WTM/PS/16/IVD/ID-10/JUNE/2014

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

Under Sections 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992 read with Regulation 11 of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.

In the matter of trading activities of certain entities in the scrips of Pipavav Defence and Offshore Engineering Company Limited, Parsvanath Developers Limited, Glodyne Technoserve Limited and Tulip Telecom Limited

In respect of Mr. Ajit Kumar Jain, Cheminare Trade Comm Private Limited, Mr. Umang Nemani, Gajria Jayna Precision Industries Private Limited, Kuvam Plast Private Limited, Passion System Solution Private Limited, Ramkripa Securities Private Limited and Mr. Manish Agarwal

---

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') noticed a fall of around 20% in the scrips of Pipavav Defence and Offshore Engineering Company Limited, Parsvanath Developers Limited, Glodyne Technoserve Limited and Tulip Telecom Limited (hereinafter collectively referred to as 'said scrips') between 09:15 a.m. and 09:49 a.m. on July 26, 2012 as compared to their closing prices on July 25, 2012 at NSE and BSE. The details of such changes are as under:

Scrip	BSE		NSE	
	Pricefall Patch	% of Change to previous day close	Price fall Patch	% of Change to previous day close
Pipavav Defence and Offshore Eng. Co. Limited	09:32:35 to 09:35:15	-19.96	09:15:00 to 09:35:00	-18.93
Parsvanath Developers Limited	09:36:06 to 09:41:20	-20.07	09:35:47 to 09:42:47	-20
Glodyne Technoserve Limited	09:15:54 to 09:23:45	-20.28	09:15:09 to 09:29:51	-20.05
Tulip Telecom Limited	09:32:30 to 09:47:32	-42.50	09:40:00 to 09:49:00	-30.84

2. There was no corporate announcement/ price sensitive information disclosed to the stock exchanges which would have impacted the share prices of the said scrips negatively. On the basis of an analysis of the trading activity of the major clients at NSE and BSE in the said scrip, it was noticed that certain clients were common across the said scrips and were also trading on both the exchanges. Therefore, it *prima facie* appeared that the clients were instrumental in pushing the prices of the said scrips down as they were placing sell orders below the best sell price. SEBI conducted a preliminary examination in the said scrips in order to ascertain whether there was violation of the provisions of the SEBI Act, 1992 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 in the matter. However, in view of the urgency and to prevent the continuance of such operations, SEBI had, pending investigation and passing of the final order, issued an *ad interim ex-parte* Order dated August 03, 2012 (hereinafter referred to as the '*interim* order') in the matter of dealings in the scrips of Pipavav Defence and Offshore Engineering Company Limited, Parsvanath Developers Limited, Glodyne Technoserve Limited and Tulip Telecom Limited and issued directions against 19 persons/ entities. The said 19 persons/ entities include Mr. Ajit Kumar Jain, Cheminare Trade Comm Private Limited, Mr. Umang Nemani, Gajria Jayna Precision Industries Private Limited, Kuvam Plast Private Limited, Passion System Solution Private Limited, Ramkripa Securities Private Limited and Mr. Manish Agarwal, who were restrained from accessing the securities market and prohibited from buying, selling or dealing in securities in any manner whatsoever, till further directions.

3. Pursuant to an opportunity of personal hearing and after considering the submissions made, SEBI confirmed the *interim* directions as against the persons/ entities vide separate orders dated December 19, 2012, December 31, 2012, January 11, 2013 and January 18, 2013 considering the *prima facie* relationships among the sellers, order pattern analysis and order placement by sellers during the period of price fall in the said scrips.

4. In the meantime, the entities namely Gajria Jayna Precision Industries Private Limited and Passion System Solution Private Limited, approached the Hon'ble Securities Appellate Tribunal challenging the confirmatory order dated December 19, 2012. The appeals so filed were withdrawn by Gajria Jayna Precision Industries Private Limited and Passion System Solution Private Limited.

5. The investigation in the matter has been concluded and appropriate proceedings/ enforcement actions have been initiated against those persons/ entities alleged to have contravened the securities laws. However, in respect of Mr. Ajit Kumar Jain, Cheminare Trade Comm Private Limited, Mr. Umang Nemani, Gajria Jayna Precision Industries Private Limited, Kuvam Plast

Private Limited, Passion System Solution Private Limited, Ramkripa Securities Private Limited and Mr. Manish Agarwal, the investigation could not establish anything adverse.

6. Therefore, benefit of doubt is afforded to Mr. Ajit Kumar Jain, Cheminare Trade Comm Private Limited, Mr. Umang Nemani, Gajria Jayna Precision Industries Private Limited, Kuvam Plast Private Limited, Passion System Solution Private Limited, Ramkripa Securities Private Limited and Mr. Manish Agarwal. Accordingly, no further action is called for against these persons/ entities and the direction issued against these vide the *interim* order needs to be revoked.

7. In view of the above, I, in exercise of the powers conferred upon me under Section 19 of the Securities and Exchange Board of India Act, 1992 read with Sections 11 and 11B thereof, vacate the *interim* directions issued by the Securities and Exchange Board of India, vide Order dated August 03, 2012, which were also confirmed vide Orders dated December 19, 2012, December 31, 2012, January 11, 2013 and January 18, 2013 against Mr. Ajit Kumar Jain [PAN: ACNPJ 9264G], Cheminare Trade Comm Private Limited [PAN: AACCC 1546Q], Mr. Umang Nemani [PAN: ABOPN 7213K], Gajria Jayna Precision Industries Private Limited [PAN: AABCG 5915E], Kuvam Plast Private Limited [PAN: AADCK 8653K], Passion System Solution Private Limited [PAN: AAECP 3609F], Ramkripa Securities Private Limited [PAN: AADCR 3436K] and Mr. Manish Agarwal [PAN: APLPA 3819B], with immediate effect.

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

DATE : JUNE 26, 2014
PLACE: MUMBAI

PRASHANT SARAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA