

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY**

**SHRI. MADANCHAND DARDA**

**IN THE MATTER OF MADAN FINANCIAL SERVICES LIMITED**

**PAN:AAFPD4184R**

**CO/CFD-DCR/ 2044/AO/PKB/EAD-4/79/2009**

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Under section 15-I of Securities and Exchange Board of India Act, 1992  
read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing  
Penalties by Adjudicating Officer) Rules, 1995

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1. SEBI, vide order dated April 7, 2008, initiated adjudication proceedings against Shri. MadanChand Darda (hereinafter referred to as “noticee”) for delayed compliance and thereby alleged violation of disclosure provision in terms of Regulation 6(3) for the year 1997 and Regulation 8(2) for the year 2000 of SEBI (Substantial Acquisition of Shares and Takeovers), Regulations, 1997. A Show Cause Notice dated July 4, 2008 was issued to the noticee by the then Adjudicating Officer Shri. D. Sura Reddy.
2. Pursuant to the transfer of Shri. D. S. Reddy, the undersigned was appointed as Adjudicating Officer vide order dated December 10, 2008.
3. Pending the adjudication proceedings, the noticee made an application dated November 5 , 2008, alongwith affidavit in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007 dated 20<sup>th</sup> April, 2007. Pursuant to the said application , the noticee vide letter dated April 17 , 2009 proposed revised consent terms submitting that they were willing to pay a

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consolidated amount of Rs. 50,000/- (Rupees Fifty Thousand only) towards consent settlement terms and Rs. 25,000/- (Rupees Twenty Five Thousand only) towards administrative expenses.

4. The revised consent terms were placed before the High Powered Advisory Committee (hereinafter referred to a "HPAC") and HPAC after deliberation recommended the case for settlement on the revised consent terms proposed by the noticee.
5. In terms of the proposal of the noticee for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the noticee to the finding of fact or conclusion of law, the noticee vide letter dated June 16, 2009 remitted consolidated sum of Rs. 75,000/- (Rupees Seventy Five Thousand only) vide Demand Draft No. 589293 dated June 16, 2009 drawn on the Oriental Bank of Commerce, Mumbai, towards the terms of consent in the matter.
6. In view of the above, it is hereby ordered that:
  - i) this consent order disposes of the said adjudication proceedings pending against the noticee under SEBI Act, 1992 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 representations made by the noticee in the consent proceedings are subsequently discovered to be untrue.
    - b. the noticee have breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

7. This consent order is passed on the 7<sup>th</sup> day of July, 2009 and shall come into force with immediate effect.
8. In terms of Rule 6 of the Adjudication Rules, copies of this order are sent to the Noticee and also to the Securities and Exchange Board of India.

**P.K.BINDLISH**  
**ADJUDICATING OFFICER**

**Place : Mumbai**