

**CO/NRO/1623/366 /2010**

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

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY**

**M/s. MANOJ SARNA & Co.  
MEMBER: LUDHIANA STOCK EXCHANGE LIMITED  
SEBI REGISTRATION No.INB 120767312**

**IN THE MATTER OF  
M/s. CLASSIC GLOBAL IMPEX LIMITED  
(Now known as M/s. DEVINE IMPEX LIMITED)**

**(CONSENT APPLICATION NO.1623/2009)**

1. Securities and Exchange Board of India (SEBI) conducted investigations into the trading in the scrip of M/s. Classic Global Impex Ltd. (hereinafter referred to as 'Classic'). These investigations, *prima facie*, revealed that certain Ludhiana Stock Exchange (LSE) members/brokers including M/s. Manoj Sarna & Co. (hereinafter referred to as 'the applicant'), located at 15-B, Link Road, Model Town, Jalandhar, had during the period 1997-1999 committed certain irregularities in issuing contract notes to their clients on the basis of which the clients claimed capital gain/losses from Income Tax Authorities. Therefore, it was alleged that the applicant by facilitating fictitious trades had failed to maintain high standards of integrity, promptitude and fairness in the conduct of its business and thereby violated the provisions of Clause A(1) of Code of Conduct prescribed under Schedule II of the SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 read with Regulation 7 of the said Regulations.

2. Pursuant to the said investigations, SEBI initiated enquiry proceedings under SEBI (Procedure for holding Enquiry by Enquiry



Officer and Imposing Penalty) Regulations, 2002. Vide enquiry report dated October 30, 2009, the enquiry officer has recommended that the registration of the applicant be suspended for a period of 15 days. While the proceedings pursuant to the same were in progress, the applicant, vide application dated October 28, 2009, proposed settlement of the said proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The applicant proposed revised consent terms vide letter dated January 20, 2010, whereby the applicant undertook to pay Rs.3,00,000/- (Rupees Three Lakh only) towards settlement charges. The consent terms proposed by the applicant were placed before the High Powered Advisory Committee and the High Powered Advisory Committee, after deliberations, recommended that the case may be settled on the terms proposed by the applicant. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated March 29, 2010.

3. For the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant, the applicant has remitted a sum of Rs.3,00,000/- (Rupees Three Lakh only) vide Demand Draft No.074457 dated April 13, 2010 drawn on Punjab National Bank.
4. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings against the applicant in the matter.
5. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or reopening of the proceedings pending against the applicant, if:
  - a. any representation made by the applicant in this consent



proceedings pending 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.

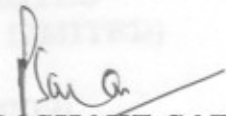
6. This consent order is passed on this day, the 4<sup>th</sup> of May, 2010.

M/s. MANOJ SARMA & Co.  
MEMBER: LUDHIANA STOCK EXCHANGE  
SEN REGISTRATION NO. 12079



**K. M. ABRAHAM**

**WHOLE TIME MEMBER**



**PRASHANT SARAN**

**WHOLE TIME MEMBER**