

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATIONS SUBMITTED BY

1.	M/s Subhkam Securities Private Limited;
2.	M/s Milton Securities Limited
3.	M/s Shubhkam Monetary Services Private Limited (Now known as M/s Subhkam Ventures (I) Private Limited)
4.	M/s Milton Stocks and Shares Limited (Now known as M/s. Subhkam Stocks and Shares Private Limited)

IN THE MATTER OF

M/s GUJARAT GAS COMPANY LIMITED

(CONSENT APPLICATION NOS. 1651/2009; 1652/2009; 1894/2010; 1895/2010; 1790/2010; 1791/2010; 1792/2010 AND 1793/2010)

1. SEBI had conducted investigation into the alleged irregularities in the trading in the shares of M/s Gujarat Gas Company Limited (GGCL) during the period from March 5, 2001 to May 4, 2001. The investigation *prima facie* revealed that M/s Subhkam Securities Private Limited; M/s. Subhkam Stocks and Shares Private Limited (earlier known as M/s Milton Stocks and Shares Limited); M/s Milton Securities Limited and M/s Shubhkam Monetary Services Private Limited. (Now known as M/s Subhkam Ventures (I) Private Limited), having their registered office at 15, Onlooker Building, 2nd Floor, Sir P.M. Road, Fort, Mumbai- 400001, had carried out cross deals and synchronized trades with a view to create artificial volumes; executed artificial trades either with self or related/ associated parties and acting in concert with related parties, acquired shares amounting to 5.91% of the paid up capital of GGCL.
2. Therefore, it was alleged that the above mentioned related/ group entities had violated the provisions of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 1995 (PFUTP Regulations, 1995) read with SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (PFUTP Regulations, 2003) and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (Takeover Regulations).
3. Pursuant to the investigation, SEBI initiated following proceedings against the aforesaid entities –

Sl. No.	Entity Name	Alleged Violations	Pending Proceeding/s
1.	M/s Subhkam Securities Pvt. Ltd;	(i) Regulations 7(1) and 7(2) of the Takeover Regulations.	Adjudication - show cause notice no. A&E/SD/AB/175122/2009 dated August 31, 2009.
		(ii) Regulation 4(b) of PFUTP Regulations, 1995	Enquiry –SCN no.A&E/SD/AB/161467/2009 dated April 24, 2009.
2.	M/s Subhkam Stocks and Shares Pvt. Ltd. (earlier known as M/s. Milton Stocks and Shares Ltd.)	(i) Regulations 7(1) and 7(2) of the Takeover Regulations.	Adjudication -show cause notice no. A&E/SD/AB/175123/2009 dated August 31, 2009
		(ii) Regulation 4(b) of PFUTP Regulations, 1995.	Enquiry -show cause notice no. A&E/SD/AB/161472/2009 dated April 24, 2009
3.	M/s Milton Securities Limited	(i) Regulations 7(1) and 7(2) of the Takeover Regulations.	Adjudication - show cause notice no. A&E/SD/AB/175125/2009 dated August 31, 2009
		(ii) Regulation 4(b) of PFUTP Regulations, 1995 read with regulation 13 of SEBI PFUTP Regulations, 2003.	Proceedings under sections 11(4) and 11B of the SEBI Act read with regulation 11 of the SEBI PFUTP Regulations, 2003 - show cause notice no. IVD/ID-5/SG/BS/165649/2009 dated June 05, 2009
4.	M/s Subhkam Monetary Services Private Limited (Now known as M/s. Subhkam Ventures (I) Private Limited.)	(i) Regulation 4(b) of PFUTP Regulations, 1995 read with regulation 13 of PFUTP Regulations, 2003.	Proceedings under sections 11(4) and 11B of the SEBI Act read with regulation 11 of the PFUTP Regulations, 2003 - show cause notice no. IVD/ID-5/SG/BS/165648/2009 dated June 05, 2009.
		(ii) Regulations 7(1) and 7(2) of the Takeover Regulations.	Adjudication -show cause notice no.A&E/SD/AB/175124/2009 dated August 31, 2009

4. The said related/group entities (hereinafter referred to as the “applicants”) filed their replies to the show cause notices dated April 24, 2009; June 05, 2009 and August 31, 2009. While the above proceedings were in progress, the applicants vide separate letters dated November 23, 2009; January 16, 2010 and February 23, 2010 had proposed settlement of all the above mentioned proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The applicants jointly proposed a consolidated revised consent terms vide their letter dated May 5, 2010 for settlement of all the above pending proceedings.

5. The High Powered Advisory Committee constituted by SEBI considered the consolidated revised consent terms proposed by the applicants jointly and recommended the settlement of all the abovementioned pending proceedings through consent order on payment of. settlement charges of ₹ 47, 00,000/- (Rupees Forty Seven Lakh Only), jointly, as proposed by the applicants. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated February 4, 2011.
6. Accordingly, the applicants, without admitting or denying the charges, have remitted a consolidated sum of ₹ 47,00,000/- (Rupees Forty Seven Lakh Only) towards settlement charges for settlement of all the abovementioned pending proceedings, vide demand draft No. 590208 dated 18.02.2011 drawn on Axis Bank Limited, payable at Mumbai.
7. In view of the above, it is hereby ordered that this consent order disposes of the above said adjudication proceedings, enquiry proceedings and the proceedings initiated under section 11 (4) and 11 B of the SEBI Act, 1992, pending against the applicants in the matter of M/s Gujarat Gas Company Ltd.
8. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or reopening of the proceedings pending against 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.
9. This consent order is passed on this day, the 3rd of May, 2011 and shall come into force with immediate effect.

DR. K. M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER