukhlal Jagjivan Stock

Broking Pvt. Ltd, to inquire into and adjudge under Section 15HA and 15HB of the SEBI Act the violation of sub-regulation 2(b) & (e) of Regulation 4 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 alleged to have been committed by him in respect of his dealings in the scrip of IPICL.

3. I was appointed as the Adjudicating Officer in these cases (subsequent to the transfer of Shri Biju S.) vide order dated December 10, 2008, under section 15 I of the SEBI Act read with Rule 3 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995. Show cause notices no. A&E/BS/AS/107562/2007 dated October 30, 2007 and A&E/BS/AS/107563/2007 dated October 30, 2007 were issued against the Stock Broker, Jaysukhlal Jagjivan Stock Broking Pvt. Ltd and its Director Shri Nitin Jaysukhlal Doshi respectively (hereinafter referred to as the noticees). Final Hearing notices dated January 23, 2009 and March 26, 2009 were also served on the noticees.
4. Pending adjudication proceedings, the Noticees made applications dated April 08, 2009 (Consent application Regn. No. 1285 and 1284 of 2009) and undertakings in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. Pursuant to the said applications, the Noticees submitted their revised consent terms vide their letter dated June 17, 2009 wherein they proposed an amount of Rs. 3,60,000/- (Rupees Three lakhs sixty thousand only) plus an interest @ 18% from the date of the transaction till the date of the payment towards settlement charges. The consent terms were placed before the High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) on July 02, 2009 and the HPAC considered the facts and circumstances of the case, the proposed settlement terms offered by the Noticees and the other material brought before the HPAC. HPAC after deliberation recommended both the cases for settlement on the consent terms proposed by the Noticees.
5. In terms of the revised proposal of the Noticees for the sole purpose of settling the matter on hand and without admission or denial of guilt on the

part of the Noticees to the findings of fact or conclusions of law, the Noticees have remitted a sum of Rs.5,93,457/- (Rupees Five lakh ninety three thousand four hundred and fifty seven only) favoring Securities and Exchange Board of India vide Demand Draft No. 260947 dated 24/08/2009 drawn on Bank of India, payable at Mumbai, towards the terms of consent in the matter.

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

- i. this consent order disposes of the said adjudication proceedings initiated against the Noticees under SEBI Act, 1992, 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 Noticees, if SEBI finds that:
 - a. any representations made by the Noticees in the consent proceedings are subsequently discovered to be untrue.
 - b. the Noticees have breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

7. This consent order is passed on the 31st day of August, 2009 and shall come into force with immediate effect.

8. In terms of Rule 6 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, copies of this order are being sent to Stock Broker Jaysukhlal Jagjivan Stock Broking Pvt. Ltd. (SEBI Regn No.-INB 010982739) and Shri Nitin Jaysukhlal Doshi and also to the Securities and Exchange Board of India, Mumbai.

**Place: Mumbai
August 31, 2009**

**D. RAVI KUMAR
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER**