

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
RUCHI SOYA INDUSTRIES LIMITED**

**IN THE MATTER OF
PARAM INDUSTRIES LIMITED
(SINCE AMALGAMATED WITH RUCHI SOYA INDUSTRIES LIMITED)**

(CONSENT APPLICATION NO.613/2008)

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") received an application in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007 vide letter dated March 21, 2008 filed *suo moto* by Ruchi Soya Industries Limited (hereinafter referred to as the "applicant") apprehending enforcement actions against it for violations of Regulation 6(2) & 6(4) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 requiring one time disclosure to be made to the stock exchanges of the shareholding pattern & 8(3) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 for the years 1998 to 2005 requiring continual / periodical disclosure to be made to the stock exchanges of the shareholding pattern, Regulation 13(6) of SEBI (Prohibition of Insider Trading) Regulations, 2002 for non-disclosure of shareholdings to the stock exchanges and also non-compliance of clauses 13.1A and 13.5A of Chapter XIII of SEBI (Disclosure & Investor Protection) Guidelines, 2000 on 11 occasions between 24/09/1999 – 31/03/2005. The applicant has made a total preferential allotment of 32,82,480 shares during the period in which the details required under SEBI (Disclosures & Investor Protection) Guidelines, 2000, to be furnished to the shareholders during the Annual General Meeting, were not made. However, the same was subsequently ratified by the shareholders.
2. The applicant proposed revised consent terms vide letter dated May 06, 2010 for settling the matter through a consent order in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The High Powered Advisory Committee (HPAC) , constituted by SEBI after considering the facts and circumstances of the case and that the promoter entities are not related with the non-promoter allottees had recommended the case for settlement on payment of Rs.1,00,00,000 (Rupees

one crore only) towards settlement charges in the matter. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated June 11, 2010.

3. Accordingly, the applicant has remitted a sum of Rs.1,00,00,000 (Rupees one crore only) towards settlement charges vide Demand Draft No. 772629 dated June 16, 2010 drawn on HDFC Bank Ltd, payable at Mumbai.
4. In view of the above, it is hereby ordered that SEBI shall not initiate any enforcement proceedings against the applicant for the alleged violations of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997, SEBI (Prohibition of Insider Trading) Regulations, 2002 and SEBI (Disclosure & Investor Protection) Guidelines, 2000.
5. This order is without prejudice to the right of SEBI to initiate enforcement actions against the applicant, 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 undertaking filed in this consent proceeding.
6. This consent order is passed on this day, the 24th of June, 2010 and shall come into force with immediate effect.

K. M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER