

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

On the Application submitted by
ALLIANCE BERNSTEIN LP
Regn No:IN-US-FA-0588-99

CO/IVD/1002/AO/VSS/35/2009

1. Alliance Bernstein LP (hereinafter referred to as “**Noticee**”) is registered as Foreign Institutional Investor (hereinafter referred to as “**FII**”) with Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”). As per regulation 13(1)(e) of SEBI (Foreign Institutional Investors) Regulations, 1995 (hereinafter referred to as “**FII Regulations**”) the Noticee was required to submit to SEBI, the details of the change of name of the sub-accounts. It was alleged that the Noticee had delayed the intimation of the change of the name of four sub-accounts registered under it. Therefore, adjudication proceedings were initiated against the Noticee to inquire and adjudge the alleged violation of the provisions of regulation 13(1)(e) of FII Regulations under section 15HB read with section 15I of Securities and Exchange Board of India Act, 1992. Consequently, a Show Cause Notice No. EAD-5/VSS/JR/137165/2008 dated September 9, 2008 (hereinafter referred to as “**SCN**”) was issued under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 to the Noticee.
2. In the meantime, the Noticee made an application dated October 10, 2008 and an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/Cir.-1/2007 dated 20th April, 2007 for

Consent Order in respect of the aforesaid SCN. The Noticee proposed consent terms, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that he was willing to pay a sum of Rs.4,00,000/- (Rupees Four Lakh only). Thereafter, the Noticee vide letter dated December 1, 2008 proposed to offer a sum of Rs.10,25,000/- (Rupees Ten Lakh Twenty Five Thousand only) towards revised consent terms. The revised consent terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as '**HPAC**') on December 24, 2008. The HPAC considered the facts and circumstances of the case, consent terms offered by the Noticee and the material brought before them by SEBI and recommended that the case may be settled on payment of Rs.10,25,000/- (Rupees Ten Lakh Twenty Five Thousand only). The recommendation of HPAC was placed before the panel of two Whole Time Members of the SEBI Board who have agreed to the terms of consent as recommended by the HPAC.

3. SEBI vide letter dated January 30, 2009 communicated to the Noticee the recommendation of HPAC that the case may be settled on payment of Rs.10,25,000/-. The Noticee, vide letter dated February 18, 2009, in pursuance of the aforesaid, remitted a sum of Rs.10,25,000/- (Rupees Ten Lakh Twenty Five Thousand only), vide Demand Draft No.497944 dated February 18, 2009 drawn on ABN AMRO Bank, towards the terms of consent in the matter.
4. In view of above, it is hereby ordered that,
 - i) This consent order disposes of the said proceedings pending against the Noticee under Securities and Exchange Board of India Act, 1992 in the matter of Alliance Bernstein L.P, 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 representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
 - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.
5. This consent order is passed on the March 20, 2009 and shall come into force with immediate effect.

V S Sundaresan
Adjudicating Officer