

CONSENT ORDER IN THE ADJUDICATION PROCEEDINGS AGAINST BIRLA GLOBAL FINANCE LTD. (SINCE MERGED WITH ADITYA BIRLA NUVO LTD.) FOR THE ALLEGED NON COMPLIANCE WITH THE SEBI ORDER DATED JANUARY 12, 2006.

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") vide order dated January 02, 2008 initiated adjudication proceedings against Birla Global Finance Ltd. (since merged with Aditya Birla Nuvo Ltd.) (hereinafter referred to as the "applicant"). I was appointed as the adjudicating officer to inquire into and adjudge under Section 15 I of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the "SEBI Act"), the alleged failure on the part of the applicant to comply with the *ex parte* Order dated January 12, 2006 passed by SEBI.
2. Pursuant to the investigations into the irregularities in the Initial Public Offering (IPO) of shares made by Infrastructure Development Finance Corporation (IDFC), SEBI had issued an ad-interim *ex parte* Order WTM/GA/43/ISD/01/06 dated January 12, 2006, *inter alia*, restraining Shri Manoj Seksharia from buying, selling or dealing in the securities market directly or indirectly till further orders. SEBI, however, found that on January 13, 2006 the applicant sold 36500 of Reliance Industries Limited (RIL) shares in violation of the said ad-interim *ex parte* Order by invoking a pledge created with the applicant.
3. SEBI initiated adjudication proceedings under Chapter VIA of the SEBI Act, 1992 against the applicant. A show cause notice A&E/BS/P/123400/2008 dated April 21, 2008 was issued to the applicant under Section 15HB of the SEBI Act, 1992.
4. While further proceedings in the matter were in progress, the applicant, vide its letter dated July 2, 2008 proposed settlement of the pending proceedings through a consent order. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and recommended the case for settlement. As per the terms of settlement, the applicant shall pay Rs. 20,000/- (Rupees twenty thousand only) towards the consent terms. The said terms of settlement were accepted by SEBI and circulated to the applicant vide a letter dated October 21, 2008.
5. Accordingly, the applicant without admitting or denying the charges has remitted a sum of Rs.20,000/- (Rupees twenty thousand only) towards

settlement charges vide demand draft No.451849 dated October 27, 2008, drawn on HDFC Bank, payable at Mumbai.

6. In view of the above, it is hereby ordered that this consent order disposes of the said adjudication proceedings initiated vide Show Cause Notice A&E/BS/P/123400/2008 dated April 21, 2008 against the applicant.
7. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing / reopening of the pending proceedings against the applicant, if:
 - (i) any representation made by the applicant in this consent proceedings is subsequently discovered to be untrue;
 - (ii) the applicant has breached any of the clauses / conditions of undertakings/waivers filed during the current consent proceedings.
8. This consent order is passed on this day, the 17th day of November, 2008 and shall come into force with immediate effect.

Biju. S

Place: Mumbai

Adjudicating Officer