

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
CO/CFD/2823/2014/JJ/AK/AO-146-155/2014

SETTLEMENT ORDER

On the Application No. 2823 of 2014

Submitted by

Sl. No.	Name of the Entity	PAN No.
1	Mr. Dasharath S. Mahadevia	AACPM0451B
2	Dasharath S. Mahadevia (HUF)	AAAHM5902R
3	Mr. Aditya D. Mahadevia	AABPM3641A
4	Aditya D. Mahadevia (HUF)	AAHM1206Q
5	Mr. Tushar D. Mahadevia	AABPM7741D
6	Tushar D. Mahadevia (HUF)	AABHT2020C
7	Mrs. Kasturi K. Mahadevia	AAOPM2666E
8	Kashyap K. Mahadevia (HUF)	AAAHM6924Q
9	Mrs. Ranjana A. Mahadevia	ABGPM7072B
10	Mr. Viraj T. Mahadevia	ACVPM2311D

In the matter of:

M/s Tak Machinery & Leasing Limited

(Now Known as " M/s Mangal Credit and Fincorp Limited")

1. An open offer was made by E-Ally Consulting (India) Private Limited and Shree Jaisal Electronics & Industries Limited (hereinafter collectively referred to as "**Acquirers**") along with Mr. Sandeep Maloo, Mrs. Neeta Maloo, Mr. Labh Chand Maloo, Mrs. Lata Maloo, Sandeep Maloo (HUF) and Labh Chand Maloo (HUF) [hereinafter collectively referred to as "**Persons Acting in Concert**" / "**PAC**"] to the shareholders of M/s Tak Machinery & Leasing Limited (hereinafter referred to as "**TMLL**"), Target Company listed at BSE Limited (**BSE**) and Ahmedabad Stock Exchange (**ASE**), through a public announcement dated February 17, 2011 for acquisition of 1,40,810 fully paid-up equity shares of ₹10 each, representing 20% of

share capital of TMLL, at a price of ₹234 per fully paid up equity share, payable in cash.

2. Upon perusal of open offer, it was observed that erstwhile promoters of TMLL, namely, Mr. Dasharath S. Mahadevia (hereinafter referred to as **"Dasharath"**), Dasharath S. Mahadevia (HUF) (hereinafter referred to as **"Dasharath HUF"**), Mr. Aditya D. Mahadevia (hereinafter referred to as **"Aditya"**), Aditya D. Mahadevia (HUF) (hereinafter referred to as **"Aditya HUF"**), Mr. Tushar D. Mahadevia (hereinafter referred to as **"Tushar"**), Tushar D. Mahadevia (HUF) (hereinafter referred to as **"Tushar HUF"**), Mrs. Kasturi K. Mahadevia (hereinafter referred to as **"Kasturi"**), Kashyap K. Mahadevia (HUF) (hereinafter referred to as **"Kashyap HUF"**), Mrs. Ranjana A. Mahadevia (hereinafter referred to as **"Ranjana"**) and Mr. Viraj T. Mahadevia (hereinafter referred to as **"Viraj"**) (hereinafter collectively referred to as **"Erstwhile Promoters"/"Noticees"**) had made the yearly disclosures with respect to their shareholdings, required as per regulation 8(1) and regulation 8(2) of SAST Regulations, 1997 of the years 2002, 2003 and 2005 to 2011 as against the due date of compliance with a delay. The details of delay in this regard are as follows:

S.No.	Regulation	Due date of compliance	Actual date of compliance	Delay if any (in no. of days)
1	8(1) & 8(2)	21.04.2002	10.09.2008	2334
2	8(1) & 8(2)	21.04.2003	10.09.2008	1969
3	8(1) & 8(2)	21.04.2005	06.09.2005	138
4	8(1) & 8(2)	21.04.2006	28.09.2006	160
5	8(1) & 8(2)	21.04.2007	24.05.2007	33
6	8(1) & 8(2)	21.04.2008	24.05.2008	33
7	8(1) & 8(2)	21.04.2009	22.06.2009	62
8	8(1) & 8(2)	21.04.2010	26.07.2010	96
9	8(1) & 8(2)	21.04.2011	16.05.2011	25

3. Thus, it was alleged that Dasharath, Dasharath HUF, Aditya, Aditiya HUF, Tushar, Tushar HUF, Kasturi, Kashyap HUF, Ranjana and Viraj have violated the provisions of regulation 8(1) and regulation 8(2) of SAST Regulations, 1997 in the years 2002, 2003 and 2005 to 2011.
4. Shri Piyoosh Gupta was appointed as the Adjudicating Officer vide order dated June 27, 2013 under section 15 I of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”) to inquire and adjudge under Section 15A(b) of the SEBI Act, the alleged violations of provisions of regulations 8(1) & 8(2) of SAST Regulations, 1997 committed by Noticees. Consequent, upon transfer of Shri Piyoosh Gupta, the undersigned has been appointed as Adjudicating Officer vide order dated November 08, 2013 to enquire and adjudge the matter. Accordingly, Show Cause Notices dated February 05, 2014 (**SCNs**) in terms of the provisions of Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 was issued to the Noticees, seeking reply of the Noticees as to why an inquiry should not be held in respect of the violations alleged to have been committed by the Noticees.
5. While the Adjudication Proceedings were in progress, a settlement application, received on April 07, 2014, was submitted by the Noticees before SEBI along with the Undertaking / Waivers in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007 further amended vide Circular No. CIR/EFD/1/2012 dated May 25, 2012, which is rescinded by the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 proposing to settle, through settlement order, the aforementioned adjudication proceedings for delayed compliance of regulations 8(1) & 8(2) of SAST Regulations, 1997 alleged to have been committed by the Noticees.

6. The representatives of the Noticees had a meeting with the Internal Committee of SEBI where the terms of settlement was deliberated upon. Thereafter, the Noticees vide its letter dated June 16, 2014 proposed the revised settlement terms to settle the aforesaid adjudication proceedings for the delayed compliance of regulation 8(1) & 8(2) of the SAST Regulations, 1997 by offering to pay a sum of ₹9,63,050/- (Rupees Nine Lakh Sixty Three Thousand Fifty only) towards settlement charges.
7. The revised settlement terms as proposed by the Noticees were placed before the High Powered Advisory Committee (**HPAC**) on July 22, 2014 and HPAC after deliberation recommended the case for settlement on payment of ₹4,81,525/- (Rupees Four Lakh Eighty One Thousand Five Hundred Twenty Five only) by Mr. Dasharath S Mahadevia and ₹4,81,525/- (Rupees Four Lakh Eighty One Thousand Five Hundred Twenty Five only) by the 10 Noticees towards settlement terms. The Panel of Whole Time Members of SEBI accepted the said recommendations of the HPAC. Thereafter, SEBI vide email dated September 29, 2014 conveyed to the Noticees that in view of the recommendations of HPAC, SEBI has in principle agreed to accept the terms of the settlement proposed by the Noticee subject to the clauses of Undertakings/Waivers mentioned in the settlement application and advised the Noticee to pay in accordance with the revised settlement terms.
8. Accordingly, AZB & Partners, Advocates & Solicitors, Authorized Representatives of the Noticees has submitted 4 demand draft of ₹ 2,40,762.50/- (Rupees Two Lakhs Forty Thousand Seven Hundred Sixty Two and Fifty Paise only) each in favor of Securities and Exchange Board of India payable at Mumbai, totaling to ₹9,63,050/- (Rupees Nine Lakh Sixty Three Thousand Fifty only) towards the settlement charges, as per the details mentioned below:

Sl. No.	Demand Draft No.	Dated	Drawn On	Amount in INR
1	021455	01/10/2014	HDFC Bank Limited	2,40,762.50

2	508896	30/09/2014	Standard Chartered Bank	2,40,762.50
3	508882	30/09/2014	Standard Chartered Bank	2,40,762.50
4	731239	30/09/2014	The Hongkong and Shanghai Banking Corporation Limited	2,40,762.50
TOTAL				9,63,050

9. In view of the above, in terms of Regulation 15 (1) of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 it is hereby ordered that:

- A) this Settlement Order disposes of the said Adjudication Proceedings pending in respect of the Noticees as mentioned above 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 Noticees, if SEBI finds that:
 - a. any representations made by the Noticees in the settlement proceedings are subsequently discovered to be untrue.
 - b. the Noticees has breached any of the clauses / conditions of undertakings / waivers filed during the current settlement proceedings.

10. This Settlement Order is passed on the 29th day of October, 2014 and shall come into force with immediate effect.

11. In terms of Regulation 17 of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014, copies of this order are being sent to the Noticees and also to Securities and Exchange Board of India, Mumbai.

Place: Mumbai

Jayanta Jash
Adjudicating Officer