

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
UNIQUE STOCKBRO PVT. LTD**

**IN THE MATTER OF
G. G. AUTOMOTIVE GEARS LTD.**

(CONSENT APPLICATION NO. 1187/2009)

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the alleged irregularities in the trading of the shares of G. G. Automotive Gears Ltd. (hereinafter referred to as the 'company') between August 1, 2002 and October 16, 2002. The investigations, prima facie, revealed that Unique Stockbro Pvt. Ltd, (hereinafter referred to as the 'applicant'), a member of the Bombay Stock Exchange Ltd., (SEBI Registration No. INB011072130 and Pan No.AAACU2884M) had executed synchronized and circular trades in the shares of the company to push up the volume and prices of the shares in violation of the provisions of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 and SEBI (Stock brokers and Sub-brokers) Regulations, 1992.

2. Pursuant to the investigations, an enquiry officer was appointed and a show cause notice dated June 5, 2006 was issued under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002, to the applicant. The applicant replied to the show cause notice vide letter dated June 25, 2006. Thereafter, an opportunity of personal hearing was granted by the Enquiry Officer on November 25, 2008 which was availed by the applicant. Subsequently, the Enquiry Officer had submitted a report dated January 22, 2009, recommending suspension of the Certificate of Registration of the applicant for a period of one month.

3. While further proceedings were in progress, the applicant, vide application dated January 22, 2009, proposed settlement of the said proceedings through a consent order in terms of SEBI Circular No.EFD/ED/Cir.-01/2007 dated April 20, 2007. It proposed

revised consent terms vide letter dated May 17, 2010. The High Powered Advisory Committee (HPAC) constituted by SEBI considered the consent terms proposed by the applicant and recommended that the case may be settled on payment of Rs. 47,00,000 (Rupees forty seven lakh only) towards settlement charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated June 24, 2010. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs. 47,00,000 (Rupees forty seven lakh only) towards settlement charges vide Pay order No. 289801 dated July 5, 2010 drawn on HDFC Bank Limited and payable at Mumbai.

4. In view of the above, it is hereby ordered that this consent order disposes of the above enquiry proceedings against the applicant in the matter of G. G. Automotive Gears Ltd.

5. A copy of this order shall be sent to the Bombay Stock Exchange Ltd. of which the applicant is a broker, for information.

6. This order is without prejudice to the right of SEBI to reopen the enforcement proceedings 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 22nd of July 2010 and shall come into force with immediate effect.

K. M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER