

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

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
M/s. NATURA HUE CHEM LIMITED**

**IN THE MATTER OF
NATURA HUE CHEM LIMITED**

CO/CFD-DCR/1889/AO/SD/12/2009

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had initiated adjudication proceedings against M/s. Natura Hue Chem Ltd (hereinafter referred to as 'noticee') to inquire into and adjudge under Section 15I read with Section 15A of the SEBI Act, 1992 (hereinafter referred to as 'the said Act'), read with provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as the 'said Takeover Regulations'), their alleged violation of Regulation 7(3) of the said Takeover Regulations, in the matter of having failed to report the sale of 6,00,000 shares of their company as per the said regulations.
2. In the course of adjudication proceedings, a Show Cause Notice bearing no. EAD/GBR/80030/2006 dated November 16, 2006 was issued under Rule 4 of the SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating Officer) Rules, 1995 to the noticee, for the alleged violation of the abovementioned provisions of law by the noticee.
3. Further, pending the adjudication proceedings, the noticee has filed an application for consent dated September 25, 2008 and an affidavit of "Undertakings and Waivers" in the matter in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated 20th April, 2007 by proposing to pay Rs. 75,000/- (Rupees Seventy Five Thousand only) towards settlement fees and Rs.25,000/- (Rupees Twenty Five Thousand only) towards administrative expense, a total of Rs.1,00,000 (Rupees One Lac only) towards consent terms in the present matter. The terms as proposed by the noticee were placed before the High Powered Advisory Committee (HPAC) meeting held on December 12, 2008 and after considering the facts and circumstances of the case, consent terms offered by the noticee

and material put forth before the HPAC by SEBI, the HPAC recommended that the case may be settled on payment of Rs. 75,000/- (Rupees Seventy Five Thousand only) towards settlement fees and Rs.25,000/- (Rupees Twenty Five Thousand only) towards administrative expense, as offered by the noticee, which has been approved by the Panel of Whole Time Members of SEBI on December 29, 2008.

4. In terms of the noticee's proposal 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. 50,000/- (Rupees Fifty Thousand only), vide demand draft bearing no. 027299 dated September 23, 2008 and another sum of 50,000/- (Rupees Fifty Thousand only), vide demand draft bearing no. 029858 dated January 6, 2009, both drawn on Axis Bank Limited, Mumbai, towards the terms of consent in the matter.

5. In view of the above, it is hereby ordered that:

(a) this consent order disposes of the said adjudication proceedings pending against the noticee under the SEBI Act, 1992 in the matter of Natura Hue Chem Ltd, and

(b) 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

- I. any representations made by the noticee in the consent proceedings are subsequently discovered to be untrue.
- II. the noticee has breached any of the clauses/conditions of undertakings/waivers filed during the current consent proceedings.

This consent order is passed on the 9th day of February, 2009 and shall come into force with immediate effect.

Place: Mumbai
Dt. 09-02-2009

SANDEEP DEORE
ADJUDICATING OFFICER