

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
CORAM: S. RAMAN, WHOLE TIME MEMBER

ORDER

UNDER SECTIONS 11(1), 11(4) AND 11B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992.

IN THE MATTER OF DEALING IN THE SHARES OF –

1. SPECTACLE INFOTEK LIMITED [EARLIER KNOWN AS SPECTACLE INDUSTRIES LIMITED].
2. GOLDSTONE TECHNOLOGIES LIMITED.
3. GEMSTONE INVESTMENTS LIMITED.
4. LGS GLOBAL LIMITED.
5. WELL PACK PAPERS & CONTAINERS LIMITED.

IN RESPECT OF –

1. GEMSTONE INVESTMENTS LIMITED [PAN: AAACG1483A].
2. SHRI AVINASH BOTHRA [PAN: AKFPB9350B].
3. SHRI VIPUL HIRALAL SHAH [PAN: AZCPS9537P].
4. SMT ADITI M. GANDHI [PAN: AKCPG0247R].

Background –

- 1.1 Securities and Exchange Board of India (“SEBI”) initiated an Investigation into the dealings in the scrips of Spectacle Infotek Limited [earlier known as Spectacle Industries Limited] (“**Spectacle Industries**”); Goldstone Technologies Limited (“**Goldstone Technologies**”); Gemstone Investments Limited (“**Gemstone Investments**”); LGS Global Limited (“**LGS Global**”); Well Pack Papers & Containers Limited (“**Well Pack**”), pursuant to detection of unusual increase in the traded volumes and price of shares in the aforesaid scrips during the period from 2008–2010.
- 1.2 The preliminary observations of the Investigation *inter alia* revealed –
 - i. The shares of Spectacle Industries; Goldstone Technologies and Well Pack, were listed on **BSE** and the National Stock Exchange of India Limited (“**NSE**”).
 - ii. The shares of Gemstone Investments and LGS Global, were listed on BSE.

- iii. The increase in the traded volumes and price of shares in the scrips of the aforementioned companies, were as under –

S.R. NO.	NAME	EXAMINATION PERIOD	PRICE VARIATION IN ₹ (BASED ON CLOSING PRICE)	DAILY HIGH-LOW TRADED VOLUME (NUMBER OF SHARES)
1.	LGS GLOBAL	10.02.2009 – 7.05.2010	20.15 – 133.60	46 – 12,12,140
2.	SPECTACLE INDUSTRIES	29.05.2009 – 30.04.2010	41 – 122.65	36,724 – 23,45,145
3.	GOLDSTONE TECHNOLOGIES	21.01.2009 – 13.04.2010	10.10 – 45.50	614 – 12,12,337
4.	GEMSTONE INVESTMENTS	06.01.2009 – 30.12.2009	21.20 – 78.35	1 – 2,46,015
5.	WELL PACK	PRE-BONUS & SPLIT: 28.11.2008 – 12.03.2010	9.54 – 499.45	1600 – 6,05,201
		PRE-BONUS & SPLIT: 15.03.2010 – 30.06.2010	23.20 – 73.90	16,82,856 – 58,49,194

- iv. On an analysis of the trading activity in the aforementioned scrips, certain related entities were *prima facie* observed to have indulged in creation of artificial volume by trading amongst themselves; continuous synchronised trading, which contributed to the price rise; off-market transfers amongst themselves for meeting settlement obligations.

- 1.3 Based on the aforementioned preliminary findings of the Investigation, SEBI vide an *Ad-Interim Ex-Parte* Order dated February 2, 2011 (“**Interim Order**”) restrained thirty-nine entities/persons including Gemstones Investments; Shri Avinash Bothra; Shri Vipul Hiralal Shah and Smt Aditi M. Gandhi, from accessing the securities market and further, prohibited them from buying, selling or dealing in securities in any manner whatsoever, till further directions. The Interim Order was issued during the pendency of the Investigation.
- 1.4 The Interim Order was subsequently confirmed as against Gemstone Investments and Shri Avinash Bothra and three other entities/persons vide a SEBI Order dated July 8, 2011, (“**Confirmatory Order**”).
- 1.5 Pursuant to completion of Investigation, proceedings under Section 11B of the SEBI Act, 1992 (“**SEBI Act**”) were initiated against seventeen of the thirty-nine entities/persons mentioned in the Interim Order while Adjudication proceedings under the said Act were initiated against the remaining twenty-one entities/persons mentioned in the Interim Order including Gemstones Investment; Shri Avinash Bothra; Shri Vipul Hiralal Shah and Smt Aditi M. Gandhi.

- 1.6 It is noted that the Adjudication proceedings against Gemstones Investment; Shri Avinash Bothra; Shri Vipul Hiralal Shah and Smt Aditi M. Gandhi have been completed and Adjudication Orders have been passed by the concerned Adjudication Officer. Further, the penalties imposed vide the said Adjudication Orders have been realised by SEBI. Details of the Adjudication proceedings initiated against the aforementioned four entity/persons, viz. is as under –

SR. NO.	NAME	DATE OF ADJUDICATION ORDER	PENALTY IMPOSED [IN ₹]
1.	GEMSTONE INVESTMENTS	26.09.2014	5 LAKHS
2.	SHRI AVINASH BOTHRA	16.02.2015	5 LAKHS
3.	SHRI VIPUL HIRALAL SHAH	16.02.2015	6 LAKHS
4.	SMT ADITI M. GANDHI	16.02.2015	6 LAKHS

- 1.7 As stated earlier, the Interim Order restrained Gemstones Investments; Shri Avinash Bothra; Shri Vipul Hiralal Shah and Smt Aditi M. Gandhi, from accessing the securities market and further, prohibited them from buying, selling or dealing in securities in any manner whatsoever, till further directions. The directions in the Interim Order were also confirmed as against Gemstones Investments and Shri Avinash Bothra vide the Confirmatory Order. I note that the aforementioned entities have undergone restraints imposed vide the aforesaid Interim Order read with Confirmatory Order (as against only Gemstones Investments and Shri Avinash Bothra) for a period of more than 6 years.
- 1.8 Considering the facts and circumstances involved in the instant proceedings, I am of the view that the restraints imposed vide the aforesaid Interim Order read with Confirmatory Order (as against only Gemstones Investments and Shri Avinash Bothra), need not be continued.

ORDER –

- 2.1 In view of the foregoing, I, in exercise of the powers conferred upon me in terms of Section 19 read with Sections 11(1), 11(4)(b) and 11B of the SEBI Act, direct as under –
- i. The Interim Order dated February 2, 2011 read with the Confirmatory Order dated July 8, 2011, against the following entity/person shall stand revoked with immediate effect –

SR. NO.	NAME	PAN
1.	GEMSTONE INVESTMENTS LIMITED	AAACG1483A
2.	SHRI AVINASH BOTHRA	AKFPB9350B

- ii. The Interim Order dated February 2, 2011, against the following persons shall stand revoked with immediate effect –

SR. NO.	NAME	PAN
1.	SHRI VIPUL HIRALAL SHAH	AZCPS9537P
2.	SMT ADITI M. GANDHI	AKCPG0247R

- 2.2 A copy of this Order shall be served on BSE, National Stock Exchange of India Limited, National Securities Depositories Limited and the Central Depository Services (I) Limited, to enable them to take necessary steps for ensuring due compliance.

Place: Mumbai
Date: March 31, 2017

S. RAMAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA