

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

M/s. O.P. GUPTA & COMPANY
(Formerly known as SG & Company)

MEMBER: LUDHIANA STOCK EXCHANGE LIMITED
SEBI REGISTRATION No.INB 120317811
(PAN No.AAQPG7679H)

IN THE MATTER OF
M/s. SG GLOBAL EXPORTS LIMITED
AND
M/s. SRU SHARE BROKERS LIMITED

(CONSENT APPLICATION NO. 937/2008)

1. Securities and Exchange Board of India (SEBI) had conducted investigations in respect of buying, selling and dealing in the shares of M/s. SRU Share Brokers Limited (hereinafter referred to as 'SRU') and M/s. SG Global Exports Limited (hereinafter referred to as 'SGEL'). These investigations, *prima facie*, revealed that M/s. O.P. Gupta & Company (hereinafter referred to as 'applicant'), located at 304, Ludhiana Stock Exchange Building, Feroze Gandhi Market, Ludhiana, had indulged in irregular and fictitious trading in the shares of SRU and SGEL. Therefore, with respect to the transactions in the scrip of SRU, it was alleged that the applicant had violated the provisions of Rule 4(b) of the SEBI (Stock Brokers and Sub-Brokers) Rules, 1992, Clause A(5) of the Code of Conduct for Stock Brokers stipulated by the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and Section 16 of Securities Contracts (Regulation) Act, 1956. With respect to the transactions in the scrip of SGEL, it was alleged that the applicant had violated provisions of the Code of Conduct for Stock Brokers and Regulations 4(c) and 6(d)

of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 1995 read with Regulation 4(2)(b) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003.

2. Pursuant to the said investigations, SEBI initiated separate enquiry proceedings under SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 against the applicant in the scrips of SRU and SGEL. After the conclusion of the enquiry proceedings, SEBI issued show cause notice No. IVD/NRO/02/207/2002/AS/18950 dated January 16, 2004 to the applicant and a personal hearing was granted to the applicant on September 17, 2004. In the scrip of SGEL, show cause notice No. IVD/NRO/03/336/2004/22567 dated January 17, 2005 was issued to the applicant. While the proceedings in SRU and SGEL were in progress, the applicant, vide application dated August 4, 2008, 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 February 26, 2009, whereby the applicant undertook to pay Rs.1,00,000/- (Rupees one lakh only) towards settlement charges and Rs.25,000/- (Rupees twenty five thousand only) towards administrative charges and to undergo voluntary debarment from buying, selling or dealing in the securities market, in any manner whatsoever, for a period of one year. The consent terms proposed by the applicant were placed before the High Powered Advisory Committee which 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 September 4, 2009.
3. For the sole purpose of settling the matter on hand and without admission or denial of guilt, the applicant has remitted a sum of Rs.1,25,000/- (Rupees one lakh twenty five thousand only) vide Demand Draft No.023383 dated September 23, 2009 drawn on Punjab National Bank, Mumbai.

4. In view of the above, it is hereby ordered that this consent order disposes of the said proceedings against the applicant in the scrips of SRU and SGEL. It is also ordered that the applicant shall not buy, sell or deal in the securities market, in any manner whatsoever, for a period of one year from 9th December, 2009.
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 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. A copy of this order shall be served on all recognized Stock Exchanges including Ludhiana Stock Exchange Limited of which applicant is a broker and the Depositories to ensure that the applicant namely, O.P. Gupta & Company (PAN No. AAQPG7679H) is not allowed to buy, sell or deal in securities, in any manner whatsoever, for a period of one year from 9th December, 2009.
7. This consent order is passed on this day, the 6th of December, 2009 and shall come into force with immediate effect.

M. S. SAHOO
WHOLE TIME MEMBER

K. M. ABRAHAM
WHOLE TIME MEMBER