

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA,

MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

**RAJEEV RENIWAL, HARYANA SHIP BREAKERS LTD., SANJEEV RENIWAL-
HUF, SHANTI SARUP RENIWAL, SHANTI SARUP RENIWAL - HUF AND INDUCTO
STEEL LTD.**

IN THE MATTER OF

IRREGULARITIES RELATING TO NISSAN COPPER LTD.

1. Upon noticing abnormal price rise in the share of Nissan Copper Limited (NCL), Securities and Exchange Board of India ("SEBI") launched an investigation into dealings on the first date of listing of shares of NCL. Simultaneously, SEBI passed an ad interim ex parte Order dated January 17, 2007, inter alia, directing NSE and BSE to withhold the profits/gains of the applicants in a separate escrow account. NSE and BSE in compliance with the said Order of SEBI withheld an amount of Rs.9,52,90,137.90 (Rupees Nine Crore Fifty Two Lakh Ninety Thousand One Hundred Thirty Seven and Ninety Paise Only).
2. The investigations prima facie found that the applicants in collusion with their counterparties had allegedly arranged for the subscription from the FII in the QIB portion of the IPO of NCL. They had agreed that upon listing of the shares of NCL, the applicants along with other counterparties would provide an assured exit for the FII at a predetermined price by entering into structured transactions. This act of applicants appears to have distorted the prices in the market and the applicants seem to have benefited from this.
3. On completion of the investigation, SEBI issued a show cause notice dated November 7, 2007 against all the applicants, under Sections 11(4) and 11B of the

SEBI Act, 1992 for the alleged violation of the provisions of SEBI Act, 1992 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003. The said proceedings are pending against the applicants.

4. In the meanwhile, the applicants proposed, vide letter dated January 2, 2008, settlement of the pending proceedings through consent order. The consent terms proposed by the applicants were placed before the High Powered Advisory Committee (HPAC) and the HPAC after considering the fact that the applicants were not otherwise dealing in the securities market and this was their first transaction attracting regulatory action, recommended that, the case may be settled if the applicants were agreeable to pay the amount withheld pursuant to SEBI Order dated January 17, 2007 i.e., Rs. 9,52,90,137.90 (Rupees Nine Crore Fifty Two Lakh Ninety Thousand One Hundred Thirty Seven and Ninety Paise Only) plus the interest accrued thereon till the date of transfer to SEBI as settlement charges. The said terms of settlement were communicated to the applicants vide letter dated August 4, 2008.

5. For the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicants to the finding of fact or conclusion of law, the applicants have agreed that the amount withheld i.e., Rs. 9,52,90,137.90 (Rupees Nine Crore Fifty Two Lakh Ninety Thousand One Hundred Thirty Seven and Ninety Paise Only) along with the interest accrued there on, as mentioned above may be transferred to SEBI as settlement charges towards the terms of the consent in the matter.

6. In view of the above, it is hereby ordered that this consent order disposes of the proceedings initiated vide show cause notice dated November 7, 2007 issued under Sections 11(4) and 11B of SEBI Act, 1992.

7. On issuance of this Order by SEBI, NSE and BSE shall transfer to SEBI Rs. 9,52,90,137.90 (Rupees Nine Crore Fifty Two Lakh Ninety Thousand One Hundred Thirty Seven and Ninety Paise Only) plus the interest accrued thereon till the date of transfer to SEBI.

8. This is without prejudice to the right of SEBI to take enforcement action including commencing / reopening of the pending proceedings against the applicants, if SEBI finds that:

a. any representations made by the applicants in the consent proceedings are subsequently discovered to be untrue.

b. the applicants have breached any of the clauses / conditions of undertakings/waivers filed during the current consent proceedings.

9. This consent order is passed on this the 14th day of August, 2008 and shall come into force with immediate effect.

T.C.Nair

Whole Time Member

M.S.Sahoo

Whole Time Member