

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

CORAM: PRASHANT SARAN, WHOLE TIME MEMBER

IN THE MATTER OF ADVIK LABORATORIES LTD.

In respect of Advik Laboratories Ltd., Mr. V.K. Jain, Mr. Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Mr. Rajkumar Jain, Mr. Vivek Jain, Ms. Shivani Jain, Advik Finance & Properties Pvt. Ltd.

Date of hearing: May 28, 2010

Appearance:

**For Noticees: Mr. V.K. Jain, Managing Director, Advik Laboratories Ltd.
Ms. Deepika Vijay Sawhney, Advocate**

**For SEBI: Mr. Bhagwandas Samariya, Manager
Mr. Pradeep Kumar, Legal Officer**

ORDER

Under Sections 11, 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.

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') conducted investigation into the buying, selling and dealings in the scrip of Advik Laboratories Ltd. (hereinafter referred to as 'Advik') for the period of September 26, 2003 to January 05, 2004, *inter alia* to ascertain whether there was any violation of Securities and Exchange Board of India, 1992 (hereinafter referred to as 'SEBI Act'), SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations 2003 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as 'SAST Regulations'). During the period of investigation the scrip of Advik was listed on Bombay Stock Exchange (hereinafter referred to as 'BSE'), Ahmedabad Stock Exchange (hereinafter referred to as 'ASE'), Delhi Stock Exchange (hereinafter referred to as 'DSE') and Madras Stock Exchange (hereinafter referred to as 'MSE'). However, no trading was reported at ASE, DSE and MSE during the relevant period.

2. During the period the price of scrip increased from ₹19.91 as on September 29, 2003, touched a high of ₹31.70 as on December 30, 2003 in 67 trading days and closed at ₹29.30 as on January 5, 2004. The trading volume of the scrip had also increased from a daily average of around 400 shares before the investigation period to 8,50,000 shares during the investigation period at BSE.
3. Investigation revealed that Advik had made various corporate announcements during the relevant period which were later found to be pre-mature. It was found that pursuant to making of public announcements the promoters transferred shares of Advik to connected entities and started trading actively among themselves. While trading in this fashion, the promoter and related/ connected entities altogether sold net quantity of 62,12,744 shares during the relevant period accounting for 94% of the net sales during September 26, 2003 to January 05, 2004. By such offloading the holding of promoters of Advik reduced from 32.34% to 12.36% during the quarter ended December, 2003. No disclosure of this was made to BSE by the company as per SAST Regulations. A few promoters of Advik were also found indulged in synchronized trading in the scrip during the relevant period which contributed to the increase in volume and price rise in the scrip.
4. It was also revealed that when promoters stopped trading in the scrip from January 06, 2004, the price declined to ₹19.25 hitting the lower circuit almost every day along with sharp decline in volumes to daily average of 12,000 shares from a daily average of 8,50,000 shares traded during the relevant period.
5. On completion of the investigations, SEBI *inter alia* issued Show Cause Notice (hereinafter referred to as 'SCN') dated January 10, 2008 to Advik and Mr. V.K. Jain, Managing Director, Advik under Sections 11, 11(4) and 11B of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as 'SEBI Act'). The SCN alleged that Advik came out with various pre-mature corporate announcements during the investigation period. The promoter group transferred shares of Advik to connected entities and started trading among themselves in the market, which created artificial volume and rise in the price of the scrip.

Further, it was alleged that promoters of Advik had not made any disclosure of change in shareholding. The SCN, therefore, alleged that the acts of Advik and Mr. V.K. Jain were in violation of Regulations 3 (a),(b),(c),(d), 4(1), 4(2)(k) and (r) of PFUTP Regulations, Regulation 7(3) of SAST Regulations and Regulation 13(6) of SEBI (Prohibition of Insider Trading) Regulation, 1992 (hereinafter referred to as 'PIT Regulations'). Accordingly, SCN called upon Advik and V.K. Jain to show cause as to why action under Sections 11, 11(4) and 11B of SEBI Act, including restraining them from accessing the capital market and prohibiting from buying, selling or dealing in securities in any manner for a particular period should not be initiated against them. Advik and Mr. V K Jain replied to this SCN vide their letter dated June 10, 2008.

6. Another SCN dated September 17, 2008 was issued to Mr. Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Mr. Rajkumar Jain, Mr. Vivek Jain, Ms. Shivani Jain and Advik Finance and Properties Pvt. Ltd. under Sections 11, 11(4) and 11B of SEBI Act. The SCN alleged that the acts of Mr. Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Mr. Rajkumar Jain, Mr. Vivek Jain, Ms. Shivani Jain and Advik Finance and Properties Pvt. Ltd. were in violation of Regulations 3 (a),(b),(c),(d), 4(1), 4(2)(a),(b),(e) and (g) of PFUTP Regulations, and Regulations 7(1)(A) and 7(2) of SAST Regulations. Accordingly, SCN called upon these to show cause as to why action under Sections 11, 11(4) and 11B of SEBI Act, including restraining them from accessing the capital market and prohibiting from buying, selling or dealing in securities in any manner for a particular period should not be initiated against them.
7. Vide letter dated October 03, 2008, Mr. V.K. Jain intimated SEBI that Mr. Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Mr. Rajkumar Jain, Mr. Vivek Jain, Ms. Shivani Jain and Advik Finance and Properties Pvt. Ltd. are his family members and these have issued power of attorney in his name authorizing him to take care of their holding and for dealings therein. Further, it was stated that the management and affairs of Advik were looked after by him

alone. For the purposes of reply to SCN dated September 17, 2008, he preferred to rely on his earlier reply dated June 10, 2008 for the said entities also.

8. In the meantime, the Investigating Authority noticed some error in the figures provided in the SCNs dated January 10, 2008 and September 17, 2008. Accordingly, the revised details were provided to Advik, Mr. V.K. Jain, Mr. Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Mr. Rajkumar Jain, Mr. Vivek Jain, Ms. Shivani Jain and Advik Finance and Properties Pvt. Ltd. (hereinafter collectively referred to as noticees') vide corrigendum to SCN dated May 05, 2010.
9. Before proceeding further in the matter an opportunity of personal hearing was granted to all the noticees before me on May 28, 2010 at Delhi. On the date fixed Mr. V.K. Jain, Managing Director, Advik and Ms. Deepika Vijay Sawhney, Advocate appeared for all the noticees and made oral submission. They also requested for fifteen days time for filing of written submissions which was granted to them. Accordingly, noticees filed their written submission vide their common letter dated June 16, 2010.
10. I note that the replies of all the noticees are common and have been signed by Mr. V.K. Jain only. Considering this, I am proceeding with the matter by taking into account both the SCNs and passing a common order for these.
11. I have carefully considered the SCN, replies of the noticees, written submissions and the material available on record. The contentions of the noticees in their replies, in brief, are:
 - Advik was promoted by Mr. V.K. Jain and the shareholding of company was distributed amongst the family members, who are having technical background. Except him none of the family members/ promoters is directly involved in any of the matter of Advik. Neither Mr. V.K. Jain nor any other promoter of Advik was aware of the intricacies of the capital market. Mr. V.K. Jain had acted on behalf of his family members on the basis of pre-signed share transfer DP slips and power of attorney drawn by them in his favour.

- During the period 2002-2004, Advik was having ₹6,98,17,664 outstanding to be paid to financial institutions namely State Bank of India and Haryana Financial Corporation. The promoters offloaded their holdings with the intent of arranging funds to meet out financial liabilities of financial institutions.
- The announcements made during the relevant period were as per the regulatory requirement. No irregularity in the quarterly results and the same were in compliance of regulatory provisions.
- Several documents relating to the operation of company were disfigured due to water logging at the residence of the promoter of Advik by torrential rains in Delhi during July, 2005. Many of the other documents of Advik were destroyed due to fire at the godown of company. Intimation of this fire mishap was duly given to the BSE.
- The tie up with Max Medical for UKMCA approval could not be proceeded because of environmental non-clearance. The tie up was never annulled and is kept in abeyance. The offer of Max Medical is open if the pollution matter is solved.
- V.K. Jain was introduced to Mr. Manish Pancholi through a common business associates. Manish Pancholi then introduced V.K. Jain to brokers namely M.M. Upadhyay and Ajmera Associates. Promoters merely transferred their shares to the brokers for selling purpose. The brokers without the knowledge and authorization of V.K. Jain wrongfully dealt in the shares so transferred. The brokers had used V.K. Jain as a tool and skillfully shifted the entire liability upon him.
- The trades were executed from the trading terminals located at Mumbai.
- No contract notes or ledger account in respect of sale of shares were issued by brokers. V.K. Jain only received ₹8 per share which was utilized to pay off the liabilities of Advik.
- Had not carried out synchronized/ circular trading in the scrip.
- The promoters had duly informed the company about the change in their shareholding as per the SAST Regulations. However, a penalty of ₹ 10 lakh has already been imposed upon the company for violations including the non-disclosures by the company and the same has been paid.

- The lapses as to the regulatory provisions were inadvertent and owing to the fraud of Company Secretary and lack of secretarial knowledge. Their Company Secretary, Mr. Sanjib Jha was entrusted with the job of advising the Board of Advik about making appropriate disclosures to the exchanges and the announcements related thereto from time to time. From, February, 2004, he stopped attending office, and had not intimated this to the management of Advik. On receipt of letters from SEBI and exchanges, the whereabouts of Sanjib Jha were checked and it was found that he had given fake membership number of the Institute of Company Secretaries of India to the company.

12. I note that noticees have accepted that they had transferred huge quantities of shares of Advik. Noticees have also not raised any doubt on the data provided in the SCN. Considering all this, the issues arises for my consideration is: Whether Advik made misleading corporate announcements, declared non-genuine financial results and benefited the promoters to offload their holdings?

13. Whether Advik made misleading corporate announcements, declared non-genuine financial results and benefited the promoters to offload their holdings?

a. I note that noticees had made a series of corporate announcements during the relevant period of time having bearing on the share price of the company. All these announcements require separate consideration so as to find out whether these were misleading or not. Hence, these are being discussed point wise:

- **Announcement relating to buy back of the shares, delisting of shares, tie up with Max Medical and acquisition of stake by Max Medical**

- i. The announcement relating to buy back of the shares, delisting of shares, tie up with Max Medical and acquisition of stake by Max Medical was made by Advik on September 26, 2003, it is seen that after this announcement the volume in the scrip spurted suddenly from 50 shares as on September 25, 2003 to 12,101 shares as on September 26, 2003.

From the announcement, it is seen that Max Medical has showed interest to take 20% stake at a price of ₹35 per share and would invest \$10 million in Advik. To this, it is observed that the previous closing day price of the scrip was ₹20.68.

- ii. Noticees have argued that the tie up with Max Medical for UKMCA approval was not pre-mature. Intimation to exchange was given at the point of finalization of talks with Max Medical. It has been stated that Advik was in talks for tie up with Max Medical for UKMCA approval since the beginning of the year 2003. Max Medical expressed their interest to acquire stake in company vide its fax dated September 19, 2003. The matter was to be discussed in the board meeting to be held on October 01, 2003, hence the notice to exchange was sent on September 26, 2003. The tie up was confirmed pending the signing of contract. However, due to pollution problem from adjacent rubber factory, the deal could not be materialized. Advik has filed a petition dated April 26, 2004, before Hon'ble Punjab and Haryana High Court for resolving the pollution issue. Advik has submitted that the proposal is still pending.

As regards the delisting of shares of Advik, it has been submitted that shares were listed on MSE, ASE and BSE. As no trading on ASE and MSE was reported, for reducing the operational cost and compliances application for delisting were made to MSE and ASE. Shares were duly delisted from MSE in the year 2005-06. Delisting from ASE could not be done due to high delisting fees which could not be paid by the company.

- iii. I note that Advik has not provided any information about its buy-back proposal. The reply of noticees is silent on this point. Considering this, it can be concluded that Advik had made this announcements just to gain the trading interest among the investors. As regards the tie up with Max Medical and acquisition of stake by Max Medical, I note that the only document produced is a fax received by Advik. No other supplementary

document has been produced by the noticees to show that Max Medical was interested in buying the stake in Advik at prices higher than the market price. Further, it is also seen that Advik has not provided any documentary evidence regarding application/ correspondence regarding UKMCA certificate. Taking note of these, it can be inferred that these announcements were pre-mature in nature.

- **Announcement relating to export orders, R & D facility, foreign investment in company and manufacturing/ packing facility at UAE.**
 - i. This announcement for export orders of ₹62 Crore, research and development facilities, resolution enabling foreigners, foreign investors and Foreign Institutional Investors (hereinafter referred to as 'FII') to invest up to 40% of the paid up capital and plan to open manufacturing/ packing facilities at UAE to cater middle east market was made by Advik vide two press releases dated November 01, 2003 and November 20, 2003.
 - ii. Noticees have argued that considering the discussion to their talks for UKMCA approval they got the export orders worth ₹62 Crore, receipt of these orders had been made in the Annual Report of the year 2002-2003 and announcement thereof on September 26, 2003. Hence these were not at all pretentious. These orders delayed due to non-certification under UKMCA and further not executed due to Iraq-America war. Due to this war the project for opening of manufacturing/ packing facilities at UAE was also deferred. Further, it has been submitted that for setting up research and development facilities and to enter the biotech product market during November, 2003, Advik was in talks with M/s Micro Plantae Ltd. However, due to lack of funds and postponement of tie up with Max Medical the project cannot be proceeded.
 - iii. I note that Advik has not provided any information about investment by foreigners, foreign investors and FII.

- Advik informed DSE on November 20, 2003, about the Board Meeting to be held on November 29, 2003, to consider the tie up with Integral Pharma Services Ltd. and discussion of opening offices in Brazil and Latin America. I note that no subsequent development in this regard have been made available by noticees.
 - As regards the announcement dated November 24, 2003 regarding export orders worth ₹20 Crore from Qmedice and Wayne LLC, UAE, the noticees have argued that this was a news report in 'Bussiness Standard' newspaper. Further, noticees have submitted that this was the part of ₹62 Crore order referred in the announcement dated November 01, 2003 and November 20, 2003.
 - Vide announcement dated November 25, 2003, Advik informed BSE that it had launched Biosulph, a biotech product after three years of analysis and signed a Memorandum of Understanding with Embrax Corporation, Brazil, for marketing this product in Mexico and Latin America. The noticees submitted that due to competition and requirement of funds the same could not be worked out. Further, the brand Biosulph was sold by Advik to M/s Obsurge Pharma Pvt. Ltd. for a compensation of ₹5 lakh.
 - Vide announcement dated December 23, 2003, Advik informed DSE about the Board meeting to be held on December 30, 2003 to increase the capital base by way of capital infusion in the form of GDR, foreign currency convertible bonds, preferential allotments, rights etc. The noticees have argued that the said notice was to obtain blanket approval by passing a resolution in the general meeting of shareholders for raising funds. Later-on because of pollution problem, the funding programme by Max Medical by acquiring stake in Advik was also kept on hold.
- b.** I note that Advik had shown sudden higher profits during the quarter ended September, 2003. A summary of the financial results and quarterly results of Advik has been brought out below in tabular format for ready reference:

(₹ in Crore)

Description	FY ended Mar. 31, 2003	FY ended Mar. 31, 2004	Quarter ended Sept. 2003	Quarter ended Dec., 2003	Quarter ended March, 2004
Total Income	17.11	20.30	10.04	7.04	3.22
Net Profit (Loss)	1.65	0.01	1.89	(0.60)	(0.89)

Noticees have argued that Advik is having two types of business i.e. of manufacturing of medicines (profit margin in this is between 40-50%) and trading of bulk drugs (profit margin is between 5-10%). Sale of manufactured drugs largely depends on government orders and tender offers and result in substantial variations in the company's turnover. During September, 2003 apart from sale of bulk drugs, the sale of manufactured medicine was quite high which resulted in higher profit during quarter September, 2003. Further, during quarter December, 2003, the sale of bulk drugs was higher and sale of manufactured medicine was negligible, also due to increase in other expenses and imposition of excise duty Advik could not make profit during this period.

- c. From the above discussion of the corporate announcements made by Advik, I note that the noticees on most of the occasions have promptly communicated the positive news but remained silent when the same turned out to be negative. I find no merits in the submissions of the noticees as the financial results of the company for the quarter ending September, 2003 shows decent profit which helped promoters of the company to give positive picture of the company in the market and for creating a base for their potential announcements from September, 2003 onward. Upon seeing the wholesome picture of the matter, I note that after this quarter, the promoters started off-loading their holdings and thereby encashed the opportunity. Further, it is observed that from the very next quarter the net income and profit has gone down considerably which gives an impression that the interest of promoters was no longer in the company. I observe that during the time when the above said corporate announcements were made, a sudden surge in the price and trading volume in the scrip was noticed.

- d. I note that the promoters of Advik started offloading their holdings in the company by off-market transfers during the time when the said corporate announcements were made and sold huge quantities of their shares. A few instances thereof have been brought out below for reference:

S. No.	Date	Transferred From	Transferred To	Quantity
1.	25/09/2003	Aditya Jain	Mansukhlal Upadhyay	9,00,000
2.	25/09/2003	V.K. Jain	Mansukhlal Upadhyay	4,00,000
3.	10/10/2003	Vivek Jain	Amit Pandya	6,00,000
4.	13/12/2003	Divya Jain	Amit Pandya	6,00,000

As observed from the tables of SCN, the promoters of Advik were holding around 84% of the equity capital of Advik in June, 2003 and September, 2003 quarter. During the quarter December, 2003, the promoters disposed 54,92,102 shares constituting about 58% of the total share capital of Advik. Advik has also been found to have not disclosed the reduction of the shareholding to the exchange. A perusal of the details of circular/ synchronized trading, off market deals by promoters and connected clients/ brokers as brought out in the SCN reveals that the noticees namely Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Rajkumar Jain, Vivek Jain, Ms. Shivani Jain and Advik Finance Pvt. Ltd. had together purchased 1,07,11,588 shares and sold 1,57,80,249 shares during the relevant period. The net quantity sold by these entities comes to 50,68,661 shares constituting 54.19% of the share capital of Advik and 76.30% of the net sales in the scrip during the relevant period.

- e. I note the contention of noticees that they had offloaded their holdings with the intent of arranging funds to meet the financial liabilities of the company to the financial institutions. It has been submitted that they were not aware about the intricacies of securities market. Further, they were introduced to one Manish Pancholi by a common business associate who in turn introduced them to a few brokers who agreed to arrange funds for them in exchange of shares of Advik. I note that as per the details available on record Manish Pancholi was the person who used to place orders on behalf of all the noticees with the broker Ajmera Associates. The noticees have argued that Manish Pancholi was never the employee of Advik and they had no association with him.

- f. Noticees have also submitted that they had duly informed Advik of the change in shareholding as per SAST Regulations and PIT Regulations. Thereafter, as per the norms the company secretary was authorized to make the adequate disclosure to the exchange. Further, their Company Secretary, Mr. Sanjib Jha breached his duty and had not informed to the exchanges. The noticees have submitted that the records of disclosure so made by the promoters were destroyed owing to huge fire and water logging in the premises. FIR in this regard have also been brought on record by the noticees.
- g. I have seen the copy of these FIRs and note that out of these one is a letter dated July 22, 2005, written by noticee namely Mr. Aditya Jain requesting for lodging the complaint and issuance of FIR for issuance of duplicate shares. No details as regards the loss of document have been made in this letter. I note that BSE has confirmed that no such disclosure was made to it by Advik. Taking note of this, I find no merit in the submission of the noticees.

Further, as per the facts of the case and available records, it is clear that the promoters of Advik had offloaded their holdings. As regards the allegation of circular/ synchronized trading in the scrip by few promoters, I note the submissions of V.K. Jain that except him none of the promoters had dealt in the scrip. It has been submitted that he used to transfer the shares of Advik to brokers as and when he used to receive the intimation regarding this.

- h. Further, I note that as per the submissions of V.K. Jain, the promoters received only ₹8 per share from the brokers for the shares transferred by them, however, no proof of this have been placed on record inspite of asking about the same during the personal hearing. The excuses given for this vide their reply and a written submission is the fire at their record room. I note that for seeing the funds received and payment made, the important document is bank statement and inspite of sufficient time provided to noticees the same have not been produced which they could have easily received from their bankers.

As regards the price said to have been received by the noticees, I note that during the relevant period the price of the scrip of Advik was between ₹19.91 as on September 2003 and ₹29.30 as on January 05, 2004. The period high of the scrip was ₹31.70. I note that no prudent man would have accepted the amount much lower than the prevailing market price. The submissions of the noticees regarding urgent need of funds find no merits as the shares were duly in the name of the promoters of Advik and nothing prevented them to sell these shares in the open market at the prevailing market price.

Further, I note that no proof has been placed on record by the noticee regarding their submissions that they used to keep ₹8 per share and transferred/ returned the balance to entities advised by brokers.

- i. In light of the above material, I note that the manipulation in the scrip would not have occurred without the active involvement of noticees. The noticees transferred their shares to brokers and simultaneously made price sensitive corporate announcements aimed at inflating the price of the scrip, which jacked up the volumes and price in the scrip. Thereby, interest was created in the scrip to attract innocent investors. Taking note of this, the attempt of noticees in putting all the blame on brokers is devoid of any merits.
- j. From the aforesaid discussion, I find that the promoters of Advik sold their stake in the market when it was making price sensitive corporate announcements and thereby played fraud on gullible investors. These acts of Advik and V.K. Jain are violative of provisions of Regulation 3 (c), 3 (d), 4 (1), 4 (2) (k) and (r) of PFUTP Regulations, Regulation 13(6) of PIT Regulations and Regulation 7(3) of SAST Regulations. Acts of Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Rajkumar Jain, Vivek Jain, Ms. Shivani Jain and Advik Finance and Properties Pvt. Ltd. are violative of Regulation 3 (c), 3 (d), 4 (1), 4 (2) (e) of PFUTP Regulations and Regulation 7(1)A and 7(2) of SAST Regulations.

- 14.** I note that Mr. V.K. Jain during the entire proceedings has submitted that noticees namely Mr. Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Mr. Rajkumar Jain, Mr. Vivek Jain, Ms. Shivani Jain are his family members and were not involved in the company matter of Advik. V.K. Jain has also submitted that he only had acted on the pre-signed DP slips on behalf of his family members on the basis of power of attorney from them. Having considered the submission of V.K. Jain, I note that Mr. Aditya Jain, Ms. Divya Jain, Ms. Shakuntala Jain, Ms. Kumud Jain, Mr. Rajkumar Jain, Mr. Vivek Jain, Ms. Shivani Jain had blindly signed the DP slips, which later-on resulted in manipulation. Such act of these can also harm other innocent investors in the securities market.
- 15.** V.K. Jain vide his letter dated February 05, 2008, has informed SEBI that Ms. Shakuntala Jain had expired on December 16, 2004. I have seen the documents in support of the same. Having seen the same, I am of the view that since the proceedings were initiated against the alleged personal acts of omission and commission of a person who is no more alive to face the penalty, the present proceedings against Late Ms. Shakuntala Jain are liable to be abated. Hence, the present proceedings against Late Ms. Shakuntala Jain stands abated.
- 16.** Now therefore, I in exercise of the powers conferred upon me under Section 19 read with Sections 11, 11(4) and 11B of the Securities and Exchange Board of India Act, 1992 and Regulation 11 of the Securities and Exchange Board of India (Prohibition of fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, I do hereby restrain Advik Laboratories Ltd. [PAN: AAACA 8545R], Mr. V.K. Jain [PAN: AAGPJ 4259E], Mr. Aditya Jain [AAGPJ 4260R], Ms. Divya Jain [PAN: AGCPM 0147L], Ms. Kumud Jain [PAN: AAIPJ 5196J], Mr. Rajkumar Jain, Mr. Vivek Jain [PAN: AFBPJ 9301D], Ms. Shivani Jain [PAN: ASOPB 7742E] and Advik Finance and Properties Pvt. Ltd. [PAN: AAACA 7209C] from buying, selling and dealing or accessing the securities market directly or indirectly in any manner whatsoever for a period of one year from the date of this order.

17. The stock exchanges are hereby directed to permit the respective members to square off their existing open positions, if any, at the earliest in Futures and Options segment.
18. This order shall be served on all recognized stock exchanges and depositories to ensure that the noticees as named above are not allowed to undertake transactions as prohibited in Para 16 above.
19. This order shall come into force with immediate effect.

DATE : 27/OCT/2010
PLACE: MUMBAI

PRASHANT SARAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA