

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

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
ARYAMAN FINANCIAL SERVICES LTD**

**IN THE MATTER OF
ENQUIRY PROCEEDINGS AGAINST ARYAMAN FINANCIAL SERVICES LTD
(CONSENT APPLICATION NO. 956 OF 2008)**

1. Securities and Exchange Board of India (SEBI) had conducted an inspection of the books of accounts and other records of Aryaman Financial Services Ltd (hereinafter referred to as "the applicant"), a merchant banker (INM000006807) registered with SEBI for the period April 01, 2003 to March 2006. The inspection, prima facie, revealed irregularities, that contravenes various provisions of the SEBI Act, 1992, SEBI (Merchant Bankers) Regulations, 1992, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, SEBI (Buy-Back of Securities) Regulations, 1998 and SEBI (Disclosure & Investor Protection) Guidelines, 2000.
2. In view of the above findings, SEBI initiated enquiry proceedings under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002, alleging violation of provisions of the SEBI Act, 1992, SEBI (Merchant Bankers) Regulations, 1992, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, SEBI (Buy-Back of Securities) Regulations, 1998 and SEBI (Disclosure & Investor

Protection) Guidelines, 2000. A show cause notice dated June 17, 2008 was issued to the applicant.

3. While further proceedings in the matter were in progress, the applicant, vide application dated August 28, 2008, requested for settlement of the proceedings through a consent order in terms of SEBI circular No.EFD/ED/Cir.01 dated April 20, 2007. The applicant proposed revised terms of consent vide letter dated February 18, 2009. The High Powered Advisory Committee, constituted by SEBI, considered the terms proposed by the applicant and recommended the case for settlement. As per the terms of settlement, the applicant shall pay Rs. 4,00,000/- (Rupees Four Lakh only) as settlement charges and Rs. 25,000/- (Rupees Twenty Five Thousand only) as administrative charges. SEBI accepted the said terms of settlement.
4. For the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant, the applicant has remitted a sum of Rs. 4,25,000/- (Rupees Four Lakh Twenty Five Thousand only) vide demand draft No. 064326 dated August 14, 2009 drawn on State Bank of India, Mumbai towards the settlement and administrative charges.
5. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings pending before SEBI against the applicant for the violations mentioned above.
6. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing or reopening pending proceedings against the applicant, if:
 - i. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or

- ii. the applicant breaches any of the clauses/conditions of undertakings/ waivers filed during this consent proceeding.

7. This consent order is passed on the 2nd day of September, 2009 and shall come into force with immediate effect.

M. S. SAHOO
WHOLE TIME MEMBER

K. M. ABRAHAM
WHOLE TIME MEMBER