

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER

ORDER

Under Sections 11, 11(4) and 11B of the Securities and Exchange Board of India Act, 1992

In the matter 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:

S. No.	Name	PAN
1.	Ms. Rekha Bhandari	ALHPB9175D
2.	Shri Sunil Bhandari	ALZPB5747M
3.	Ms. Dipika Dinesh Kankaria	AZGPK7183F

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1. Securities and Exchange Board of India (“**SEBI**”) conducted a preliminary examination into the dealings in the scrips of Spectacle Infotek Limited [earlier known as Spectacle Industries Limited] (“**Spectacle Infotek**”); 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 years 2008, 2009 and 2010.
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Order in the matter of Spectacle Infotek Limited [earlier known as Spectacle Industries Limited], Goldstone Technologies Limited, Gemstone Investments Limited, LGS Global Limited and Well Pack Papers & Containers Limited.

2. Upon preliminary examination, SEBI prima facie found that –

- i. The shares of Spectacle Infotek; 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. There was an unusual increase in the traded volumes and price of shares in the scrips of the aforementioned companies during the examination period. The details of the same was as under –

SR. 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, it was *prima facie observed that* certain related entities had indulged in creation of artificial volume by trading amongst themselves; continuous synchronized trading, contributing to the price

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rise and carrying out off-market transfers among themselves for the purpose of meeting settlement obligation of another.

3. In view of the above, in order to protect the interests of investors and to preserve the safety and integrity of the securities market, SEBI passed *Ad-Interim Ex-Parte* Order dated February 2, 2011 (hereinafter referred to as “*Interim Order*”) restraining 39 entities/persons including Ms. Rekha Bhandari, Sunil Bhandari and Ms. Dipika Dinesh Kankaria (hereinafter collectively referred as “the noticees”), 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 were issued in Interim Order, pending investigation in the matter.
4. The interim order was later confirmed by SEBI vide order dated July 08, 2011 (hereinafter referred to as “confirmatory order”) against Ms. Dipika Dinesh Kankaria along with four other entities/persons, however the same did not deal with Ms. Rekha Bhandari and Shri Sunil Bhandari.
5. Subsequent to the interim order, SEBI conducted a detailed investigation into the role of the various entities in dealing in the aforesaid scrips so as to ascertain the violation of securities laws. I note that pursuant to investigation, SEBI did not deem fit to initiate 11B proceedings against Ms. Rekha Bhandari, Shri Sunil Bhandari and Ms. Dipika Dinesh Kankaria and had ordered adjudication proceedings to be initiated under Chapter VIA of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) in respect of the alleged violations committed by them. Ms. Rekha Bhandari and Shri Sunil Bhandari had approached Hon’ble SAT by filing appeal (Appeal no. 2 of 2018) challenging the interim order and Hon’ble SAT, has vide Order dated January 12, 2018, directed SEBI to pass fresh order after giving opportunity of hearing to the noticees.
6. Considering the fact that SEBI did not deem fit to continue 11B proceedings against Ms. Rekha Bhandari, Shri Sunil Bhandari and Ms. Dipika Dinesh Kankaria and only Adjudication proceedings had been ordered under Chapter VIA of SEBI Act against Ms. Rekha Bhandari, Sunil Bhandari and Ms. Dipika Dinesh Kankaria in respect of the alleged violations committed by them, I am of the view that SEBI has considered that imposition of penalty after following

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the due process of law would be the appropriate remedy rather than issuance of directions against these noticees. Therefore, aforesaid Interim Order passed qua the noticees read with Confirmatory Order (as only against Ms. Dipika Dinesh Kankaria), are liable to be revoked against all the noticees.

ORDER –

7. 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, against the following persons shall stand revoked with immediate effect –

SR. NO.	NAME	PAN
1.	M S. REKHA BHANDARI	ALHPB9175D
2.	SHRI SUNIL BHANDARI	ALZPB5747M

ii. The Interim Order dated February 2, 2011 read with the Confirmatory Order dated July 8, 2011, against the following person shall stand revoked with immediate effect –

SR. NO.	NAME	PAN
1.	MS. DIPIKA DINESH KANKARIA	AZGPK7183F

8. A copy of this Order shall be served on the Stock Exchanges and Depositories, for necessary action.

DATE: FEBRUARY 09, 2018

PLACE: MUMBAI

MADHABI PURI BUCH

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA

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