

**THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI**

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY**

**M/S GABRIEL INTERNATIONAL INC.**

**IN THE MATTER OF**

**GABRIEL INDIA LIMITED**

**(CONSENT APPLICATION NO. 2000/2010)**

1. Gabriel International Inc. (hereinafter referred to as 'the applicant') incorporated under the laws of Panama, and having its registered office at Edificio Afra, Piso 10, Intersection of Avenida Samuel Lewis and Calle 54, Obarrio, Panama City, Republic of Panama vide its letter dated April 20, 2010, filed an application for consent, in terms of the SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007.
2. The applicant voluntarily filed the consent application:
  - (a) proposing the settlement of non-compliance of the provisions of regulations 6(1) and 8(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (the Takeover Regulations) in respect of its shareholding in Gabriel India Limited (hereinafter referred to as 'the Company') through a consent order; and
  - (b) requesting that the consent order should stipulate that pursuant to the settlement of the aforementioned non-compliances, the applicant shall be deemed to have complied with regulation 6(1) and 8(1) of the Takeover Regulations for the purpose of Explanation (ii) to regulation 3(e)(iii) of the Takeover Regulations.

3. The applicant has submitted that while the non-compliance of regulation 6(1) of the Takeover Regulations was a one-time default, the non-compliance of regulation 8(1) of the Takeover Regulations was for the years 1997 to 2009. Further, the Company had made disclosures regarding the applicant's shareholding to the concerned stock exchanges under regulations 6(2) and 8(3) of the Takeover Regulations and the Listing Agreement. Hence, the information regarding shareholding of the applicant was in the public domain and the object of disclosures, required to be made under regulations 6(1) and 8(1) of the Takeover Regulations, had been met.
4. Since, the scope of the consent order is limited with respect to the proposal as enumerated in para 2(a) above, the applicant vide its letter dated February 03, 2011 clarified that its proposal may be considered for the settlement of possible non-compliance by it of regulations 6(1) and 8(1) of the Takeover Regulations only.
5. Vide letter dated February 03, 2011, the applicant has proposed the revised consent terms to settle the said possible non-compliance on payment of Rs. 10,75,000/- (Rupees Ten Lakhs and Seventy Five Thousand Only) towards settlement charges.
6. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicants and recommended the case for settlement on payment of Rs. 10,75,000/- (Rupees Ten Lakhs and Seventy Five Thousand Only) towards settlement charges. SEBI accepted the said recommendations of the Committee and communicated the same to the applicant vide letter dated April 13, 2011.
7. Accordingly, the applicant has, vide demand draft no. "529229" dated April 23, 2011 drawn on the Royal Bank of Scotland, payable at Mumbai, remitted a sum of Rs. 10,75,000/- (Rupees ten Lakhs and Seventy Five Thousand Only) towards the settlement charges.
8. In view of the above, the possible non-compliance of the provisions of regulations 6(1) and 8(1) of the Takeover Regulations, as enumerated in the aforementioned

consent application read with the clarificatory letter of the applicant dated February 03, 2011, is settled as per above consent terms and SEBI shall not initiate any enforcement action against the applicant for the said possible non-compliances.

9. This order is without prejudice to the right of SEBI to initiate enforcement actions against the applicant for the abovementioned delay in compliance, if:

- a. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or
- b. the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.

10. This consent order is passed on this the 9<sup>th</sup> day of May, 2011 and shall come into force with immediate effect.

**K.M. ABRAHAM**  
**WHOLE TIME MEMBER**

**PRASHANT SARAN**  
**WHOLE TIME MEMBER**