

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

**ON THE APPLICATION SUBMITTED BY
SATIA INDUSTRIES LIMITED
(CONSENT APPLICATION NO. 1267 of 2009)**

1. Satia Industries Limited (hereinafter referred to as the 'applicant') having its registered office at Malout- Muktsar Road, V/PO Rupana, Muktsar Punjab- 152032, had made preferential allotment of 7,30,000 shares on 24.02.1997 to various entities in compliance with the term loan conditions imposed by Industrial Finance Corporation of India (IFCI). It is the case of the applicant that there was unintentional non-compliance of the provisions of Regulation 3 (3), (4), and 7 (1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as 'Regulations') relating to disclosures to be made in connection with the aforesaid preferential allotment.
2. Vide its letter dated March 26, 2009, the applicant voluntarily proposed settlement of the aforesaid violations through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and recommended the case for settlement. Accordingly, the applicant shall pay an amount of Rs. 1,50,000 (Rupees one lakh fifty thousand only) towards settlement charges. SEBI had accepted the said recommendations and communicated the same to the applicant vide letter dated November 19, 2009.

3. Accordingly, the applicant has remitted a sum of Rs. 1,50,000 (Rupees one lakh fifty thousand only) towards settlement charges, vide demand draft No. 979503 dated December 14, 2009 drawn on Punjab National Bank, Muktsar, Punjab, payable at Mumbai.
4. In view of the above, it is hereby ordered that SEBI shall not initiate any enforcement action against the applicant for its failure to make necessary disclosures under the Regulations as aforesaid.
5. This order is without prejudice to the right of SEBI to initiate enforcement actions, against the applicant for the aforesaid non-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.
6. This consent order is passed on this the 22nd day of December 2009 and shall come into force with immediate effect.

M. S. SAHOO
WHOLE TIME MEMBER

K. M. ABRAHAM
WHOLE TIME MEMBER