

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/SM/HG/2022-23/21506-21563]

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) RULES, 1995

In respect of:

Noticee No.	Name of the Noticees	PAN
1	Manpreet Kumar	AVEPK6156C
2	Hanumantharaju Mahendran	AFGPM7417N
3	Badmi Sangamesh	BSNPS7800Q
4	R Krishna Kumar	AGGPK2914B
5	R Jayanthi	ACKPJ0262D
6	Vetrivel Muthaian	ADCPV3476C
7	S Saravananaraj	AMEPS6281P
8	Palanisamy Vairavel	ABWPV9089M
9	Ummadi Janardhan Reddy	BBQPR6202M
10	Vishal Jagannath Aherwal	AHJPA9443P
11	Boopathy Sankar	AMFPS6586G
12	Nitin Rastogi	ASTPR8769A
13	E Edurairaj	ASAPD6281A
14	Atul Ravindra Bhalerao	BJOPB5106N
15	Basavaraj Ningappa Pashupatihal	BTJPP5174M
16	Darshit Mukesh Shah	CDPPS7087B
17	Munuswamy Guruswamy	ADDPG5105A
18	N C Selvaraju	AMFPS6769K
19	Bhagwansingh	BCEPS2524L
20	Kumar Seerangan Ramesh	AGNPR7186F
21	P Thirupathi	ABWPT4563C

22	Jitendra Kumar	AOLPJ8885K
23	Lakshminarayanamurthy	AAPPL8763N
24	Aman Kishor Singh	BFNPS3081N
25	T Rajasekaran	ADLPR9863J
26	Thirugnanasambandham Sank	ASRPS6945F
27	Uplenchwar Suhas Ramesh	ABPPU5370B
28	Gopalakrishnan	AECPG5687D
29	Muthuselvan T	ADYPM4236F
30	Subburaman Srinivasan	AMFPS6772E
31	Atul Shankarrao Mane	BVVPM6937R
32	Harishkumar K	AFPPH1567P
33	K Murugesan	ACAPM2603F
34	Kasthuri Kanagaraju	AFIPK4620D
35	Abdul Hakkeem	AATPH2451F
36	Albert P J	ADEPA3546J
37	Beemaroo Guruprasath	AECPG2388F
38	Biswakarama Parma Nand	BDNPB6456N
39	Rajagopal Anbarasu	ACLPA5319B
40	Zite Sachin Vitthal	AAOPZ8261C
41	Rajendran Mohanakrishnan	AFIPM2747P
42	Dhirendra Kumar	APYPK8897A
43	V Sundararaj	AOVPS3033C
44	Mayur Vasudeo Dharmani	AQNPD9415B
45	Kandasamy	AGFPK7377M
46	Venkatesan	ACUPV4176A
47	Deiveegan G	AUUPD9190Q
48	Rohit Gautam	ALWPG8586A
49	Vaishali Rohidas Manohar	AVBPM7801R
50	S Raja	AFKPR0576F
51	Jayaraman Vijayanand	AAPPV0776P
52	Yagnavedan R	ACIPY9921G
53	Babunethaji G E	ADSPB2602G

54	M Siva	AECPS6016E
55	Durgesh Kumar Singh	CMYPS7846C
56	P Srinivasan	AMGPS2113N
57	Arul Raj Shanmugam	AGPPR3208N
58	Sanjay Baliram Kopnar	CEQPK7651R

(hereinafter collectively referred to as '**Noticees**')

In the matter of Titan Company Limited

FACTS OF THE CASE IN BRIEF

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') received a letter from Titan Company Limited (hereinafter referred to as '**Company/Titan/TCL**') wherein the company intimated SEBI about contravention of SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as '**PIT Regulations**') and Company's Code of Conduct for Prevention of Insider Trading by some of its designated persons/employees. The securities of Titan are listed on Bombay Stock Exchange Limited (**BSE**) and the National Stock Exchange of India Ltd (**NSE**) (both collectively called 'exchanges').
2. Thereafter, SEBI conducted an investigation in the scrip of Titan and observed several non-compliances of PIT Regulations during the period April 01, 2018 to March 31, 2019 (hereinafter referred to as '**Investigation Period/IP**') by employees / designated persons of TCL. Pursuant to investigation, SEBI initiated adjudication proceedings against Noticees under the provisions of Section 15A(b) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') for alleged violation of Regulation 7(2)(a) of PIT Regulations by Noticee.

APPOINTMENT OF ADJUDICATING OFFICER

3. Vide order dated March 02, 2021, SEBI appointed the undersigned as Adjudicating Officer under Section 15I of the SEBI Act read with Section 19 of the SEBI Act and Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules,

1995 (hereinafter referred to as '**Adjudication Rules**') to inquire into and adjudge under the provisions of Section 15A(b) of SEBI Act, the aforesaid alleged violation by Noticee.

SHOW CAUSE NOTICE AND REPLY

4. A common show-cause notice dated August 09, 2021 (hereinafter referred to as '**SCN**') was issued to Noticees through digitally signed email and through Speed Post Acknowledgement Due (hereinafter referred to as '**SPAD**') under Rule 4 of the Adjudication Rules to show-cause as to why an inquiry should not be initiated against Noticees and penalty, if any, not be imposed upon him under the provisions of Section 15A(b) of SEBI Act for the aforesaid violation alleged to have been committed by him.
5. The facts available on record w.r.t the service of SCN as well as the replies received are stated as under:

Noticee No.	Name of the Noticee	Service of SCN and reply received, if any.
1	Manpreet Kumar	1. SCN was served to the Noticee through digitally signed email. 2. However, no reply has been filed by the Noticee.
2	Hanumantharaju Mahendran	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated September 15, 2021, Noticee submitted his reply to SCN.
3	Badmi Sangamesh	1. SCN was served to the Noticee through SPAD at the last known address and through digitally signed email. 2. However, no reply has been filed by the Noticee.
4	R Krishna Kumar	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 23, 2021, Noticee submitted his reply to SCN.

5	R Jayanthi	1. SCN was served to the Noticee through digitally signed email. 2. Vide email dated September 27, 2022, Notice submitted his reply to SCN.
6	Vetrivel Muthaian	1. SCN was served to the Noticee through SPAD at the last known address and through digitally signed email. 2. Vide email dated September 19, 2022, Notice submitted his reply to SCN.
7	S Saravanaraj	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 13, 2021 and August 31, 2021, Noticee submitted his reply to SCN.
8	Palanisamy Vairavel	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 23, 2021, Noticee submitted his reply to SCN.
9	Ummadi Janardhan Reddy	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. However, no reply has been filed by the Noticee.
10	Vishal Jagannath Aherwal	1. SCN was served to the Noticee through digitally signed email. 2. However, no reply has been filed by the Noticee.
11	Boopathy Sankar	1. SCN was served to the Noticee through digitally signed email. 2. Vide email dated September 03, 2021, Noticee submitted his reply to SCN.
12	Nitin Rastogi	1. SCN was served to the Noticee through digitally signed email. 2. However, no reply has been filed by the Noticee.
13	E Edurairaj	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been filed by the Noticee.

14	Atul Ravindra Bhalerao	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 28, 2021, Noticee submitted his reply to SCN.
15	Basavaraj Ningappa Pashupatihal	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated September 14, 2022, Noticee has submitted his reply to SCN.
16	Darshit Mukesh Shah	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. However, no reply has been filed by the Noticee.
17	Munuswamy Guruswamy	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. However, no reply has been filed by the Noticee.
18	N C Selvaraju	1. SCN was served to the Noticee through SPAD at the last known address. 2. Vide email dated September 03, 2022, Notice submitted his reply to SCN.
19	Bhagwansingh	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 23, 2021 and August 27, 2021 and letter dated August 27, 2021, Noticee submitted his reply to SCN.
20	Kumar Seerangan Ramesh	1. SCN was served to the Noticee through SPAD at the last known address. 2. Vide email dated September 27, 2022, Noticee submitted his reply to SCN
21	P Thirupathi	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. However, no reply has been filed by the Noticee.

22	Jitendra Kumar	1. SCN was served to the Noticee through digitally signed email. 2. Vide email dated August 15, 2021, Noticee submitted his reply to SCN.
23	Lakshminarayanamurthy	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 13, 2021, Noticee submitted his reply to SCN.
24	Aman Kishor Singh	1. SCN was served to the Noticee through SPAD at last known address. 2. Vide email dated August 16, 2021, Noticee submitted his reply to SCN.
25	T Rajasekaran	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated September 06, 2021, Noticee submitted his reply to SCN.
26	Thirugnanasambandham Sank	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide letter dated September 06, 2021, Noticee submitted his reply to SCN.
27	Uplenchwar Suhas Ramesh	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 19, 2021 and August 20, 2021, Noticee submitted his reply to SCN.
28	Gopalakrishnan	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated September 07, 2021 and letter dated September 20, 2021, Noticee submitted his reply to SCN.
29	Muthuselvan T	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been filed by the Noticee.

30	Subburaman Srinivasan	1. SCN was sent to the Noticee through SPAD on August 09, 2021 at the last known addresses and through digitally signed email on August 12, 2021, however, the SCN was returned undelivered. Thereafter, SCN was sent again on November 14, 2022 through digitally signed email and the same was served to the Noticee. 2. However, no reply has been filed by the Noticee.
31	Atul Shankarrao Mane	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 18, 2021, Noticee submitted his reply to SCN.
32	Harishkumar K	1. SCN was served to the Noticee through digitally signed email. 2. Vide email dated August 12, 2021, Noticee submitted his reply to SCN.
33	K Murugesan	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 25, 2021, Noticee submitted his reply to SCN.
34	Kasthuri Kanagaraju	1. SCN was sent to the Noticee through SPAD on August 09, 2021 at last known address. However, the SCN was returned undelivered. Thereafter, SCN was sent again on November 14, 2022 through digitally signed email and the same was served to the Noticee. 2. Vide email dated November 18, 2022, Noticee submitted his reply to SCN.
35	Abdul Hakkeem	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 13, 2021 and letter August 29, 2021, Noticee submitted his reply to SCN.
36	Albert P J	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been filed by Noticee
37	Beemaroo Guruprasath	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 25, 2021 and letter dated September 13, 2021, Noticee submitted his reply to SCN.

38	Biswakarama Parma Nand	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 16, 2021, Noticee submitted his reply to SCN.
39	Rajagopal Anbarasu	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been received from the Noticee
40	Zite Sachin Vitthal	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been received from the Noticee
41	Rajendran Mohanakrishnan	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been submitted by the Noticee
42	Dhirendra Kumar	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 25, 2021, Noticee submitted his reply to SCN.
43	V Sundararaj	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 25, 2021, Noticee submitted his reply to SCN.
44	Mayur Vasudeo Dharmani	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 17, 2021, Noticee submitted his reply to SCN.
45	Kandasamy	1. SCN was served to the Noticee through SPAD at last known address. 2. Vide email dated September 02, 2021, Noticee submitted his reply to SCN.

46	Venkatesan	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been submitted by Noticee.
47	Deiveegan G	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 25, 2021, Noticee submitted his reply to SCN.
48	Rohit Gautam	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 26, 2021, Noticee submitted his reply to SCN.
49	Vaishali Rohidas Manohar	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 19, 2021, Noticee submitted his reply to SCN.
50	S Raja	1. SCN was served to the Noticee through digitally signed email. 2. Vide email dated August 23, 2021, Noticee submitted his reply to SCN.
51	Jayaraman Vijayanand	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 23, 2021, Noticee submitted his reply to SCN.
52	Yagnavedan R	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 24, 2021 and letter dated August 24, 2021, Noticee submitted his reply to SCN.
53	Babunethaji G E	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 25, 2021, Noticee submitted his reply to SCN.

54	M Siva	1. SCN was served to the Noticee through SPAD at last known address. 2. Vide letter dated September 01, 2021, Noticee submitted his reply to SCN.
55	Durgesh Kumar Singh	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been submitted by Noticee.
56	P Srinivasan	1. SCN was served to the Noticee through SPAD at last known address. 2. However, no reply has been submitted by Noticee.
57	Arul Raj Shanmugam	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 13, 2021, Noticee submitted his reply to SCN.
58	Sanjay Baliram Kopnar	1. SCN was served to the Noticee through SPAD at last known address and through digitally signed email. 2. Vide email dated August 17, 2021, Noticee submitted his reply to SCN.

6. The allegations levelled against Noticees in the SCN are as under:

- a) During the course of investigation, it was observed that Noticees had traded in the securities of the Titan during the Investigation Period in different calendar quarters wherein the traded value was in excess of Rs. 10 lakhs. The details of trading of Noticees along with the number of occasions in which traded value exceeded 10 lakhs are given in the table below:

Noticee No.	Name of the Noticee	Total Traded value (BSE + NSE) (In Rs.)				No. of Occasions in which traded value exceeded Rs. 10 Lakh
		Apr-June 2018	July-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	
1	Manpreet Kumar	88,64,632	-	-	-	3

Noticee No.	Name of the Noticee	Total Traded value (BSE + NSE) (In Rs.)				No. of Occasions in which traded value exceeded Rs. 10 Lakh
		Apr-June 2018	July-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	
2	Hanumantharaju Mahendran	15,81,675	43,41,761	12,37,050	-	4
3	Badmi Sangamesh	-	-	66,07,547	-	5
4	R Krishna Kumar	11,83,54,313	-	-	-	5
5	R Jayanthi	2,05,90,359	-	-	-	5
6	Vetrivel Muthaian	-	-	-	93,50,188	6
7	S Saravanaraj	80,82,843	-	54,66,638	-	7
8	Palanisamy Vairavel	-	1,49,30,438	13,10,738	-	9
9	Ummadi Janardhan Reddy	-	-	1,86,91,819	-	9
10	Vishal Jagannath Aherwal	-	44,27,264	44,38,249	23,57,374	9
11	Boopathy Sankar	33,07,088	1,07,85,321	17,57,816	-	10
12	Nitin Rastogi	2,93,95,710	-	-	-	10
13	E Edurairaj	1,68,16,688	68,09,100	26,87,625	-	10
14	Atul Ravindra Bhalerao	-	47,56,463	1,06,34,698	30,76,649	12
15	Basavaraj Ningappa Pashupatihal	-	-	1,00,08,208	1,69,27,417	12
16	Darshit Mukesh Shah	33,31,430	-	2,16,45,373	60,80,504	13
17	Munuswamy Guruswamy	4,06,67,447	91,53,553	-	21,83,758	13
18	N C Selvaraju	49,52,118	1,05,47,494	18,50,590	-	13
19	Bhagwansingh	11,44,34,700	-	-	-	15
20	Kumar Seerangan Ramesh	79,22,166	1,37,34,431	-	-	16
21	P Thirupathi	4,58,26,428	26,43,488	99,07,731	-	16
22	Jitendra Kumar	1,73,09,375	14,54,046	2,11,88,588	16,66,800	18
23	Lakshminarayanamurthy	52,50,945	1,00,49,945	54,65,390	-	18

Noticee No.	Name of the Noticee	Total Traded value (BSE + NSE) (In Rs.)				No. of Occasions in which traded value exceeded Rs. 10 Lakh
		Apr-June 2018	July-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	
24	Aman Kishor Singh	16,70,775	32,44,725	1,87,08,155	1,95,64,050	19
25	T Rajasekaran	4,65,63,905	36,40,275	-	-	19
26	Thirugnanasambandham Sank	1,76,90,213	2,67,17,963	-	-	20
27	Uplenchwar Suhas Ramesh	5,01,86,175	1,77,79,275	24,63,900	1,62,21,825	20
28	Gopalakrishnan	4,80,70,238	-	-	-	21
29	Muthuselvan T	4,20,60,638	51,71,850	-	16,47,600	21
30	Subburaman Srinivasan	1,18,19,284	2,07,33,348	1,59,73,088	-	21
31	Atul Shankarrao Mane	1,80,01,988	35,52,547	4,18,89,638	-	22
32	Harishkumar K	3,05,10,338	14,46,692	-	1,63,62,075	22
33	K Murugesan	8,94,27,525	1,76,44,751	-	53,11,088	22
34	Kasthuri Kanagaraju	1,94,12,400	1,05,43,875	1,15,24,950	1,23,15,788	22
35	Abdul Hakkeem	2,08,45,800	80,81,998	44,46,375	90,28,072	23
36	Albert P J	1,63,74,975	2,16,88,725	1,46,32,763	1,18,69,688	23
37	Beemaroo Guruprasath	12,35,47,540	-	-	-	23
38	Biswakarama Parmanand	1,61,98,573	92,90,195	1,45,03,247	76,66,125	24
39	Rajagopal Anbarasu	30,37,259	3,17,11,820	2,16,55,291	-	24
40	Zite Sachin Vitthal	7,10,97,375	-	-	-	25
41	Rajendran Mohanakrishnan	5,46,18,600	5,32,53,488	-	-	27
42	Dhirendra Kumar	-	4,69,73,625	1,34,28,150	3,02,22,075	28
43	V Sundararaj	81,77,625	1,48,27,679	1,35,09,316	2,24,84,429	28
44	Mayur Vasudeo Dharmani	4,37,26,275	30,30,025	41,28,563	2,48,67,638	30

Noticee No.	Name of the Noticee	Total Traded value (BSE + NSE) (In Rs.)				No. of Occasions in which traded value exceeded Rs. 10 Lakh
		Apr-June 2018	July-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	
45	Kandasamy	7,79,16,825	2,14,52,288	42,23,573	-	31
46	Venkatesan	5,76,98,624	-	13,77,830	4,15,12,327	32
47	Deiveegan G	91,47,450	12,12,04,329	1,08,84,450	16,69,238	35
48	Rohit Gautam	4,19,63,648	1,09,76,476	2,50,15,982	45,11,175	35
49	Vaishali Rohidas Manohar	12,48,03,938	9,17,97,450	-	94,06,088	39
50	S Raja	7,40,29,838	64,41,488	90,89,775	-	44
51	Jayaraman Vijayanand	1,83,25,104	2,69,79,966	1,42,48,229	6,15,12,973	44
52	Yagnavedan R	1,93,60,649	17,79,48,896	5,27,36,933	-	46
53	Babunethaji G E	5,47,24,261	64,88,894	1,04,18,215	61,29,126	48
54	M Siva	5,98,08,129	4,91,03,245	40,73,428	78,50,541	56
55	Durgesh Kumar Singh	1,35,49,900	5,41,98,235	10,43,44,657	4,80,00,412	57
56	P Srinivasan	1,92,20,625	1,65,46,350	1,07,96,213	18,58,69,575	58
57	Arul Raj Shanmugam	27,10,88,136	4,31,49,650	49,93,122	1,70,59,388	62
58	Sanjay Baliram Kopnar	37,67,92,195	15,50,22,189	13,72,66,800	21,91,10,738	99

- b) It was observed from the above table that the traded value of securities by Noticees in different calendar quarters during the Investigation Period had exceeded rupees ten lakhs in multiple occasions ranging from 3 occasions to 99 occasions. Therefore, for the aforesaid transactions, which were in excess of the limit specified in Regulation 7(2)(a) of PIT Regulations, Noticees was required to make disclosure in terms of the aforesaid regulation. In this regard, in reply to a query by SEBI, TCL vide email dated October 28, 2020, confirmed that it had not received any disclosures from Noticees.
- c) In view of the above observations, it was alleged that Noticees has violated Regulation 7(2)(a) of PIT Regulations by not making disclosures as required in terms of aforesaid regulation.

CONSIDERATION OF ISSUES, EVIDENCE AND FINDINGS

7. I have carefully perused the charges levelled against Noticee, replies/submissions filed in the matter and other documents/ evidence available on record. The issues that arise for consideration in the present case are:

I. Whether Noticees have violated Regulation 7(2)(a) of PIT Regulations?

II. Do the violations, if any, attract monetary penalty under Section 15A(b) of SEBI Act?

III. If the answer to issue no. 2 is in affirmative, then what should be the quantum of monetary penalty?

8. Before moving forward, it is pertinent to refer to the relevant provision of the PIT Regulations which was in force at the time of impugned transactions, which are reproduced as under:

Relevant provisions of PIT Regulations:

Disclosures by certain persons.

7(2) continual disclosure.

(a) Every promoter, employee and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;

Issue No. I- Whether Noticees have violated Regulation 7(2)(a) of PIT Regulations?

9. I note from available records that Noticees were employees of Titan at the relevant times. While in employment of Titan, Noticees had transacted in securities of Titan

in different calendar quarters, ending on June 2018, September 2018, December 2018 and March 2019 with their traded values exceeding rupees ten lakhs. The details of the traded value of securities by Noticees in different calendar quarters along with number of occasions in which the traded value of securities of Titan by Noticees exceeded rupees ten lakhs are given below:

Noticee No.	Name of the Noticee	Total Traded value (BSE + NSE) (In Rs.)				No. of Occasions in which traded value exceeded Rs. 10 Lakh
		Apr-June 2018	July-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	
1	Manpreet Kumar	88,64,632	-	-	-	3
2	Hanumantharaju Mahendran	15,81,675	43,41,761	12,37,050	-	4
3	Badmi Sangamesh	-	-	66,07,547	-	5
4	R Krishna Kumar	11,83,54,313	-	-	-	5
5	R Jayanthi	2,05,90,359	-	-	-	5
6	Vetrivel Muthaian	-	-	-	93,50,188	6
7	S Saravanaraj	80,82,843	-	54,66,638	-	7
8	Palanisamy Vairavel	-	1,49,30,438	13,10,738	-	9
9	Ummadi Janardhan Reddy	-	-	1,86,91,819	-	9
10	Vishal Jagannath Aherwal	-	44,27,264	44,38,249	23,57,374	9
11	Boopathy Sankar	33,07,088	1,07,85,321	17,57,816	-	10
12	Nitin Rastogi	2,93,95,710	-	-	-	10
13	E Edurairaj	1,68,16,688	68,09,100	26,87,625	-	10
14	Atul Ravindra Bhalerao	-	47,56,463	1,06,34,698	30,76,649	12
15	Basavaraj Ningappa Pashupatihal	-	-	1,00,08,208	1,69,27,417	12
16	Darshit Mukesh Shah	33,31,430	-	2,16,45,373	60,80,504	13
17	Munuswamy Guruswamy	4,06,67,447	91,53,553	-	21,83,758	13

Noticee No.	Name of the Noticee	Total Traded value (BSE + NSE) (In Rs.)				No. of Occasions in which traded value exceeded Rs. 10 Lakh
		Apr-June 2018	July-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	
18	N C Selvaraju	49,52,118	1,05,47,494	18,50,590	-	13
19	Bhagwansingh	11,44,34,700	-	-	-	15
20	Kumar Seerangan Ramesh	79,22,166	1,37,34,431	-	-	16
21	P Thirupathi	4,58,26,428	26,43,488	99,07,731	-	16
22	Jitendra Kumar	1,73,09,375	14,54,046	2,11,88,588	16,66,800	18
23	Lakshminarayanamurthy	52,50,945	1,00,49,945	54,65,390	-	18
24	Aman Kishor Singh	16,70,775	32,44,725	1,87,08,155	1,95,64,050	19
25	T Rajasekaran	4,65,63,905	36,40,275	-	-	19
26	Thirugnanasambandham Sank	1,76,90,213	2,67,17,963	-	-	20
27	Uplenchwar Suhas Ramesh	5,01,86,175	1,77,79,275	24,63,900	1,62,21,825	20
28	Gopalakrishnan	4,80,70,238	-	-	-	21
29	Muthuselvan T	4,20,60,638	51,71,850	-	16,47,600	21
30	Subburaman Srinivasan	1,18,19,284	2,07,33,348	1,59,73,088	-	21
31	Atul Shankarrao Mane	1,80,01,988	35,52,547	4,18,89,638	-	22
32	Harishkumar K	3,05,10,338	14,46,692	-	1,63,62,075	22
33	K Murugesan	8,94,27,525	1,76,44,751	-	53,11,088	22
34	Kasthuri Kanagaraju	1,94,12,400	1,05,43,875	1,15,24,950	1,23,15,788	22
35	Abdul Hakkeem	2,08,45,800	80,81,998	44,46,375	90,28,072	23
36	Albert P J	1,63,74,975	2,16,88,725	1,46,32,763	1,18,69,688	23
37	Beemarao Guruprasath	12,35,47,540	-	-	-	23
38	Biswakarama Parma Nand	1,61,98,573	92,90,195	1,45,03,247	76,66,125	24
39	Rajagopal Anbarasu	30,37,259	3,17,11,820	2,16,55,291	-	24

Noticee No.	Name of the Noticee	Total Traded value (BSE + NSE) (In Rs.)				No. of Occasions in which traded value exceeded Rs. 10 Lakh
		Apr-June 2018	July-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	
40	Zite Sachin Vitthal	7,10,97,375	-	-	-	25
41	Rajendran Mohanakrishnan	5,46,18,600	5,32,53,488	-	-	27
42	Dhirendra Kumar	-	4,69,73,625	1,34,28,150	3,02,22,075	28
43	V Sundararaj	81,77,625	1,48,27,679	1,35,09,316	2,24,84,429	28
44	Mayur Vasudeo Dharmani	4,37,26,275	30,30,025	41,28,563	2,48,67,638	30
45	Kandasamy	7,79,16,825	2,14,52,288	42,23,573	-	31
46	Venkatesan	5,76,98,624	-	13,77,830	4,15,12,327	32
47	Deiveegan G	91,47,450	12,12,04,329	1,08,84,450	16,69,238	35
48	Rohit Gautam	4,19,63,648	1,09,76,476	2,50,15,982	45,11,175	35
49	Vaishali Rohidas Manohar	12,48,03,938	9,17,97,450	-	94,06,088	39
50	S Raja	7,40,29,838	64,41,488	90,89,775	-	44
51	Jayaraman Vijayanand	1,83,25,104	2,69,79,966	1,42,48,229	6,15,12,973	44
52	Yagnavedan R	1,93,60,649	17,79,48,896	5,27,36,933	-	46
53	Babunethaji G E	5,47,24,261	64,88,894	1,04,18,215	61,29,126	48
54	M Siva	5,98,08,129	4,91,03,245	40,73,428	78,50,541	56
55	Durgesh Kumar Singh	1,35,49,900	5,41,98,235	10,43,44,657	4,80,00,412	57
56	P Srinivasan	1,92,20,625	1,65,46,350	1,07,96,213	18,58,69,575	58
57	Arul Raj Shanmugam	27,10,88,136	4,31,49,650	49,93,122	1,70,59,388	62
58	Sanjay Baliram Kopnar	37,67,92,195	15,50,22,189	13,72,66,800	21,91,10,738	99

10. I note that it has been alleged in the SCN, that abovementioned trading of Noticees as the employees of Titan, in calendar quarters ending on June 2018, September 2018, December 2018 and March 2019 had resulted in violation of Regulation 7(2)(a) of the PIT Regulations by Noticee. In this context, I find it pertinent to refer

to Regulation 7(2)(a) of the PIT Regulations, as it stood during the relevant time, which is reproduced hereunder:

“7(2) Continual Disclosures.

(a). Every promoter, employee and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified.”

11. In this regard, I note that the term “employee” in the aforementioned provision was substituted with “designated employee” by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. I also note that the amendment came into effect from April 01, 2019. By virtue of the amendment, the obligation to make disclosures under Regulation 7(2)(a) of the PIT Regulations no longer lies on every employee of the company but is restricted to designated employees only. In this context, I find it pertinent to quote a recent decision of Hon'ble Securities Appellate Tribunal (hereinafter referred to as '**SAT**') in Sudhir Bapusaheb Devkar & Anr v SEBI in the matter of Mindtree Limited (Date of Decision: 10.10.2022, Appeal No. 654 of 2022; Appeal No. 655 of 2022); wherein Hon'ble SAT has held as under:

“In view of the aforesaid, coupled with the fact that no disproportionate gain or unfair advantage resulted to any party for the default committed by the appellants, coupled with the fact that no loss was caused to the investors, as a result of the aforesaid default, we are of the opinion that without going into the controversy as to whether the appellants had in fact acquired or disposed of the shares through intra-day trading and whether the appellants have in fact violated the provisions of Regulation 7(2)(a) of the PIT Regulations, and in view of the decision of the Hon'ble Supreme Court in Commissioner of Income Tax (supra), the amendment made in Regulation 7(2)(a) with effect from April 1, 2019 would apply retrospectively. We are of the opinion that the amendment was a beneficial piece of legislation and the benefit was conferred for the entire community as a whole. As such, even though the amendment came into effect

from April 1, 2019, the amended provision would apply with retrospective effect to the transactions made by the appellants.”

12. From the above, I note that Hon'ble SAT in its aforementioned decision has laid down that amendment to Regulation 7(2)(a) of PIT Regulations which came into effect on April 1, 2019, would apply with retrospective effect i.e. benefit of amendment would go to “employees” for the trades done by them prior to amendment. Considering the principle laid down in the aforementioned judgment and the fact that Noticees were not designated employees of the company at the time of impugned trades, I find that for the trades done by Noticees during the relevant times i.e. from April 01, 2018 to March 31, 2019, Noticees would not be liable for violation of Regulation 7(2)(a) of the PIT Regulations. Therefore, I find allegation in SCN that Noticees have violated Regulation 7(2)(a) of the PIT Regulations does not stand established.

13. Since the alleged violation against Noticees are not established, I find that the Issues No. II and III requires no further consideration.

ORDER

14. Accordingly, taking into account the aforesaid findings and in exercise of powers conferred upon me under Section 15-I of SEBI Act read with Rule 5 of the Adjudication Rules, the Adjudication proceedings against Noticees initiated vide SCN dated August 09, 2021, stands disposed of without imposition of any penalty.

15. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order is being sent to Noticees and also to SEBI.

Place: Mumbai

Date: November 29, 2022

**SOMA MAJUMDER
ADJUDICATING OFFICER**