

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[SETTLEMENT ORDER Ref No.: Order/VV/GSS/2020-21/ 9395]**

**UNDER SECTION 15JB OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT,
1992 READ WITH REGULATION 23(1) OF THE SEBI (SETTLEMENT OF
ADMINISTRATIVE AND CIVIL PROCEEDINGS) REGULATIONS, 2018.**

In respect of:

Application No.4140/ 2020
Ajoy Chawla (PAN: AADPC3230D)

In the matter of Titan Company Limited

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI'), received a complaint dated November 13, 2018 from Titan Company Limited, (hereinafter referred as '**Titan**' or '**Company**') a company listed on BSE limited ("**BSE**") and National Stock Exchange of India Ltd. ("**NSE**"), intimating that the designated employee of the company viz. Mr. Ajoy Chawla (herein after referred as '**Applicant**') had contravened the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as **PIT Regulations, 2015**). Pursuant to above, preliminary examination was conducted in the scrip of the company.
2. During the period of examination, following was observed;
 - a. Vide letter dated November 13, 2018, the company informed that the trading window was closed during the period September 23, 2018 to November 12, 2018, for the purpose of declaration of financial results for the quarter and half year ended September 30, 2018.
 - b. Mr. Ajoy Chawla (Noticee) had traded in the scrip of the company on three trading days and executed contra trades, when the trading window was closed. The contra trades executed by the Noticee were in excess of 10 lakhs rupees executed during calendar quarter period September 19, 2018 to September 24, 2018.
 - c. However, the Noticee did not make necessary disclosures for trades executed in excess of 10 lakhs rupees during calendar quarter period September 19, 2018 to September 24, 2018.
 - d. As per Clause 4 of Schedule B r/w Regulation 9(1) of SEBI (PIT) Regulations, 2015, designated persons and their immediate relatives shall not trade in securities when the trading window is closed. Further, as per Clause 10 of Schedule B r/w Regulation 9(1) of SEBI (PIT) Regulations, 2015, the code of conduct shall specify the period, which in any event shall not be less than six

months, within which a designated person who is permitted to trade shall not execute a contra trade.

- e. In light of the above facts, it was observed that the Noticee had violated Clauses 4 & 10 of Code of Conduct given under Schedule-B prescribing Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders read with Regulation 9(1) of PIT Regulations 2015.
3. Pursuant to above, the competent authority in SEBI was satisfied that there are sufficient grounds to inquire into the affairs and adjudicate upon the alleged aforesaid violations. Vide a communication-order dated June 08, 2020 the competent authority had appointed the undersigned as Adjudicating Officer under section 15-I of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as 'SEBI Act') and rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as 'SEBI Adjudication Rules') to inquire into and adjudge under sections 15HB and 15A(b) of SEBI Act for the aforesaid alleged violations.
4. Accordingly, in terms of rule 4(1) SEBI Adjudication Rules read with section 15I of SEBI Act, the Show Cause Notice dated June 26, 2020 (hereinafter referred to as 'the SCN') was issued to the Noticee, by the undersigned, calling upon him to show cause as to why an inquiry should not be held against him in terms of rule 4 of the SEBI Adjudication Rules and penalty be not imposed under sections 15HB and 15A(b) of SEBI Act.
5. Vide application filed on July 06, 2020, the Noticee proposed to SEBI to settle the instant proceedings, without admitting or denying the findings of fact and conclusions of law, through a settlement order and filed settlement application bearing reference no. 4140/2020 with SEBI in terms of regulations 3(1) and 3(2) of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2018 (hereinafter referred to as 'Settlement Regulations').
6. Thereafter, the applicant was advised to appear before the Internal Committee ('IC') of SEBI on August 19, 2020, in terms of the Settlement Regulations. Subsequently, the applicant vide his e-mail dated August 29, 2020, proposed the revised settlement terms. The High Powered Advisory Committee ('HPAC') in its meeting held on September 22, 2020, considered the settlement terms proposed and recommended the case for settlement upon payment of ₹30,44,063/- (Rupees Thirty Lakhs Fourty Four Thousand Sixty Three only) towards settlement charges.
7. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC on September 28, 2020 and the same was communicated by SEBI to the applicant vide email dated September 29, 2020. Accordingly, the applicant, vide e-mail dated October 06, 2020 communicated the payment details bearing UTR No. CITIH20279880887 dated October 05, 2020 for payment of amount

₹30,44,063/- (Rupees Thirty Lakhs Fourty Four Thousand and SixtyThree only) towards settlement charges.

8. Therefore, in view of the acceptance of the settlement terms and receipt of settlement amount as mentioned above by SEBI, the instant adjudication proceedings initiated against the applicant vide SCN dated June 26, 2020, are disposed of in terms of section 15JB of the SEBI Act read with regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.
9. This order shall come into force with immediate effect. Further, in terms of regulation 28 of the Settlement Regulations, this order is without prejudice to the right of SEBI to take any enforcement action including restoring or initiating the proceedings in respect to which this settlement order is passed, if:
 - a) The Noticee fails to comply with the settlement order or at any time after the settlement order is passed,
 - b) The Noticee has not made full and true disclosure or has violated the undertakings or waivers, settlement order shall stand revoked and withdrawn and the Board shall restore or initiate the proceedings, with respect to which the settlement order was passed.
10. In terms of regulation 25 of the Settlement Regulations, a copy of this order is sent for service to the Applicant and the order is also published on the website of SEBI.

DATE: October 13, 2020

PLACE: MUMBAI

VIJAYANT KUMAR VERMA

ADJUDICATING OFFICER