

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
RESTILE CERAMICS LIMITED**

**IN THE MATTER OF
NON-DISCLOSURE UNDER TAKEOVER REGULATIONS
(CONSENT APPLICATION No.193 of 2007)**

1. The Restile Ceramics Limited (hereinafter referred to as 'the applicant') located at Malkapur Village, Hatnoora Mandal, (Via) Ismail Khan Pet, Medak Dist.-502296- Andhra Pradesh had made disclosures under Regulation 8(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Takeover Regulations") for the year 2000 to 2003. Later, it was discovered that while making disclosures under the aforesaid Regulation, the applicant failed to include the shareholding of certain persons who were acting in concert as defined under Regulation 2 (1) (e) of Takeover Regulations. Thus, the applicant failed to comply with the provisions of Regulation 8(3) of Takeover Regulations and, therefore, became liable for appropriate enforcement actions.
2. The applicant, vide letter dated October 4, 2007 proposed settlement of the enforcement actions that may be initiated by SEBI for the aforesaid failure, through a consent order in terms of SEBI Circular No. EFD/ED/Cir.-1/2007 dated April 20, 2007. It proposed revised consent terms vide letter dated July 21, 2009. High Powered Advisory Committee constituted by SEBI in its meeting held on June 12, 2009 considered the consent terms proposed by the applicant and recommended the case for settlement. Accordingly, the applicant shall pay Rs.1,25,000/- (Rupees one lakh twenty five thousand only) as settlement charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated July 14, 2009.

3. Accordingly, the applicant, without admitting or denying guilt, has remitted a sum of Rs. 1,25,000/- (Rupees one lakh twenty five thousand only) vide demand draft no.653719 dated July 21, 2009 drawn on HDFC Bank of India payable at Mumbai.
4. In view of the above, it is hereby ordered that SEBI shall not proceed with any enforcement action against the applicant for its non compliance, as mentioned at para-1 above under the Regulations referred to above.
5. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing appropriate proceedings against applicant for the aforesaid non-compliance, if:
 - a. any representation made by the applicant in this consent proceedings is subsequently discovered to be untrue, or
 - b. the applicant breaches any of the clauses/conditions of undertakings/waivers filed in this consent proceeding.
6. This consent order is passed on this day, the 29th of July, 2009 and shall come into force with immediate effect.

M. S. Sahoo
Whole Time Member

K.M. Abraham
Whole Time Member