

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
CONSENT ORDER

CO/1768/2010/IVD/AO/SG/1-26

In respect of

Mr Rahul Goela (PAN AMLPG7938E)
& Others

In the matter of

M/s Haryana Fibres Limited

1. SEBI, *vide* an order dated October 22, 2001, had initiated adjudication proceedings against the following 26 entities (hereinafter collectively referred to as the 'Noticees') to inquire into and adjudge the alleged violations of Regulation 6(1) and (3) (for the year 1997) and Regulation 8(1) and (2) (for the years 1998, 1999, 2000 & 2001) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 under section 15A(b) of Securities and Exchange Board of India Act, 1992 (SEBI Act) read with section 15-I of SEBI Act read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 in the matter of Haryana Fibres Ltd.:

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| 1. M/s Arrow Capital Services P. Ltd. | 14. Mr Arun Mittal |
| 2. Mr Inder Prakash | 15. Ms Jayanti Goela |
| 3. M/s NMC Holdings P. Ltd. | 16. Mr P. S. Mathur |
| 4. Ms Parvinder Kumar | 17. Mr Pratap Shukla |
| 5. Mr Prem Khanna | 18. Mr Rahul Goela |
| 6. Mr Rajiv Goela | 19. Ms Roshini Aggrawal |
| 7. Mr Shyam Shanker Goela | 20. Mr Shyam Sunder Aggarwal |
| 8. Ms Sunila Goela | 21. Ms Sunita Gupta |
| 9. M/s Uma Carbonics P. Ltd. | 22. Ms Uma Goela |
| 10. Mr Vijay Bhushan | 23. Mr Dakaraju Pajadala |
| 11. Mr Javed Iqbal Siddiqi | 24. Mr Bharat Bhushan (since deceased) |
| 12. Mr Dhanbir Flower | 25. Ms Indu Srivastav |
| 13. Mr Kamal Pal | 26. Mr Pawan Dewan |

2. Shri J. Ranganayakulu was appointed as the Adjudicating Officer in the said matter and a show cause notice (SCN) dated March 16, 2002 was issued to the Noticees by him.
3. Subsequently, the undersigned was appointed as the Adjudicating Officer *vide* an order dated July 24, 2003. Since, some of the SCNs issued earlier had returned undelivered, SCNs were reissued on October 28, 2004 to such entities. Opportunities of personal hearing were also accorded *vide* letters dated March 29, 2004, October 28, 2004 and October 20, 2009 to the entities where the SCNs could be delivered.
4. In the meantime, while the adjudication proceedings were in progress, Mr. Rahul Goela (applicant) on his own behalf and on behalf of 25 other entities listed above (i.e. Noticees) made a Consent Application No. 1768/2010 dated December 17, 2009 and an affidavit of "Undertakings and Waivers" in terms of SEBI Circular No. EFD/Cir.-1/2007 dated April 20, 2007 for Consent order in respect of the aforesaid SCNs before SEBI. Pursuant to the said application, the applicant *vide* his letter dated February 25, 2010 proposed to pay on his own behalf and on behalf of the 25 other entities, a consolidated amount of Rs.1,70,000/- (Rupees One Lakh Seventy Thousand Only) towards consent terms.
5. The consent terms were placed before the High Powered Advisory Committee (hereinafter referred to as "HPAC") on March 17, 2010 and the HPAC after deliberation recommended the case for settlement on the consent terms proposed by the applicant. Thereafter, SEBI *vide* letter dated April 08, 2010 conveyed to the applicant that SEBI has in principle agreed to accept the recommendations of HPAC, subject to the clauses of Undertakings/ Waivers and advised the applicant to pay Rs.1,70,000/- (Rupees One Lakh Seventy Thousand Only) in accordance with the consent terms.
6. In terms of the said proposal, the applicant has remitted a sum of Rs.1,70,000/- (Rupees One Lakh Seventy Thousand Only), *vide* Demand Draft No.628183 dated April 30, 2010 favouring SEBI, drawn on The Karnataka Bank Ltd towards the terms of consent in the matter.

7. In view of the above, it is hereby ordered that:

7.1 This consent order disposes of the said adjudication proceedings pending against the Noticees under SEBI Act, 1992 and

7.2 Passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the pending proceedings against the Noticees, if SEBI finds that:

- (a) any representations made by the Noticees in the consent proceedings are subsequently discovered to be untrue.
- (b) the Noticees have breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

8. This consent order shall come into force with immediate effect.

Date : June 11, 2010

Place : Mumbai

Suresh Gupta
Adjudicating Officer