

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

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY**

**S.P.J STOCK BROKERS PRIVATE LIMITED**

**IN THE MATTER OF  
SUN INFOWAYS LIMITED-II**

**(CONSENT APPLICATION NO. 1196/2009)**

1. SEBI had conducted investigations into the alleged irregularities in the trading of shares of Sun Infoways Limited during the period February 05, 2001 – May 02, 2001. The investigations, prima facie, revealed that S.P.J. Stock Brokers Pvt. Ltd., a stock broker of Bombay Stock Exchange Ltd. (hereinafter referred to as 'applicant') with SEBI Registration No. INB 011206738 had along with others indulged in executing reversal / circular trades in proprietary account and in creating artificial volume and impacting the price of the scrip. It was, therefore, alleged that the applicant had violated the provisions of Regulation 4 (a) to (d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 and Regulation 7 read with Clause A(1) to A(5) of Code of Conduct prescribed in Schedule II of the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.
2. Pursuant to the said investigations, SEBI initiated enquiry proceedings. Show cause notice no. A&E/BS/ASG/129300/2008 was issued to the applicant on June 18, 2008.
3. While the above proceedings were in progress, the applicant, vide letter dated February 05, 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. The applicant, vide letter dated May 28, 2009, submitted revised consent terms. The High Powered Advisory Committee, appointed by SEBI, considered the consent terms proposed by the applicant and recommended that the case may be settled on voluntary suspension of certificate of registration of the applicant as broker for a period of two months. The committee also recommended that the two months suspension shall run subsequent to and not concurrent with the four months suspension offered by the applicant in the consent Application No. 1265/2009 i.e. in the matter of M/s. Karuna Cables Limited. SEBI accepted the recommendations of HPAC and communicated the same to the applicant vide letter dated July 13, 2009.

4. For the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant to the finding of fact or conclusion of the law, the applicant furnished an undertaking, vide letter dated July 21, 2009, to undergo voluntarily suspension for a period of two months. The applicant also undertook that the said voluntary suspension shall be subsequent to and not concurrent with the four months suspension offered by the applicant in the matter of M/s. Karuna Cables Limited.
5. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings pending against the applicant in the matter of Sun Infoways Limited.
6. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing / reopening of the 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.
7. A copy of this order shall be served on the Bombay Stock Exchange Ltd. (BSE) to ensure that the applicant does not deal in securities as a broker and sub-broker for two months.
8. This consent order is passed on this day, the 4th of August 2009 and shall come into force from 10<sup>th</sup> of august, 2009

**Sd /-**

**M. S. Sahoo**

**Whole Time Member**

**Sd/-**

**Dr. K. M. Abraham**

**Whole Time Member**