

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

Consent Order

No. CFD/SIL/AO/DRK-JR/EAD-3/CO-66/1 to 69/4 - 2013

in respect of :

WLR Recovery III (India) Limited
WLR Recovery IV/ESC (India) Limited
India Asset Recovery Fund Limited
WLR/GS (India) Limited

(Address: IFS Court, 28 Cybercity, Ebene, Mauritius)

In the matter of:
(Spicejet India Ltd.)

-
1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), vide order dated March 28, 2011 initiated adjudication proceedings against WLR Recovery III (India) Ltd., WLR Recovery IV/ESC (India) Limited., India Asset Recovery Fund Ltd. and WLR/GS (India) Limited. (hereinafter referred to as '**the Noticees**') in the matter of Spicejet India Ltd. (hereinafter referred to as '**the Target Company**') to inquire into and adjudge under Section 15H(ii) and Section 15HB of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') for the violations of regulation 10, regulation 45(5) and regulation 22(16) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "**SAST Regulations**") alleged to have been committed by the Noticees.
 2. Show Cause Notice No. EAD-7/PB/SS/27731/2011, EAD-7/PB/SS/27733/2011, EAD-7/PB/SS/27742/2011 & EAD-7/PB/SS/27751/2011 dated August 31, 2011 (hereinafter referred to as '**SCN**') was issued to the Noticees respectively. It was alleged under the SCN that: (i) the Noticees had failed to make a public announcement to acquire shares of Target Company in terms of regulation 10 of SAST Regulations; (ii) suppressed the information thereby attempting to mislead the regulator as well as public at large in violation of regulation 45(5) of SAST Regulations; (iii) the shares and voting rights under Sale and Purchase

Agreement were segregated and separately transferred prior to completion of the open offer formalities in violation of regulation 22(16) of SAST Regulations.

3. While the adjudication proceedings were in progress, the Noticees submitted a joint application dated June 22, 2012 for consent order to SEBI along with an undertaking in terms of SEBI Circular dated April 20, 2007 read with the SEBI Circular dated May 25, 2012. The Noticees vide their letter dated March 08, 2013 conveyed their acceptance to the condition that the consent order passed in this matter will be subject to the outcome of the Writ Petition No. 6949 /2011 filed before the Hon'ble Delhi High Court.
4. Pursuant to the said application, the Noticees vide their letter dated June 17, 2013 offered an aggregate amount of ₹1,10,23,158/- (Rupees one crore ten lakh twenty three thousand one hundred fifty eight only) towards the consent terms. The consent terms were placed before the High Powered Advisory Committee (hereinafter referred to as '**HPAC**') on July 05, 2013 and the HPAC considered the facts and circumstances of the case, the proposed settlement terms offered by the Noticees and other material brought before the HPAC. The HPAC after deliberations recommended the case for settlement on the consent terms as proposed by the Noticees. The Panel of Whole Time Members of SEBI approved the said recommendations of the HPAC on August 01, 2013 and the same was communicated by SEBI to the Noticees vide e-mail dated August 08, 2013. Accordingly, the Noticees had remitted a sum of ₹1,10,23,185/- (Rupees one crore ten lakh twenty three thousand one hundred eighty five only) in favour of SEBI vide Demand Draft No. MOB125849CSN dated August 13, 2013 drawn on HSBC Bank (Mauritius) Ltd. towards the terms of consent in the matter.
5. In view of the above, it is hereby ordered that:
 - i. this consent order disposes of the said adjudication proceedings initiated against the Noticees as mentioned in para 1 and 2 above; and,
 - ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing / re-opening 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.

6. This consent order is passed on the 26th day of September 2013 and shall come into force with immediate effect.
7. In terms of rule 6 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules,1995, copy of this order is being sent to the Noticees and also to the Securities and Exchange Board of India, Mumbai.

Place: Mumbai
Date: September 26, 2013

D. RAVI KUMAR
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER