BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO.EAD-5/SVKM/DS/AO/08-13/2016-17]

UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES, 1995 and SECTION 23-I OF SECURITIES CONTRACTS (REGULATION) ACT, 1956 READ WITH RULE 5 OF SCR (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES, 2005

In respect of:

Sr. No.	Name	PAN No.
1.	Piramal Enterprises Ltd.	AAACN4538P
2.	Shri Ajay G. Piramal	AAEPP7726Q
3.	Ms. Swati A. Piramal	AAJPP8862G
4.	Ms. Nandini Piramal	AEOPP0388Q
5.	Shri N. Santhanam	AABPN5311Q
6.	Shri Harinder Sikka	ABIPS8141F

In the matter of Piramal Enterprises Ltd. (Earlier known as Piramal Healthcare Ltd.)

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') conducted investigation into the alleged irregularities in the scrip of Piramal Enterprises Ltd.

(hereinafter referred to as 'PEL') for the possible violation of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as PIT Regulations), Listing Agreement and Securities Contracts (Regulation) Act, 1956 against the backdrop of sale of its domestic healthcare business to Abbott Laboratories Ltd. in May 2010 and public announcement made thereto. Information relating to the sale of domestic healthcare formulation business by Noticee No. 1 (PEL) to Abbott is a 'price sensitive information' in terms of Regulation 2(ha)(i) of the PIT regulations, 1992, till it became public. The said information came into the public domain on May 21, 2010 when PEL informed the Stock Exchanges. It is alleged that Noticees Nos. 1 to 5 i.e. PEL, Shri Ajay Piramal, Ms. Swati A Piramal, Ms. Nandini Piramal and Shri N Santhanam failed to handle the Unpublished Price Sensitive Information (hereinafter referred to as UPSI) of the above transaction on a 'need to know' basis as Shri Anand Piramal who is neither employee nor Director was privy to the decision at every stage and therefore, violated Clauses 1.2 and 2.2 read with Regulation 12(3) of the PIT Regulations, 1992. It is further alleged that Noticee Nos. 1 to 5 failed to implement the model code of conduct by not announcing closure of trading window on account of the information pertaining to sale of domestic business to Abbott and violated Clauses 1.2, 2.2, 3.2-1, 3.2-3(f) of Model Code of Conduct for Prevention of Insider Trading for Listed Companies in Schedule I Part A read with Regulation 12(3) of PIT Regulations, 1992.

2. It is also alleged that by not placing the material information with respect to sale of healthcare business before the Board of PEL during the process of decision making, Noticee Nos. 1 to 5 have failed to comply with Clause 49 of the Listing Agreement and violated Section 21 of SCRA, 1956.

3. It is alleged that Shri Harinder Sikka, Director PEL (hereinafter referred to as Noticee No. 6) did not obtain pre-clearance to trade in the scrip of PEL during the UPSI period and traded in the scrip in violation of Clauses 3.3-1 and 4.2 of Model Code of Conduct read with Regulation 12(3) of PIT Regulations, 1992.

APPOINTMENT OF ADJUDICATING OFFICER

4. The undersigned was appointed as Adjudication Officer vide order dated August 28, 2015 to inquire and adjudge under Sections 15HB of the SEBI Act, 1992 and Section 23A(a) of the SCRA, 1956, the aforesaid allegations.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

5. A common Show Cause Notice dated February 24, 2016 (hereinafter referred to as 'SCN') was issued to the Noticees in terms of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 read with Section 15I of SEBI Act, 1992 and Rule 4 of SCR (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 read with Section 23-I of SCR Act, 1956 for the violations as specified in the SCN.

6. Vide letters dated March 01, 2016, Noticees appointed Cyril Amarchand Mangaldas, Advocates and Solicitors to appear on behalf of the Noticees. Subsequently vide letters dated March 09, 2016, Noticees sought additional time to submit the replies. Further vide various letters dated March 31, 2016, Noticees sought inspection of documents which was granted.

7. Vide letters dated May 04 and 05, 2016 Noticees filed their replies to the SCN. Ms. Ipsita Dutta, Advocate from Cyril Amarchand Mangaldas, Advocates and Solicitors appeared in the personal hearing on July 20, 2016 and reiterated the submissions made in the replies filed. Summary of submissions of the Noticees with respect to the allegations is as follows:

    a. *It is not disputed that Shri Anand Piramal, son of Shri Ajay G Piramal, was privy to the Transaction, however, at no point of time he was involved in the decision making process at PEL. He is deemed to be connected person to Noticee Nos. 1& 2 in terms of Regulation 2(h)(viii). Further, at the time of transaction he was also part of the promoter group in terms of Regulation 2(1)(h) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. Thus, he was reasonably expected to have access to UPSI.*

b. Further Shri Anand Piramal did not trade in the scrip of PEL at anytime during the period.

c. Prior to May 20, 2010 there was no finality in respect of the transaction and the closure of trading window by PEL prior to any commercial agreement being reached between Abbott and PEL would have been counter-productive and may have adversely affected the interests of the investors by leading to the creation of false market and causing unnecessary speculation in the market.

d. Further, it is also submitted that: (i) since the finality of discussions in connection with the transaction on May 20, 2010 to May 22, 2010 (i.e. 24 hours subsequent to the public announcement of the transaction), no pre-clearances were sought from or given by Noticee No. 1, and (ii) even from the week beginning May 10, 2010 to May 22, 2010, there had been no pre clearances sought or granted by the Noticee no. 1, to any person privy to the Transaction. Therefore, in effect the trading window, was shut, since there had not been any trades of such nature which would require pre-clearance in the scrip of PEL.

e. In terms of Clause 49 I (C) (i) of the Listing Agreement, no obligation is created on a listed company to intimate to the Board during initiation of a proposal or transaction; and the only requirement which listed company has to comply with is to ensure that information pertaining to the sale of material nature of assets, etc., which is not in the normal course of business be made available to the Board of Directors.

f. Noticee No. 6 did not hold any position in the Board of Piramal Corporate Services Ltd. and was always posted at New Delhi. He was neither employed nor associated with PEL at any point of time including during the period of January 2010 to May 2010. Therefore, Noticee No. 6 was never in a position to have access to unpublished price sensitive information pertaining to PEL.

g. Noticee No.6 only considered himself to be a designated employee of PEL in situations where he had access to or was privy to any price sensitive information pertaining to PEL, by virtue of being specifically involved in any transaction.

h. SEBI Investigation report itself states that the Noticee No. 6 was not associated with the transaction and was unlikely to have had access to any information relating to the Transaction. At the time of relevant trades, Noticee No. 6 would *not qualify as a designated employee qua PEL and thus there was no requirement of taking pre-clearance in terms of the PEL's Code.*

CONSIDERATION OF ISSUES AND FINDINGS

8. I have carefully examined oral and written submissions of the Noticees and the documents available on record. The issues that arise for consideration in the present case are :

   a. Whether Noticee Nos. 1 to 5 have violated Clauses 1.2, 2.2, 3.2-1, 3.2-3(f) of Model Code of Conduct for Prevention of Insider Trading for Listed Companies in Schedule I Part A read with Regulation 12(3) of the PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Clause 49 I (C) (i) of the Listing Agreement read with Section 21 SCR Act, 1956?

   b. Whether Noticee No. 6 violated the provisions of Clauses 3.3-1 and 4.2 of Model Code of Conduct for Prevention of Insider Trading for Listed Companies in Schedule I Part A read with Regulation 12(3) of the PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015?

   c. Does the violation, if established, attract monetary penalty under Sections 15HB of SEBI Act, 1992 and Section 23A(a) of SCR Act, 1956?

FINDINGS

9. The issues for examination and the findings thereon are as follows:

Issue I: Whether Noticee Nos. 1 to 5 have violated Clauses 1.1, 2.2, 3.2-1, 3.2-3(f) of Model Code of Conduct for Prevention of Insider Trading for Listed Companies in Schedule I Part A read with Regulation 12(3) of the PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Clause 49 I (C) (i) of the Listing Agreement read with Section 21 SCR Act, 1956?

10. In May 2010, PEL sold its domestic healthcare business to Abbott Laboratories Ltd. (hereinafter referred to as 'Abbott') for a consideration of USD 3.72 billion and made

a public announcement thereto to the stock exchanges on May 21, 2010. The chronology of events leading to the sale of domestic healthcare business by PEL is as follows:

Date	**Particulars**
January 18, 2010	Abbott approached PEL with an offer to acquire its Domestic Healthcare Business.
February to May 2010	Due Diligence in respect of the offer was carried out by PEL between February and May 2010.
Week beginning May 10, 2010	Shri Ajay Piramal, individually informed Board members regarding the proposed transaction.
May 20, 2010	Abbott agreed for a consideration of USD 3.72 Billion.
May 20, 2010	Meetings of the Audit Committee and Board of Directors of the Company were held on May 21, 2010.
May 21, 2010	The Board of Directors of Piramal Healthcare Ltd. approved the following proposals subject to shareholders' approval: a) Acceptance of the Offer from Abbott for a consideration of USD 3.72 Billion. b) Payment of Rs. 350 Crores to PEL PEL by way of fax made a corporate announcement to BSE and NSE on the same at 11.59 AM.

HANDLING OF PRICE SENSITIVE INFORMATION ON A 'NEED-TO-KNOW' BASIS

11. As per Piramal Healthcare Ltd.'s letter dated January 21, 2011 following persons were privy to the decision at every stage in the matter of sale of its domestic healthcare business to Abbott :

Name	**Designation**	**Position in Company Hierarchy**
Shri Ajay G Piramal	Chairman	Board Member
Dr. Swati A Piramal	Executive Director	Board Member
Ms. Nandini Piramal	Executive Director	Board Member
Shri Anand Piramal	-	-
Shri Rajesh Laddha	Executive Director and Chief Operating Officer	Senior Management
Prof. Nitin Nohria	Consultant	-

12. It is alleged that Noticee Nos. 1 to 5 failed to handle the UPSI relating to the aforesaid sale proposal on a 'need to know' basis by involving Shri Anand Piramal, who was neither a Director nor an Employee of PEL in the decision-making process. As per the submissions of the Learned Counsel, Shri Anand Piramal, being the son of Shri Ajay G Piramal, is part of promoter group, and therefore reasonably expected to know about the transaction. As per BSE website, during the quarter ending March 2010 and June 2010, Shri Anand Piramal was shown as part of the promoter group.

13. It is necessary to ensure that UPSI is shared strictly on a need to know basis and not communicated to others who are not involved in the transaction irrespective of their position in the company or relationship with promoters and senior management. Piramal Healthcare Ltd. in its letter dated January 21, 2011 has listed out the names and designations of all the persons who were privy to the decision at every stage and Shri Anand Piramal was one amongst them. Noticee Nos. 1 to 5 should have shared the price sensitive information very discreetly. Thus, Noticee Nos. 1 to 5 failed to exercise discretion and due diligence and should have avoided sharing of information with regard to the proposed sale with Shri Anand Piramal who is neither a Director nor an employee of PEL.

14. The Hon'ble Supreme Court of India in the matter of Chairman, SEBI vs. Shriram Mutual Fund {[2006] 5 SCC 361} held that "*In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established and hence the intention of the parties committing such violation becomes wholly irrelevant*…".

15. Hence, it is established that Noticee nos. 1 to 5 failed handle UPSI on a 'need-to-know' basis and therefore violated Clauses 1.2 and 2.2 of Model Code of Conduct for Prevention of Insider Trading read with Regulation 12(3) of the PIT Regulations.

<u>CLOSURE OF TRADING WINDOW</u>

16. It is further alleged that Noticee Nos. 1 to 5 have failed to implement model code of conduct by not announcing closure of trading window on account of the information

pertaining to sale of domestic business to Abbott and violated Clauses 3.2-1 and 3.2-3(f) of Model Code of Conduct for Prevention of Insider Trading for Listed Companies in Schedule I Part A read with Regulation 12(3) of PIT Regulations, 1992.

17. Trading window needs to be closed at the time of disposal of whole or substantially whole of the undertaking as required under Clause 3.2-3 (f) of the Model Code of Conduct. As per the submission of the Noticees, the closure of trading window by PEL prior to any commercial agreement being reached between Abbott and PEL would have been counter-productive and may have adversely affected the interests of the investors by leading to the creation of false market and causing unnecessary speculation in the market. All negotiations with respect to the transactions were carried out by PEL in strictest confidence.

18. Further, it is also submitted by the Noticee Nos. 1 to 5 that the finality of discussions in connection with the transaction took place only on May 20, 2010. Further, no pre-clearances were sought from or given by Noticee No. 1 from May 20, 2010 to May 22, 2010. Therefore, in effect the trading window, was shut and there had not been any trades of such nature which would require pre-clearance in the scrip of PEL.

19. Strategic sale of domestic healthcare business by PEL for a consideration of USD 3.72 Billion is a price sensitive information and the trading window should have been closed in terms of Clause 3.2.1 and 3.2.3(f) of the Model Code of Conduct to prevent transactions by the employees/ Directors and other designated employees. It is the responsibility of the company in terms of Clause 3.2.3A of the Model Code of Conduct to decide about the commencement of closure of trading window which shall be opened only 24 hours after the price sensitive information is made public.

20. In the instant case, Notice for Board Meeting was given on May 20, 2010 and the Board met on May 21, 2010 to approve the transaction. Stock Exchanges were informed about the deal on the same day. Therefore, trading window shall be opened 24 hours after the information was made public. However, the trading window was not closed at all.

21. It is significant to note that Noticee No. 6 has traded in the scrip of the company as detailed in para 31 and he is one of the designated employees. These trades could

go through because trading window was never closed. It is precisely to regulate such transactions going through during the UPSI period that the law prescribes closure of trading window and pre-clearance of trades.

22. With a view to prevent misuse of UPSI, as per Part V Clause (2) of the internal Code for prevention of Insider Trading in Securities of Piramal Enterprises Ltd., trading window closure was supposed to commence from the date of intimation given to stock exchanges of the Board Meeting to be held for consideration/approval of the items mentioned in Clause (2) and open 24 hours after intimation of the decision taken by the Board at the said meeting is communicated to the Stock Exchange(s). Thus, even as per the company's own internal Model Code on Insider Trading, the trading window should have been closed, which did not happen at all in the present case.

23. Reference is drawn to the order Hon'ble Securities Appellate Tribunal in the matter of G Jayaraman v SEBI (Appeal No. 182 of 2012), where it was held that :

'Model Code contained in PIT Regulations further requires Compliance Officer to keep the trading window closed during the period when information referred to in para 3.2.3 is unpublished. Object of keeping the trading window closed under para 3.2.3 of Model Code in addition to prohibition contained in regulation 3 of PIT Regulations is to doubly ensure that directors/officers and designated employees of the Company do not misuse 'Price Sensitive Information' and trade in securities of the Company while in possession of such unpublished price sensitive information. Therefore, Compliance Officer is <u>mandatorily obliged</u> under Model Code to keep the trading window closed when in possession of price sensitive information specified in para 3.2.3 of Mode Code. If Compliance Officer fails to close the trading window inspite of being in possession of price sensitive information, then he would be violating PIT Regulations. <u>In such a case, whether any employee/director by taking undue advantage has traded in securities of that company or not, Compliance Officer would be liable for violating PIT Regulations.</u>

In other words, <u>Compliance Officer would be liable for penalty if he fails to close trading window when in possession of unpublished price sensitive information even if no employee has traded in shares of that company when in possession of unpublished price sensitive information</u>."

24. Thus, it is not material whether any employee or Director traded in the securities during the UPSI period, it is mandatory on the part of the Compliance Officer of the

Company to ensure that the trading window remains closed during the UPSI period and opened 24 hours after the public announcement is made. In the instant case, trades did take place on account of Noticee No. 6. As per their own admission, Noticee Nos. 1 to 5 did not close the trading window during the UPSI period.

25. Therefore, Noticees Nos. 1 to 5 failed to abide by their internal code of conduct and hence violated Clauses 3.2-1 and 3.2-3(f) of Model of Conduct for Prevention of Insider Trading read with Regulation 12(3) of the PIT Regulations.

COMPLIANCE OF LISTING AGREEMENT

26. It is further alleged that by not placing the material information with respect to sale of healthcare business before the Board of PEL during the process of decision making, Noticee Nos. 1 to 5 have failed to comply with Clause 49 of the Listing Agreement read with Section 21 of SCRA, 1956.

27. Clause 49 I(C) (i) of the Listing Agreement provides that the Board of the company shall meet at least 4 times a year within a maximum time gap of 4 months between any two meetings and minimum information to be made available to the board inter alia includes information on sale of material nature, of investments, subsidiaries, assets which is not in normal course of business. The said clause is reproduced as under:

> *"The board shall meet at least four times a year, with a maximum time gap of four months between any two meetings. The minimum information to be made available to the board is given in Annexure– I A.*
>
> *Annexure IA*
>
> *…*
>
> *Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business."*

28. Noticees submitted that in terms of Clause 49 I (C) (i) of the Listing Agreement, no obligation is created on a listed company to intimate to the Board during initiation of a proposal or transaction; and the only requirement which listed company has to comply with is to ensure that information pertaining to the sale of material nature of

assets, etc., which is not in the normal course of business be made available to the Board of Directors.

29. In the present case, there is no dispute with regard to the number or periodicity of Board Meetings. The agenda papers with respect to the proposal of sale of Domestic Healthcare Business was circulated during the Board Meeting held on May 21, 2010. Further, the Board of Directors of the Company approved it on the same day subject to shareholders approval. Further on the same day both BSE and NSE were informed about the decision of the Board.

30. Clause 49 I (C) (i) of the Listing Agreement mandates that minimum information with respect to sale of material nature, of investments, subsidiaries and assets shall be made available to the board. As rightly contended by the Learned Counsel, it does not cast an obligation on a listed company to intimate the Board <u>during initiation of a proposal</u>. When the Board has considered and approved the sale transaction worth USD 3.72 Billion on May 21, 2010, it is presumed that the Board which consists of renowned Independent Directors, had sought and satisfied itself with all the relevant information and only then granted its approval for the transaction. Merely because the proposal was approved on the same day when it was circulated, it cannot be presumed that the material information was withheld from it. By its very nature, the transaction involving strategic sale of part of undertaking for USD 3.72 Billion has to be kept a closely guarded secret during initial stages. It was open to the Board to seek clarifications before granting its approval. In the absence of anything contrary that material information was withheld from the Board, it can neither be concluded that such information was withheld from it nor can it be said that the Board was not informed during the initiation of the proposal as alleged. For the aforesaid reasons, violation of Clause 49 I (C) (i) of the Listing Agreement is not established against Noticee Nos. 1 to 5.

TRADES BY HARINDER SIKKA

31. Noticee No. 6, was Director Communication of PEL and was categorized as designated employee under the PEL's Insider Trading Code and he had received ESOPs of PEL. Total trades of notice No. 6 are given below:

Date	Purchase/ Acquisition	Sale	Balance Shares	Remarks
			69400	Op Balance
23.04.2010	9350		78750	ESOP
11.05.2010		5114	73636	Market Sale
12.05.2010		4886	68750	Market Sale
17.05.2010		9176	59574	Market Sale
18.05.2010		3000	56574	Market Sale
19.05.2010		26000	30574	Market Sale
20.05.2010		16000	14574	Market Sale
28.05.2010	9000		23574	Market Purchase
28.05.2010	38000		61574	Market Purchase

32. Based on the above it is alleged that Noticee No.6 undertook transactions in the scrip of PEL without obtaining pre-clearance, in violation of Clauses 3.3-1 and 4.2 of Model Code of Conduct read with Regulation 12(3) of the PIT Regulations which are reproduced below.

3.3.1 All directors/officers/designated employees of the company and their dependents as defined by the company] who intend to deal in the securities of the company (above a minimum threshold limit to be decided by the company) should pre-clear the transaction as per the pre-dealing procedure as described hereunder.

4.2 All directors/ officers/ designated employees who buy or sell any number of shares of the company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All directors/ officers/ designated employees shall also not take positions in derivative transactions in the shares of the company at any time.

33. It was submitted that Noticee No. 6 did not hold any position in the Board of Piramal Corporate Services Ltd. and was always posted at New Delhi. Notice No. 6 did not have access to unpublished price sensitive information pertaining to PEL. He was also not specifically involved in the said strategic sale transaction to Abbott nor was aware of the same.

34. It is not disputed that Noticee No. 6 is categorized as a 'designated employee' under PEL's Insider Trading Code. It was contended Noticee No.6 only considered himself to be a designated employee of PEL in situations where he had access to or was privy to any price sensitive information pertaining to PEL, by virtue of being specifically involved in any transaction. However, it is the company which designates select employees as 'designated employees'. No employee can designate himself as a designated employee as submitted by Noticee No. 6. The term 'designated employee' is defined under PIT Regulations to include:- "(1) officers comprising of the top three tiers of company management; (2) the <u>employees designated by the company</u> to whom these trading restrictions shall be applicable keeping in mind the objective of the Code of conduct." Thus, it is the duty of the company to designate an employee as "designated employee" but not vice versa.

35. Further the Insider Trading Code of PEL also provides that Directors/ Designated Employees shall not deal in any transaction involving the purchase, sale or other dealing of / in the securities of the Company during the Trading Window Closure Period. It is already held in the preceding paragraphs at page 9 that the trading window of the company was not closed at all during the relevant time. Had the trading window been closed by the company, the trades of Noticee No. 6 could not have materialized. It is this failure of the company that had enabled Noticee No. 6 to carry out the above transaction with impunity.

36. It is noted from the investigation report that Noticee No. 6 was not associated in any manner with the process of sale of Domestic healthcare business. Further there is nothing available on record to show that Noticee No. 6 was in possession of UPSI relating to the said transaction. Furthermore, the trading window was not closed by the company and hence, Noticee No. 6 freely traded in the scrip of PEL. No fault can be attributed to Noticee No. 6 for the impugned transactions as the company had not closed the trading window which would have checked his trades by way of grant of pre-clearances. The investigation report at page 15 states as under as far as the trades of Noticee No. 6 are concerned:

> *"… it is difficult to infer that Mr. Sikka would have been associated with the process of the above transaction."*

37. There are no allegations that he received UPSI from any insider and traded on that basis. As already observed, it is the failure of the company to close the trading window that has enabled his transactions to go through without any pre-clearance and Noticee No. 6 cannot be faulted for the impugned transactions when the trading window was not closed necessitating pre clearances of trades. In view of the above, it is not established that Noticee No. 6 violated Clauses 3.3-1 and 4.2 of Model Code of Conduct read with Regulation 12(3) of PIT Regulations.

(c) Does the non-compliance, if any, attract monetary penalty under Section 15HB of SEBI Act, 1992?

38. As already cited earlier in Shriram Mutual Fund case, once the violation established, penalty follows irrespective of the intention.

ORDER

39. After taking into consideration the nature and gravity of the charges established, and in exercise of the powers conferred upon me under Section 15-I of the SEBI Act read with Rule 5 of the Rules, I hereby impose the following penalties

i. ₹ 5,00,000 /- (Rupees Five Lakhs) on Noticee Nos. 1 to 5 in terms of Section 15HB of the SEBI Act, 1992 for the violation of Clauses 3.2-1 and 3.2-3(f) of Model Code of Conduct for Prevention of Insider Trading for Listed Companies in Schedule I Part A read with Regulation 12(3) of the PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 for failure to close the trading window during the time the price sensitive information is unpublished and open the same only 24 hours after the said information is made public.

ii. ₹ 1,00,000 /- (Rupees One Lakh) on Noticee Nos. 1 to 5 in terms of Section 15HB of the SEBI Act, 1992 for the violation of Clauses 1.2 and 2.2 of Model Code of Conduct for Prevention of Insider Trading for Listed Companies in Schedule I Part A read with Regulation 12(3) of the PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 for failure to handle the price sensitive information relating to sale of Domestic Healthcare Business to Abbott on a 'need to know' basis.

Noticee Nos. 1 to 5 shall be liable jointly and severally to pay the aforesaid penalties.

40. The amount of penalty shall be paid either by way of demand draft in favour of "SEBI - Penalties Remittable to Government of India", payable at Mumbai, or by e-payment in the account of "SEBI - Penalties Remittable to Government of India", A/c No. 31465271959, State Bank of India, Bandra Kurla Complex Branch, RTGS Code SBIN0004380 within 45 days of receipt of this order. The said demand draft or forwarding details and confirmations of e-payments made (in the format as given in table below) should be forwarded to "The Division Chief (Enforcement Department - DRA-I), Securities and Exchange Board of India, SEBI Bhavan, Plot No. C – 4 A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051."

1. Case Name :	
2. Name of Payee :	
3. Date of Payment:	
4. Amount Paid :	
5. Transaction No. :	
6. Bank Details in which payment is made :	
7. Payment is made for : (like penalties/ disgorgement/ recovery/ settlement amount and legal charges along with order details)	

41. In terms of rule 6 of the Rules, copies of this order are sent to the Noticees and also to the Securities and Exchange Board of India.

Place: Mumbai
DATE: 03.10.2016

S V KRISHNAMOHAN
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER