

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

On the Application submitted by
M/S ARYAMAN FINANCIAL SERVICES LIMITED
In the matter of M/s Aryaman Financial Services Limited

CO/CFD-DCR/548/AO/VSS/09/2009

1. On examination of the draft letter of offer and related documents submitted by M/s Maharshi Enterprises Private Limited (hereinafter referred to as **“Acquirer”**) to Securities and Exchange Board of India (**SEBI**) under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as **“SAST Regulations”**) in respect of the acquisition of 20% shares of M/s Aryaman Financial Services Limited (hereinafter referred to as **“AFSL/Noticee”**), it was alleged that AFSL had failed to make continual disclosures to the stock exchanges as required under regulation 8(3) of SAST Regulations for the financial years ended March 31, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, and 2006. Therefore, adjudication proceedings were initiated against the Noticee to inquire and adjudge the alleged violation of the provisions of regulations 8(3) of SAST Regulations under section 15A (b) read with section 15I of Securities and Exchange Board of India Act, 1992. Consequently, Show Cause Notice No. EAD-5/VSS/SS/116396/2008 dated February 06, 2008 (hereinafter referred to as **“SCN”**) was issued under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995.
2. In the meantime, the Noticee made an application dated February 19, 2008 and an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007 for Consent Order

in respect of the aforesaid SCN before SEBI. Subsequently, the Noticee vide letter dated September 01, 2008 proposed revised consent terms, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that it was willing to pay a sum of Rs.3,50,000/- (Rupees three lakhs fifty thousand only) towards settlement charges and Rs.50,000/- (Rupees Fifty Thousand only) towards administration charges in the matter. The revised consent terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as '**HPAC**') on September 16, 2008. The HPAC considered the facts and circumstances of the case, revised consent terms offered by the Noticee and the material brought before them by SEBI and recommended that the case may be settled on payment of Rs.3,50,000/- (Rupees three lakhs fifty thousand only) towards settlement charges and Rs. 50,000/- (Rupees Fifty Thousand only) towards administration charges. The recommendations of HPAC were placed before the panel of two Whole Time Members of SEBI who have agreed to the terms of consent as recommended by the HPAC.

3. SEBI vide letter dated October 8, 2008 communicated to the Noticee, the recommendations of HPAC that the case may be settled on payment of Rs.4,00,000/- (Rupees four lakhs Only) - Rs.3,50,000/- (Rupees three lakhs fifty thousand only) towards settlement charges and Rs. 50,000/- (Rupees Fifty Thousand only) towards administration charges. In pursuance of the aforesaid, the Noticee, vide letter dated November 03, 2008, remitted a sum of Rs.1,00,000/- (Rupees One lakh only), vide Demand Draft No.059939 dated November 03, 2008 drawn on State Bank of India, Fort Market, Mumbai- 400 001 and vide letter dated January 05, 2009, remitted a sum of Rs.3,00,000/- (Rupees three lakhs only), vide Demand Draft No.061096 dated

January 03, 2009 drawn on State Bank of India, Fort Market, Mumbai-400 001.

4. In view of above, it is hereby ordered that,

- i) This consent order disposes of the said proceedings pending against the Noticee under Securities and Exchange Board of India Act, 1992 in the matter of AFSL, and
- ii) 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
 - a. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
 - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

5. This consent order is passed on January 14, 2009 and shall come into force with immediate effect.

V S Sundaresan
Adjudicating Officer