WTM/RKA/ISD/05/2013

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

DIRECTIONS UNDER SECTIONS 11 AND 11B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AGAINST AVENTIS BIOFEEDS PRIVATE LTD. AND OTHER CONNECTED ENTITIES

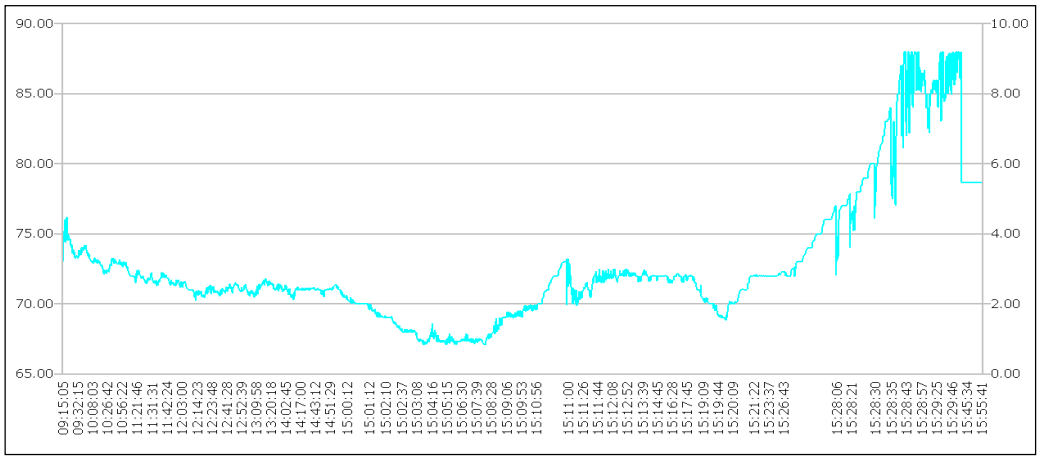
IN THE MATTER OF DEALING IN THE SCRIP OF RUCHI SOYA INDUSTRIES LIMITED.

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1. The Securities and Exchange Board of India received alerts regarding 'marking the close' in the scrip of Ruchi Soya Industries Limited (hereinafter referred to as 'Ruchi Soya' or 'the scrip') for September 27, 2012. Based on these alerts, trading pattern in the scrip on September 27, 2012 was analysed.

2. Significant movement in the price of the scrip was observed during last half an hour of trading on September 27, 2012. The price of the scrip moved from ₹ 69 to ₹ 88 between 15:20:09 and 15:29:46, i.e. a 26% upward movement during the last 10 minutes of the trading day. It was further observed that price and volume movement in the scrip was mainly concentrated during the last 3 minutes of trading on that day. The intra-day price movement graph on the scrip is as follows:

The intra-day price movement graph on September 27, 2012 at NSE:

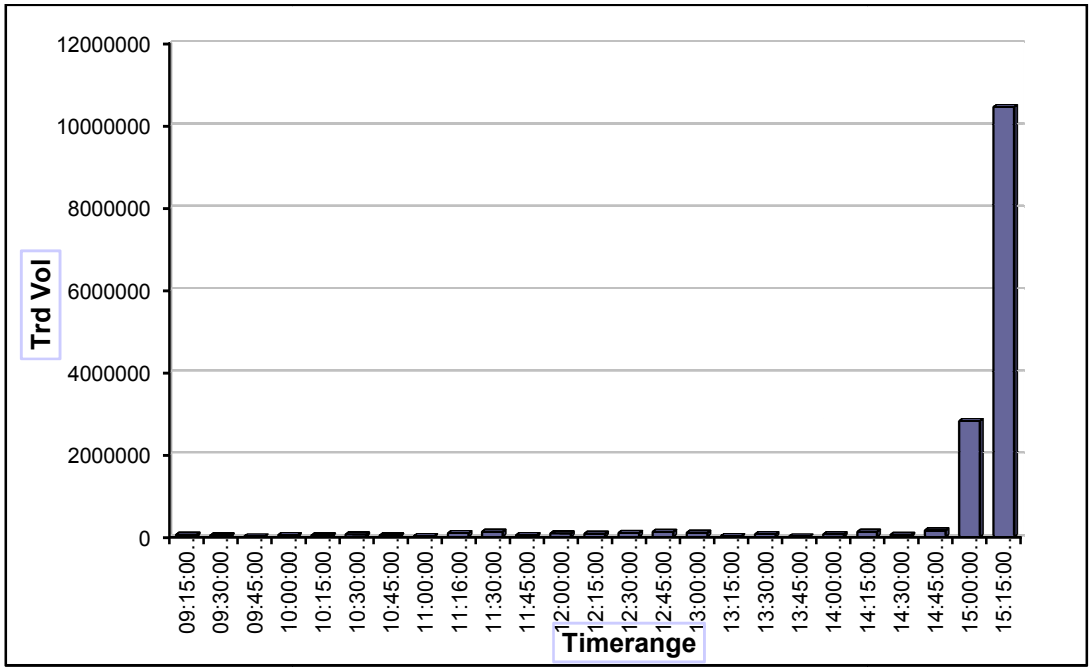


3. It was noted that the scrip of Ruchi Soya was permitted for trading in the derivative segment on May 28, 2010 and was removed from derivative segment on September 27, 2012, which was the expiry day of all derivative contracts under examination in the scrip of Ruchi Soya (hereinafter referred to as 'the expiry day' or 'the trading day').

4. On this expiry day, the Last Traded Price (LTP) of the scrip at 15:00:00 was ₹ 70.65 and the LTP at 15:27:00 was ₹72.30. The weighted average closing price of the scrip on the day was ₹78.65. Total traded volume in the scrip on this day till 15:00:00 was

approximately 25 lac shares, while total traded volume during last half an hour of trading was approximately 132 lac shares; out of which 80 lac shares was accounted for during the last 3 minutes of trading. It was noted that the average daily volume during last 3 months was only around 3 lac shares whereas the volume on September 27, 2012 was around 157 lac shares. The intra-day (taking time slot of every 15 minutes) volume graph of the scrip on September 27, 2012 is as follows:

The intra-day Volume graph on September 27, 2012 at NSE:



Price volume data of the scrip on September 27, 2012 at NSE is given in the following Table-1:

Table – 1
Price – Volume Data

Particulars	Price / Volume
Opening price on the trading day (₹)	73.85
Price at 15:00:00 (₹)	70.65
Price at 15:27:00 (₹)	72.30
Closing price of the trading day (₹)	78.65
Total traded volume during the trading day (In Lac)	157.92
Total traded volume during last half an hour of the trading day (In Lac)	132.72
Total traded volume during last 3 minutes of the trading day (In lac)	80.30
% of quantity traded during last half an hour to total traded quantity during the day	84.04%
% of quantity traded during last 3 minutes to traded quantity during the last half hour of the day.	61.00%

5. It was observed that nine entities, namely, Aventis Biofeeds Private Ltd, Moebius Credit and Capital Private Limited, Sunmate Trade Private Limited, Shreyans Credit

and Capital Private Limited, Vision Millennium Exports Pvt Ltd., Navinya Multitrade Private Limited, Uni24 Techno Solutions Private Limited, Betul Minerals & Construction Private Limited and Betul Oils & Feeds Private Limited were found to be heavily trading in the scrip at NSE on the trading day and/or holding significant long position in futures of the scrip as on the expiry day. These nine entities are connected to each other as described in the following Table – 2:

Table – 2

The relationships among the aforesaid nine entities

Buyer Name (PAN)	Counterparty Name (PAN)	Remarks (common links)
Aventis Biofeeds Pvt Ltd. (AAECA0863E)	Vision Millenium Exports Pvt Ltd. (AAACV6970B)	• The phone number of Vision Millennium Exports Private Limited and Aventis Biofeeds Pvt Ltd, is same i.e. 9821994534. • Vision Millennium Exports P Ltd and Aventis Biofeeds Pvt Ltd have common address (i.e. 810 Maker Chamber V, Nariman Point, Mumbai) • Huge fund transfers between Vision Millennium Exports Pvt. Ltd. and Aventis Biofeeds Pvt Ltd was noticed. (Refer Table – 3 below) Hence, the buyer, Aventis Biofeeds Pvt Ltd., and counterparty, Vision Millenium Exports Pvt Ltd., are connected.
	Navinya Multitrade Private Limited (AACCN9662J)	• Vision Millennium Exports Pvt Ltd and Rashi Daga, director of Navinya Multitrade P Ltd have common address (i.e. is 117, 11th Flr. Mittal chambers,, Nariman Point, Mumbai, 400021) • Fund transfers between Vision Millennium Exports Pvt. Ltd. and Navinya Multitrade Private Limited was noticed. (Refer Table – 3 below) Hence, Vision Millennium Exports Pvt Ltd and Navinya Multitrade Pvt Ltd are connected. Since Aventis Biofeeds Pvt Ltd. and Vision Millennium Exports Pvt Ltd are connected, the buyer, Aventis Biofeeds Pvt Ltd., and counterparty, Navinya Multitrade P Ltd, are also connected.
	Uni24 Techno Solutions Private Limited (AABCU2171N)	• Nilaykumar Vinodkumar Daga (director of client Uni24 Techno Solutions P Ltd) and Deepali Daga (director of Navinya Multitrade P Ltd) have common address. (i.e., Daga House, Kothi Bazar, Betul, Madhya Pradesh) • Fund transfers between Vision Millennium Exports Pvt. Ltd. and Uni24 Techno Solutions Private Limited was noticed. (Refer Table – 3 below)

Buyer Name (PAN)	Counterparty Name (PAN)	Remarks (common links)
		Hence, Vision Millennium Exports Pvt Ltd, Navinya Multitrade Private Limited and Uni24 Techno Solutions Private Limited are connected. Since Aventis Biofeeds Pvt Ltd., Vision Millennium Exports Pvt Ltd and Navinya Multitrade P Ltd are connected, the buyer, Aventis Biofeeds Pvt Ltd., and counterparty, Uni24 Techno Solutions P Ltd, are also connected.
Moebius Credit & Capital Private Limited (AAHCM4176D)	Uni24 Techno Solutions Private Limited (AABCU2171N)	• Nilaykumar Vinodkumar Daga (Address- Daga House, Kothi Bazar, Betul, Madhya Pradesh) was observed to be director of Uni24 Techno Solutions P Ltd and Moebius Credit & Capital P Ltd Hence, the buyer, Moebius Credit & Capital P Ltd and counterparty, Uni24 Techno Solutions P Ltd, are connected.
	Navinya Multitrade Private Limited (AACCN9662J)	• Nilaykumar Vinodkumar Daga (director of Mobeus Credit & Capital P Ltd) and Deepali Daga (director of Navinya Multitrade P Ltd) have common address. (Daga House, Kothi Bazar, Betul, Madhya Pradesh) Hence, the buyer, Moebius Credit & Capital P Ltd and counterparty, Navinya Multitrade P Ltd, are connected.
	Vision Millenium Exports Pvt Ltd. (AAACV6970B)	• Huge fund transfers between Vision Millennium Exports Pvt. Ltd. and Moebius Credit & Capital Private Limited was noticed. (Refer Table – 3 below) • As mentioned above, Vision Millennium Exports Pvt Ltd, Navinya Multitrade P Ltd and Uni24 Techno Solutions P Ltd are connected. Further, Moebius Credit & Capital P Ltd, Uni24 Techno Solutions P Ltd and Navinya Multitrade P Ltd are connected. Hence, the buyer, Moebius Credit & Capital Pvt Ltd and counterparty, Vision Millenium Exports P Ltd., are connected.
Sunmate Trade Pvt Ltd. (AAOCS9796A)	Vision Millenium Exports Pvt Ltd. (AAACV6970B)	• The phone number of Vision Millennium Exports Private Limited and Sunmate Trade Private Limited is same i.e. 9821994534. • Huge fund transfers between Vision Millennium Exports Pvt. Ltd. and Sunmate Trade Pvt Ltd was noticed. (Refer Table – 3 below) Hence, the buyer, Sunmate Trade P Ltd. and counterparty, Vision Millenium Exports P Ltd, are connected.

Buyer Name (PAN)	Counterparty Name (PAN)	Remarks (common links)
	Navinya Multitrade Private Limited (AACCN9662J)	• Deepali Daga (director of Navinya Multitrade P Ltd) and Kanchan Daga (director of Sunmate Trade P Ltd) have common address. (i.e., Daga House, Kothi Bazar, Betul, Madhya Pradesh) Hence, the buyer, Sunmate Trade Pvt Ltd. and counterparty, Navinya Multitrade Pvt Ltd, are connected.
	Uni24 Techno Solutions Private Limited (AABCU2171N)	• Nilaykumar Vinodkumar Daga (director of Uni24 Techno Solutions P Ltd) and Kanchan Daga (director of Sunmate Trade P Ltd) have common address (Daga House, Kothi Bazar, Betul, Madhya Pradesh, 460001) Hence, the buyer, Sunmate Trade Pvt Ltd. and counterparty, Uni24 Techno Solutions P Ltd, are connected.
Shreyans Credit & Capital Pvt Ltd (AAMCS7878M)	Vision Millenium Exports Pvt Ltd. (AAACV6970B)	• The phone number of Vision Millennium Exports Private Limited and Shreyans Credit & Capital Pvt Ltd is same i.e. 9821994534. • Vision Millennium Exports Pvt Ltd and Shreyans Credit & Capital Pvt Ltd. have common address (i.e. is 117, 11th Flr. Mittal chambers,, Nariman Point, Mumbai, 400021, Maharashtra, India) • Huge fund transfers between Vision Millennium Exports Pvt. Ltd. and Shreyans Credit & Capital Pvt Ltd was noticed. (Refer Table – 3 below) Hence, the buyer, Shreyans Credit & Capital P Ltd and counterparty, Vision Millenium Exports P Ltd, are connected.
	Uni24 Techno Solutions Private Limited (AABCU2171N)	• Nilaykumar Vinodkumar Daga (director of Uni24 Techno Solutions Private Limited) and Shreyans Credit & Capital Pvt Ltd have common address (i.e., Daga House, Kothi Bazar, Betul, Madhya Pradesh) • Nilaykumar Vinodkumar Daga was common director in Uni24 Techno Solutions Private Limited and Shreyans Credit & Capital Pvt Ltd. Hence, the buyer, Shreyans Credit & Capital Pvt Ltd and counterparty, Uni24 Techno Solutions P Ltd, are connected.

Relationship among aforesaid connected Buyers:

Name (PAN)	Remarks (Common Links)
Aventis Biofeeds Pvt Ltd. (AAECA0863E) Moebius Credit&Capital Pvt Ltd. (AAHCM4176D) Sunmate Trade Pvt Ltd. (AAOCS9796A) Shreyans Credit & Capital P Ltd (AAMCS7878M)	• The phone number of Aventis Biofeeds Pvt Ltd, Shreyans Credit & Capital Pvt Ltd and Sunmate Trade Pvt Ltd is same. i.e. 9821994534. • Nilaykumar Vinodkumar Daga (director of Mobeus Credit & Capital Private Limited) and Kanchan Daga (director of Sunmate Trade Private Limited) and Shreyans Credit & Capital Pvt Ltd have common address. (i.e., Daga House, Kothi Bazar, Betul, Madhya Pradesh, 460001) • Nilaykumar Vinodkumar Daga (Address- Daga House, Kothi Bazar, Betul, Madhya Pradesh) was observed to be director of client Shreyans Credit & Capital Pvt Ltd and Moebius Credit & Capital Private Limited Hence, the buyers, Aventis Biofeeds Pvt Ltd., Moebius Credit & Capital Private Limited, Sunmate Trade Pvt Ltd. and Shreyans Credit & Capital Pvt Ltd are connected.
Relationship among other connected entities having net long position with above mentioned seven entities:	
Betul Oils & Feeds Pvt Ltd. (AACCB8638E) Betul Minerals & Constructions Pvt Ltd. (AADCB7050M)	• Betul Oils & Feeds Pvt Ltd., Betul Minerals and Conts. P. Ltd. and Shreyans Credit & Capital Pvt Ltd have common address (i.e. Daga House, Kothi Bazar, Betul, Madhya Pradesh, 460001). • The phone number of Vision Millennium Exports Private Limited, Betul Oils & Feeds Private Limited, Betul Minerals and Conts. P.Ltd, Aventis Biofeeds Pvt Ltd, Shreyans Credit & Capital Pvt Ltd and Sunmate Trade Private Limited is same i.e. 9821994534. • Vision Millennium Exports P Ltd, Betul Oils & Feeds Pvt Ltd and Aventis Biofeeds Pvt Ltd have common address (i.e., 810 Maker Chamber V, Nariman Point, Mumbai, Maharashtra, 400021). • The address of Nilaykumar Vinodkumar Daga (director of Uni24 Techno Solutions Private Limited and Mobeus Credit & Capital Private Limited), Deepali Daga (director of Navinya Multitrade Private Limited) and Kanchan Daga (director of client Sunmate Trade Private Limited) is Daga House, Kothi Bazar, Betul, Madhya Pradesh, which is apparently common with the address of Betul Oils & Feeds Pvt Ltd, Betul Minerals & Constructions Pvt. Ltd. and Shreyans Credit & Capital Pvt Ltd • Huge fund transfers among Betul Oils & Feeds Pvt Ltd., Betul Minerals & Constructions Pvt Ltd., Vision Millennium Exports Pvt. Ltd. and Aventis Biofeeds Pvt Ltd was noticed. (Refer Table – 3 below) Hence, Betul Oils & Feeds Pvt Ltd. and Betul Minerals & Constructions Pvt Ltd. are connected to aforesaid seven entities.

6. On examination of bank statements of the aforesaid nine connected entities for the period July 01, 2012 to September 30, 2012 as shown in the following Table – 3, huge

fund transfers between Vision Millennium Exports Pvt. Ltd. and other aforesaid eight entities namely, Navinya Multitrade Private Limited, Shreyans Credit And Capital Private Limited, Betul Minerals And Constructions Pvt. Ltd, Aventis Biofeeds Pvt Ltd, Betul Oils & Feeds Pvt Ltd, Sunmate Trade Private Limited, Uni24 Techno Solutions Private Limited, Moebius Credit and Capital Private Limited was observed. Apart from this, fund transfers between Betul Oils & Feeds Pvt Ltd. and Aventis Biofeeds Pvt. Ltd. was also noticed.

Table – 3

Fund Transfers among connected entities during 01/07/2012 to 30/09/2012:

(₹ In lac)

Transfer to / ***Transfer from***	Navinya Multitrade Pvt Ltd	Shreyans Credit & Capital Pvt Ltd	Betul Mineral & Const. Pvt Ltd	Aventis Biofeeds Pvt Ltd	Betul Oils & Feeds Pvt Ltd	Sunmate Trade Pvt Ltd	Uni24 Techno Solution Pvt Ltd	Vision Milenium Exports Pvt Ltd	Moebius Credit & Capital Pvt Ltd
Navinya Multitrade Pvt Ltd	--	--	--	--	--	--	--	--	--
Shreyans Credit &Capital P Ltd	--	--	--	--	--	--	--	**50**	--
Betul Mineral & Const. Pvt Ltd	--	--	--	--	--	--	--	**245**	--
Aventis Biofeeds Pvt Ltd	--	--	--	--	--	--	--	**3350**	--
Betul Oils & Feeds Pvt Ltd	--	--	--	**5500**	--	--	--	--	--
Sunmate Trade Pvt Ltd	--	--	--	--	--	--	--	--	--
Uni24 TechnoSolu-tions Pvt Ltd	--	--	--	--	--	--	--	**93**	--
Vision Millennium Exp. Pvt Ltd	**108**	**1231**	**545**	**1473**	**913**	**1235**	**147**	--	**1265**
Moebius Credit & Capital Pvt Ltd	--	--	--	--	--	--	--	**355**	--
TOTAL	108	1231	545	6973	913	1235	147	4093	1265

7. Seven of the aforesaid connected entities (namely, Aventis Biofeeds Private Ltd, Moebius Credit and Capital Private Limited, Sunmate Trade Private Limited, Shreyans Credit and Capital Private Limited, Vision Millennium Exports Private Limited, Navinya Multitrade Private Limited and Uni24 Techno Solutions Private Limited) had placed huge buy and/or sell orders at prices much above the LTP in the cash market in Ruchi Soya, especially during the last half an hour of trading on September 27, 2012. Another set of seven entities out of the aforesaid nine connected entities were holding significant long positions in futures of Ruchi Soya as on September 27, 2012 as described in later paragraphs.

8. Sell orders available in the Order Book at NSE during last 2 minutes of trading on September 27, 2012 (i.e., when these entities placed Buy orders at ₹88 and ₹88.20), in the scrip were as follows:

Table - 4

Sell Orders available during last 2 minutes with price range (₹)	**Total volume of shares**	**Total No. of Orders**
72.00 – 76.95	9,14,312	1211
77.00 – 81.95	11,44,288	997
82.00 – 87.95	37,16,309	1550
88.00 – 95.00	1,01,91,863	336

9. It is noted from the Table – 4 above that during last 2 minutes of trading on September 27, 2012 there were sell orders available in the market as follows:

   a) 9,14,312 shares in a price range of ₹72.00 to ₹76.95;

   b) 11,44,288 shares in a price range of ₹77.00 to ₹81.95;

   c) 37,16,309 shares in a price range of ₹82.00 to ₹87.95 and;

   d) 101,91,863 shares in a price range of ₹88.00 to ₹95.00. [Out of this, sell orders of 60 lac shares belong to Aventis Biofeeds Private Ltd and Moebius Credit & Capital Private Limited with a limit price of ₹88.20 and sell orders of 21 lac shares belongs to Vision Millennium Exports Pvt Ltd., Navinya Multitrade Private Limited and Uni24 Techno Solutions Private Limited with a limit price of ₹88. Thus, 80 % of the above sell orders in this price range belong to the aforesaid five entities].

10. It was observed that the seven of the aforesaid nine entities, that placed their respective orders on September 27, 2012, did so in the following manner:

a) Aventis Biofeeds Private Limited

(i) Aventis Biofeeds Private Ltd placed sell orders of 30 lac shares between 14:24:15 and 14:34:32 with a limit price of ₹ 88.20 which was significantly higher than the prevailing market price of around ₹ 71 per share as shown in the following Table – 5:

Table - 5

Entity Name: Aventis Biofeeds Private Ltd. – Sell Orders

Order No.	**Sell order entry time**	**Original Vol at sell order Entry**	**Order Modified (Y/ N)**	**Sell Vol at order modification**	**Order Modified Time**	**Limit Price at order entry (₹)**
2012092742131614	14:24:15	5 lac	N	NA	NA	88.20
2012092742132813	14:24:23	5 lac	N	NA	NA	88.20

2012092742133921	14:24:30	5 lac	N	NA	NA	88.20
2012092742148360	14:26:35	5 lac	N	NA	NA	88.20
2012092742192685	14:32:58	5 lac	N	NA	NA	88.20
2012092742204582	14:34:32	5 lac	N	NA	NA	88.20

(ii) It is pertinent to note that almost at the same time, when Aventis Biofeeds Private Ltd. placed abovementioned sell orders, it also placed buy orders of 30 lac shares between 14:27:30 and 14:33:27 at a limit price of ₹65 and ₹64 which was significantly below the prevailing market price of around ₹71. Suddenly, when the market price was around ₹72 per share between 15:28:05 and 15:28:51, it revised the volume to 29 lac shares and bid price to ₹88 per share which was 37% higher than its existing bid price of ₹64 and 22% higher than the prevailing market price of around ₹72 per share. These buy orders are shown in the following Table – 6:

Table - 6

Client Name: Aventis Biofeeds Private Ltd. – Buy Orders

Order No.	Buy Order Entry Time	Buy Limit Price at order entry (₹)	Orginal Vol at order entry	order modified (Y/ N)	Order Modified Time	Buy Limit price at order modification (₹)	Buy Vol at order modification
2012092742155500	14:27:30	65.00	5 Lac	Yes	15:28:51	88.00	5 Lac
2012092742159097	14:28:00	64.00	5 Lac	Yes	15:28:42	88.00	5 Lac
2012092742159987	14:28:08	64.00	5 Lac	Yes	15:28:45	88.00	5 Lac
2012092742160747	14:28:15	64.00	5 Lac	Yes	15:28:48	88.00	5 Lac
2012092742190719	14:32:39	64.00	5 Lac	Yes	15:28:17	88.00	5 Lac
2012092742196468	14:33:27	64.00	5 Lac	Yes	15:28:05	88.00	4 Lac

(iii) From the above Table, it is evident that the orders were split into 5 lac shares each. If the intention were to buy at the prevailing price, there was adequate scope for Aventis Biofeeds Private Ltd to modify prices of successive orders close to the LTP. However, Aventis Biofeeds Private Ltd chose to place buy orders of 29 lac shares (initially 30 lac shares and then modified) at ₹88 in the last two minutes of trading even when there were sell orders of around 20 lac shares at prices between ₹72 to ₹81 and another 37 lac shares available at prices between ₹82 to ₹87.95 in the order book during 15:28:00 to 15:30:00. It is also noteworthy in this context that (as brought out in Table – 5 above), Aventis

Biofeeds Private Ltd had already placed large sell orders of 30 lac shares at limit price of ₹88.20 between 14:24:15 and 14:34:32 and kept the same till the end of the trading day. These facts and circumstances with respect to the trading of Aventis Biofeeds Private Ltd. go against accepted prudence of genuine and rational trading behaviour. Such manner of placing and revising orders leads to suspicion of manipulation of trading price of the scrip in cash market by Aventis Biofeeds Pvt. Ltd., which can be further strengthened from the fact that it was holding long position in futures of 11.24 lac shares on the expiry day.

b) Moebius Credit and Capital Private Limited

(i) Identical pattern of order placing as in the case of Aventis Biofeeds Pvt Ltd. has been observed in the case of Moebius Credit and Capital Private Limited also. Moebius Credit and Capital Private Limited placed sell orders of 30 lac shares between 14:24:43 and 14:31:41 with a limit price of ₹ 88.20 which was significantly higher than the prevailing market price of around ₹ 71 per share as shown in the following Table – 7:

Table - 7

Client Name: Moebius Credit and Capital Private Limited – Sell Orders

Order No.	Sell order entry time	Original Vol at sell order Entry	Order Modified (Y/ N)	Sell Vol at order modification	Order Modified Time	Limit Price at order entry (₹)
20120927 42135480	14:24:43	5 lac	N	NA	NA	88.20
20120927 42136153	14:24:49	5 lac	N	NA	NA	88.20
20120927 42137331	14:24:59	5 lac	N	NA	NA	88.20
20120927 42138689	14:25:12	5 lac	N	NA	NA	88.20
20120927 42183352	14:31:35	5 lac	N	NA	NA	88.20
20120927 42184250	14:31:41	5 lac	N	NA	NA	88.20

(ii) It is pertinent to note that almost at the same time, when Moebius Credit & Capital Private Limited placed abovementioned sell orders, it also placed buy orders of 20 lac shares between 14:28:45 and 14:30:42 at a limit price of ₹ 64.00 which was significantly below the prevailing market price of around ₹ 71. Suddenly, when the market price was around ₹ 72 per share between 15:28:29 and 15:28:53, it revised the bid price to ₹ 88 which was 37% higher than its existing bid price of ₹ 64 and 22% higher than the prevailing market price of around ₹ 72 per share. This has been brought out in the following Table – 8:

Table - 8

Client Name: Moebius Credit and Capital Private Limited – Buy Orders

Order No.	Buy Order Entry Time	Buy Limit Price at order entry (₹)	Orginal Vol at order entry	order modified (Y/ N)	Order Modified Time	Buy Limit price at order modification (₹)	Buy Vol at order modification
20120927 42164332	14:28: 45	64.00	5 Lac	Yes	15:28: 40	88.00	5 Lac
20120927 42166537	14:29: 03	64.00	5 Lac	Yes	15:28: 29	88.00	5 Lac
20120927 42175818	14:30: 33	64.00	5 Lac	Yes	15:28: 34	88.00	5 Lac
20120927 42176535	14:30: 42	64.00	5 Lac	Yes	15:28: 53	88.00	5 Lac

(iii) From the above Table, it is evident that the orders were split into 5 lac shares each. If the intention were to buy at the prevailing price there was adequate scope for Moebius Credit & Capital Private Limited to modify prices of successive orders close to the LTP. However, Moebius Credit & Capital Private Limited chose to place buy orders of 20 lac shares at ₹ 88 in the last 2 minutes of the trading day even when there were sell orders of around 20 lac shares at prices between ₹ 72 to ₹ 81 and another 37 lac shares available at prices between ₹ 82 to ₹ 87.95 in the order book during 15:28:00 to 15:30:00. It is also worth noting in this context that (as brought out in Table – 7 above), Moebius Credit & Capital Private Limited had already placed large sell orders of 30 lac shares at limit price of ₹ 88.20 between 14:24:43 and 14:3:41 and kept the same till the end of the trading day. These facts and circumstances with respect to the trading of Moebius Credit & Capital Private Limited go against accepted prudence of genuine and rational trading behaviour.

c) Sunmate Trade Private Limited

(i) Sunmate Trade Private Limited placed buy orders of 7 lac shares between 14:57:36 and 14:58:33 at a limit price of ₹ 63.00 which was significantly below the prevailing market price of around ₹ 71. Suddenly, when the market price was around ₹ 72 per share between 15:29:32 and 15:29:53, it revised the bid price to ₹ 88.20 and ₹ 88.00 which was 40% higher than its existing bid price of ₹ 63 and 22% higher than the prevailing market price of around ₹ 72. This has been shown in the following Table – 9:

Table - 9

Client Name: Sunmate Trade Private Limited – Buy Orders

Order No.	Buy Order Entry Time	Buy Limit Price at order entry (₹)	Orginal Vol at order entry	order modified (Y/ N)	Order Modified Time	Buy Limit price at order modification (₹)	Buy Vol at order modification
20120927 42388320	14:57: 36	63.00	2 Lac	Yes	15:29: 53	88.20	2 Lac

Order No.	Buy Order Entry Time	Buy Limit Price at order entry (₹)	Orginal Vol at order entry	order modified (Y/N)	Order Modified Time	Buy Limit price at order modification (₹)	Buy Vol at order modification
2012092742389811	14:57:50	63.00	1 Lac	Yes	15:29:50	88.20	1 Lac
2012092742391294	14:58:02	63.00	1 Lac	Yes	15:29:47	88.20	1 Lac
2012092742392344	14:58:11	63.00	1 Lac	Yes	15:29:45	88.00	1 Lac
2012092742394174	14:58:26	63.00	1 Lac	Yes	15:29:39	88.00	1 Lac
2012092742394852	14:58:33	63.00	1 Lac	Yes	15:29:32	88.00	1 Lac

(ii) From the above Table, it is evident that the orders were split into 1 or 2 lac shares each. If the intention were to buy at the prevailing price there was adequate scope for Sunmate Trade Private Limited to modify prices of successive orders close to the LTP. However, Sunmate Trade Private Limited chose to place buy orders of 7 lac shares at ₹ 88 and ₹ 88.20 even when there were sell orders of around 20 lac shares at prices between ₹ 72 to ₹ 81 and another 37 lac shares available at prices between ₹ 82 to ₹ 87.95 in the order book during 15:28:00 to 15:30:00, which goes against accepted prudence of genuine and rational buying behaviour. Such manner of placing and revising orders leads to suspicion of manipulation of trading price of the scrip in cash market by Sunmate Trade Private Limited, which can be further strengthened from the fact that it was holding long position in futures of 8.40 lac shares on the expiry day.

d) Shreyans Credit and Capital Private Limited

(i) Shreyans Credit and Capital Private Limited placed buy orders of 6 lac shares between 14:55:44 and 14:59:30 at a limit price of ₹ 63.00 which was significantly below the prevailing market price of around ₹71. Suddenly, when the market price was around ₹ 72 per share between 15:29:29 and 15:29:55, it revised the bid price to ₹ 88.20 and ₹ 88.00 which was 40% higher than its existing bid price of ₹ 63 and 22% higher than the prevailing market price of around ₹ 72 per share. This has been shown in the following Table – 10:

Table - 10

Client Name: Shreyans Credit and Capital Private Limited – Buy Orders

Order No.	Buy Order Entry Time	Buy Limit Price at order entry (₹)	Orginal Vol at order entry	order modified (Y/N)	Order Modified Time	Buy Limit price at order modification (₹)	Buy Vol at order modification
2012092742374418	14:55:44	63.00	1 Lac	Yes	15:29:55	88.20	1 Lac
2012092742383425	14:56:57	63.00	2 Lac	Yes	15:29:42	88.00	2 Lac

Order No.	Buy Order Entry Time	Buy Limit Price at order entry (₹)	Orginal Vol at order entry	order modified (Y/ N)	Order Modified Time	Buy Limit price at order modification (₹)	Buy Vol at order modification
2012092742398061	14:58:58	63.00	2 Lac	Yes	15:29:29	88.00	2 Lac
2012092742402207	14:59:30	63.00	1 Lac	Yes	15:29:34	88.00	1 Lac

(ii) As shown in the above Table, the orders were split into 1 or 2 lac shares each. If the intention were to buy at the prevailing price, there was adequate scope for Shreyans Credit and Capital Private Limited to modify prices of successive orders close to the LTP. However, Shreyans Credit and Capital Private Limited chose to place buy orders of 6 lac shares at ₹ 88 and ₹ 88.20 even when there were sell orders of around 20 lac shares at prices between ₹72 to ₹ 81 and another 37 lac shares available at prices between ₹ 82 to ₹ 87.95 in the order book during 15:28:00 to 15:30:00, which goes against accepted prudence of genuine and rational buying behaviour. Such manner of placing and revising orders leads to suspicion of manipulation of trading price of the scrip in cash market by Shreyans Credit and Capital Private Limited, which can be further strengthened from the fact that it was holding long position in futures of 13.16 lac shares on the expiry day.

e) Vision Millennium Exports Pvt Ltd

(i) Vision Millennium Exports Pvt. Ltd placed sell orders of 15 lac shares at 14:42:11 with a limit price of ₹ 88.00 significantly higher than the prevailing market price of around ₹ 71 per share, which was subsequently revised at 15:28:05 to 7 lac shares as shown in the following Table – 11:

Table - 11

Client Name: Vision Millennium Exports Pvt Ltd. – Sell Orders

Order No.	Sell order entry time	Original Vol at sell order entry	Order Modified (Y/ N)	Sell Vol at order modification	Order Modified Time	Limit Price at order entry & modification (₹)
2012092742269371	14:42:11	15 Lac	Y	7 Lac	15:28:05	88.00

(ii) Thus, by placing huge limit sell orders at ₹ 88, Vision Millennium Exports Pvt Ltd had enabled the matching of the limit buy orders of Aventis Biofeeds Private Ltd., Moebius Credit & Capital Private Limited, etc. at ₹ 88, and thereby artificially established the trading price of ₹ 88 in the market during the last half an hour of trading so as to push up the closing volume weighted average price (VWAP) on the expiry day.

f) Navinya Multitrade Private Limited

(i) Navinya Multitrade Private Limited placed sell orders of 15 lac shares at 14:41:50 with a limit price of ₹ 88 significantly higher than the prevailing market

price of around ₹ 71 per share, which too was subsequently revised at 15:27:55 to 7 lac shares as shown in the following Table – 12:

Table - 12

Client Name: Navinya Multitrade Private Limited – Sell Orders

Order No.	Sell order entry time	Original Vol at sell order entry	Order Modified (Y/ N)	Sell Vol at order modification	Order Modified Time	Limit Price at order entry & modification (₹)
2012092742266169	14:41:50	15 Lac	Y	7 Lac	15:27:55	88.00

(ii) Thus, by placing huge limit sell orders at ₹ 88, Navinya Multitrade Private Limited had enabled the matching of the limit buy orders of Aventis Biofeeds Private Ltd., Moebius Credit & Capital Private Limited, etc. at ₹ 88, and thereby artificially established the trading price of ₹ 88 in the market during the last half an hour of trading so as to push up the closing VWAP on the expiry day.

g) Uni24 Techno Solutions Private Limited

(i) Uni24 Techno Solutions Private Limited placed sell orders of 15 lac shares at 14:48:10 with a limit price of ₹ 88.00 significantly higher than the prevailing market price of around ₹ 71 per share, which was also subsequently revised at 15:27:43 to 7 lac shares. This has been brought out in the following Table – 13:

Table - 13

Client Name: Uni24 Techno Solutions Private Limited – Sell Orders

Order No.	Sell order entry time	Original Vol at sell order entry	Order Modified (Y/ N)	Sell Vol at order modification	Order Modified Time	Limit Price at order entry & modification (₹)
2012092742317489	14:48:10	15 Lac	Y	7 Lac	15:27:43	88.00

(ii) Thus, by placing huge limit sell orders @ ₹ 88, Uni24 Techno Solutions Private Limited had enabled the matching of the limit buy orders of Aventis Biofeeds Private Ltd., Moebius Credit & Capital Private Limited, etc. @ ₹ 88, and thereby artificially established the trading price of ₹ 88 in the market during the last half an hour of trading so as to push up the closing VWAP on the expiry day.

11. All the above seven entities are connected to each other as explained herein above. From the above analysis, it is seen that from 14:27:30 to 15:28:05, the aforesaid four connected entities (namely, Aventis Biofeeds Private Limited, Moebius Credit & Capital Private Limited, Sunmate Trade Private Limited and Shreyans Credit & Capital Private Limited) were standing in the market offering buy limit price of ₹ 63 to ₹ 65 only, as against the prevailing market price of around ₹ 71 per share. Subsequently, when there were sell orders of around 20 lac shares available at prices between ₹ 72 to ₹ 81 and another 37 lac shares available at prices between ₹ 82 to ₹ 87.95 in the order book during 15:28:00 to 15:30:00, these connected buyers in a seemingly orchestrated manner bid a price of ₹ 88 and ₹ 88.20 which was higher than

their existing bid price by 37% and higher than the prevailing market price by 22%. Further, two of the connected buyers (namely, Aventis Biofeeds Private Limited and Moebius Credit & Capital Private Limited) had already placed sell orders of 30 lac shares each between 14:24:15 and 14:34:32 with limit price of ₹ 88.20 which was significantly higher than the prevailing market price of around ₹ 71 per share and kept the same till the end of the trading day. Similarly, the three other connected entities (namely, Vision Millennium Exports Pvt Ltd, Navinya Multitrade Private Limited and Uni24 Techno Solutions Private Limited) had also placed sell orders of 15 lac shares each between 14:41:50 and 14:48:10 (reduced to 7 lac shares each in the last three minutes) with limit price of ₹ 88 apparently to enable the connected buyers to establish the higher trading price in the market during the last half an hour of trading so as to push up the closing VWAP on the expiry day. From this abnormal trading behavior of these seven entities, it may be inferred that the same was, *prima facie*, part of a scheme or device that was employed to manipulate the trading price of the scrip in cash market on the expiry day.

12. Out of the total buy orders of 62 lac shares placed by the aforesaid four connected entities, 11.95 lac shares got matched with other three connected entities at ₹ 88 per share and remaining 50.05 lac shares traded with other orders in the market at an average price of ₹ 83.68 per share. The details of matched quantity among aforesaid connected entities are shown in following Table – 14:

Table - 14

(Qty in Lac)

Sellers → **Buyers** ↓	Vision Millennium Exports Pvt Ltd	Navinya Multitrade Pvt Ltd	Uni24 Techno Solutions Pvt Ltd	**Matched Qty**
Sunmate Trade Private Limited	0.51	0.70	0.12	**1.33**
Shreyans Credit & Capital P Ltd	0.17	-	0.45	**0.62**
Aventis Biofeeds Private Limited	2.64	2.80	2.10	**7.54**
Moebius Credit & Capital P Ltd	0.86	0.70	0.90	**2.46**
Matched Qty	**4.18**	**4.20**	**3.57**	**11.95**

13. It has further been observed that the trades of these seven connected entities as described herein above had a direct impact on the closing price of the scrip as discussed in the following Table – 15:

Table - 15

Actual Settlement Price or close price on Sept 27,2012	₹ 78.65
Approximate Settlement Price or close price had these entities would have not influenced the price (Calculated on the basis of Volume Weighted Average Price during 15:00:00 to 15:28:04 on Sep. 27, 2012)	₹ 70.50
Approximate difference in settlement price	₹ 8.15

14. It is noted that, had these buy and/or sell orders not been placed by aforesaid entities during last 2 minutes of the trading day, the closing price of the scrip would have been approximately ₹ 70.50 (which is the VWAP during 15:00:00 to 15:28:04 on the trading day). Hence, by influencing the price during the last 2 minutes of the trading day, these connected entities pushed up the closing VWAP of the scrip by ₹ 8.15 (i.e., ₹ 78.65 – ₹ 70.50)

15. In view of the above analysis and observations, I find that these connected entities, *prima facie*, manipulated the closing price in the cash segment, which is the settlement price for derivative segment, to gain from their long position in derivatives. The details of the unlawful gain made by these connected entities are discussed in the following paragraphs.

16. As shown in Table – 16 below, seven of the aforesaid nine connected entities (namely, Navinya Multitrade Private Limited, Shreyans Credit & Capital Private Ltd., Betul Minerals & Constructions Pvt. Ltd., Aventis Biofeeds Pvt Ltd., Betul Oils & Feeds Pvt Ltd., Sunmate Trade Private Limited and Uni24 Techno Solutions Private Ltd.) were holding significant net long position in futures of 71.96 lac shares of Ruchi Soya as on September 27, 2012.

Table – 16

Client PAN	Client Name	Net Long in futures (Qty in lac)	% to Market OI for near month expiry	Net position acquired in Cash Mkt on 27.09.2012 (Qty in lac)
AACCN9662J	Navinya Multitrade Pvt Ltd	13.72	14.55 %	7.10
AAMCS7878M	Shreyans Credit & Capital Pvt Ltd	13.16	13.96 %	6.01
AADCB7050M	Betul Minerals & Conts. Pvt. Ltd.	13.00	13.79 %	--
AAECA0863E	Aventis Biofeeds Pvt Ltd	11.24	11.92 %	32.72
AACCB8638E	Betul Oils & Feeds Pvt Ltd	10.24	10.86 %	--
AAOCS9796A	Sunmate Trade Pvt Ltd	8.40	8.91 %	4.90
AABCU2171N	Uni24 Techno Solutions Pvt Ltd	2.20	2.33 %	0.79
TOTAL		**71.96**	**76.32 %**	**51.52**

17. From the above facts, it is gathered that on account of settlement of their long position in futures of the scrip on the expiry day, the connected entities gained by ₹ 5.86 crore (71.96 lac shares **x** ₹ 8.15) by manipulatively and artificially influencing the settlement price as detailed in the following Table – 17:

Table - 17

Client PAN	Client Name	Net Long (Qty in lac)	Increase in Positive Square off (₹in lac)
AACCN9662J	Navinya Multitrade Pvt Ltd	13.72	111.82
AAMCS7878M	Shreyans Credit&Capital Pvt Ltd	13.16	107.25
AADCB7050M	Betul Minerals & Conts. Pvt. Ltd.	13.00	105.95
AAECA0863E	Aventis Biofeeds Pvt Ltd	11.24	91.60

AACCB8638E	Betul Oils & Feeds Pvt Ltd	10.24	83.46
AAOCS9796A	Sunmate Trade Private Limited	8.40	68.46
AABCU2171N	Uni24 Techno Solutions Pvt. Ltd	2.20	17.93
TOTAL		**71.96**	**586.47**

18. The settlement price of any stock in derivatives, on the last day of expiry, is determined on the basis of the last half an hour VWAP in the cash market. Any positive impact on the closing VWAP would, in turn, positively impact the settlement price in the derivatives segment. The act of artificially impacting the settlement price in the derivatives segment is known as 'marking the close' in common parlance. The facts and circumstances as brought out in above analysis, *prima facie*, indicate that the aforesaid connected entities indulged in 'marking the close'.

19. As brought out herein above, by executing, *prima facie*, artificial and manipulated trades with huge volume and at a price significantly above the LTP, the connected entities pushed up the price of the scrip in the crucial last half an hour of trading on the expiry day. Thus, by inflating the settlement price, the connected entities increased their gain on net long positions in futures of Ruchi Soya.

20. One basic premise that underlies trading on the stock exchanges is that the clients conform to standards of transparency and ethical behavior and do not indulge in fraudulent, manipulative and unfair trade practices while dealing in securities. In this case, the above trading pattern, *prima facie,* indicates that there was a concerted attempt by the aforesaid connected entities to artificially manipulate the settlement price and gain unlawful benefit from the long positions held by them in futures of the scrip.

21. Thus, from the foregoing, I find that the aforesaid entities have, *prima facie,* violated section 12A of the Securities and Exchange Board of India Act, 1992 and regulations 3 and 4 of the SEBI (Prohibition of the Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.

22. In the facts and circumstances narrated above, the pattern of transactions of the connected entities presents an alarming picture of a concerted effort by connected entities to influence the settlement price of the scrip in order to gain an undue benefit from the net long positions held by them in futures of the scrip. The connected entities, in this case, have succeeded in their devise by adopting the above mentioned trading strategy that is abusive. If unchecked, without any prompt, remedial and preventive action, it is likely that these connected entities may extend such design to other scrips too. Therefore, it is imperative that action be taken to make the market participants aware of the stringent consequences for adversely affecting the integrity of the market.

23. In the light of the preliminary findings in this matter as mentioned above, I am of the view that this is a fit case where pending detailed investigation effective action is

required to be taken by way of an *ad interim ex -parte* order to prevent any further harm to investors and the securities market. Therefore, in order to protect the interest of investors and the integrity of the securities market, I, in exercise of the powers conferred upon me by virtue of Section 19 read with Sections 11(4), 11B and 11D of SEBI Act, 1992, pending detailed investigation that is directed to be completed expeditiously, hereby issue the following directions, by way of this *ad-interim ex-parte* order:

a) The following entities are restrained from accessing the securities market and further prohibited from buying, selling or dealing in securities in any manner whatsoever, till further directions:

Sr. No.	Name	PAN
1.	Navinya Multitrade Private Limited	AACCN9662J
2.	Shreyans Credit and Capital Private Limited	AAMCS7878M
3.	Betul Minerals and Constructions Private Limited	AADCB7050M
4.	Aventis Biofeeds Private Limited	AAECA0863E
5.	Betul Oils & Feeds Private Limited	AACCB8638E
6.	Sunmate Trade Private Limited	AAOCS9796A
7.	Uni24 Techno Solutions Private Limited	AABCU2171N
8.	Vision Millennium Exports Private Limited	AAACV6970B
9.	Moebius Credit and Capital Private Limited	AAHCM4176D

b) The Stock Exchanges and the Depositories are directed to ensure that the above directions are strictly enforced.

24. The persons/entities against whom this order is passed may file their representations, if any, within twenty one days from the date of this order and, if they so desire, avail an opportunity of personal hearing on a date, place and time fixed in that regard by Securities and Exchange Board of India.

25. This order shall come into force with immediate effect.

RAJEEV KUMAR AGARWAL
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA

DATE: 15.02.2013
PLACE: MUMBAI