

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

CO/IMD/1203/AO/PKB/47/2009

Under section 15-I of Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995.

In respect of
Birla Sun Life Asset Management Company Limited
PAN No. AAACB6134D

1. SEBI, vide order dated January 31, 2008, initiated adjudication proceedings against Birla Sun Life Asset Management Co. Ltd. (hereinafter referred to as the 'noticee') for allegedly violating Regulation 28 (1) and (2) of SEBI (Mutual Fund) Regulations, 1996.
2. The noticee had filed the draft offer document of Birla Sun Life Interval Income Fund with SEBI, namely, Monthly Plan – Series I and II and Quarterly Plan Series – I, II and III and the same were approved by SEBI. However, the noticee launched the Monthly Plan Series – III, the draft offer document of which had not been filed with SEBI. Therefore the noticee was alleged to have violated the abovementioned provisions of law.
3. A show cause notice dated June 4, 2008 was issued to the noticee.
4. Pursuant to the transfer of Shri. D. S. Reddy the undersigned has been appointed as Adjudicating Officer vide order dated December 10, 2008.
5. Pending the adjudication proceedings, the noticee made an application dated February 16, 2009, and an affidavit in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007. Pursuant to the said application, the noticee vide letter dated March 20, 2009 proposed to pay a consolidated amount of Rs. 1,00,000/- (Rupees One Lakh Only) towards settlement terms and Rs. 25,000/- (Rupees Twenty Five Thousand

Only) towards administrative expenses. The consent terms were placed before the High Powered Advisory Committee (HPAC) and HPAC after deliberation recommended the case for settlement on the consent terms proposed by the noticee.

6. In terms of the proposal of the noticee for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the noticee to the finding of fact or conclusion of law, the noticee has remitted a sum of Rs. 1, 25,000/- (Rupees One Lakh and Twenty Five Thousand Only), favouring SEBI, vide Demand Draft No. 449603 dated May 12, 2009 drawn on HDFC Bank, Mumbai, towards the terms of consent in the matter.
7. In view of the above, it is hereby ordered that:
 - i) This consent order disposes of the said adjudication proceedings pending against the noticee under SEBI Act, 1992 and
 - ii) 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 noticee, if SEBI finds that:
 - a. Any representations made by the noticee in the consent proceedings are subsequently discovered to be untrue.
 - b. The noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.
8. This consent order is passed on the 18th day of May, 2009 and shall come into force with immediate effect.
9. In terms of Rule 6 of the Adjudication Rules, copies of this order are sent to the Noticee and also to the Securities and Exchange Board of India.

Place: Mumbai

P. K. BINDLISH
ADJUDICATING OFFICER