

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA**

[ADJUDICATION ORDER NO. EAD-2/DSR/RG/902-904/2018]

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.

In respect of:

- 1. Beryl Drugs Limited (PAN: AABCB2664H)**
- 2. Ms. Sangita Sethi (PAN: AERPS2183R)**
- 3. Ms. Sonia Sethi (PAN: AERPS2182Q)**

**In the matter of
BERYL DRUGS LIMITED**

- 1.** Securities and Exchange Board of India (hereinafter referred to as the 'SEBI') had conducted examination in the trading activities of certain entities in the scrip of Beryl Drugs Limited (hereinafter referred to as '**Noticee No. 1 / BDL / the Company**') and into the possible violation of the provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the 'SEBI Act, 1992') and various Rules and Regulations made there under during the period from January 01, 2013 to June 30, 2014.
- 2.** Upon examination, it was observed that Ms Sangitha Sethi and Ms Sonia Sethi (hereinafter referred to as '**Noticee Nos. 2 and 3**'), were the promoters of BDL and had transacted in the shares of BDL during the relevant period which required them to make necessary disclosures under Regulation 13(4A) read with Regulation 13(5) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as the '**PIT Regulations**'). However, it was observed that the said Noticees had failed to make the said disclosures. Further, BDL, upon receipt of disclosures on June 01, 2013 from Noticee No. 1, was under an obligation to make the disclosures under Regulation 13(6) of the PIT Regulations to the stock

exchanges. However, it was observed that the said disclosures were made by BDL to the stock exchanges belatedly i.e. on November 27, 2013.

3. SEBI, therefore, has initiated adjudication proceedings against the said Noticees for the abovementioned alleged violations of the provisions of law.

Appointment of Adjudicating Officer

4. I have been appointed as the Adjudicating Officer, vide order dated November 23, 2017, under Section 15-I of the SEBI Act, 1992 read with Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as the '**Adjudication Rules**') to inquire into and adjudge under Section 15A(b) of the SEBI Act, 1992, the alleged violation of the provisions of law by the Noticees.

Show Cause Notice, Reply and Personal Hearing

5. Accordingly, a common show cause notice bearing no. EAD-2/DSR/RG/30247/1, 2 & 3/2017 dated December 05, 2017 (hereinafter referred to as the '**SCN**') was issued to Noticee Nos. 1, 2 and 3 in terms of Rule 4 of the Adjudication Rules requiring them to show cause as to why an inquiry should not be held against them for the alleged violation of provisions of law. The said SCN was duly delivered to the Noticees and the proof thereof is available on record. However, it is noted that no reply was submitted by the Noticees in the matter.
6. Therefore, in the interest of natural justice and in order to conduct an inquiry as per Rule 4(3) of the Adjudication Rules, vide hearing notices dated December 22, 2017, an opportunity of personal hearing was granted to the Noticees on January 05, 2018 in the matter. The said hearing notices were duly delivered to the Noticees and the proof thereof is available on record. The Authorized Representative (AR) attended the personal hearing scheduled on behalf of the Noticees and made oral submissions. Further, vide separate letters dated January 04, 2018, the AR submitted the replies on behalf of the Noticees in the matter which have been taken on record.

Consideration of Issues, Evidence and Findings

7. I have carefully perused the charges levelled against the Noticees as per the SCN, replies submitted by them and the material as available on record. The issues that arise for consideration in the present case are:

(a) Whether the Noticee No. 1 has violated the provisions of Regulation 13(6) of the PIT Regulations?

(b) Whether Noticee Nos. 2 and 3 have violated the provisions of Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations?

(c) Do the violations, if any, on the part of the Noticees attract any penalty under Section 15A (b) of the SEBI Act, 1992?

(d) If yes, what should be the quantum of penalty?

8. Before proceeding further, it will be appropriate to refer to the relevant provisions of law which read as under:

Relevant provisions of PIT Regulations:

Disclosure of interest or holding in listed companies by certain persons – Continual Disclosure.

13(4A) Any person who is a promoter or part of promoter group of a listed company, shall disclose to the company and the stock exchange where the securities are listed in Form D, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such shareholding of such person from last disclosure made under Listing Agreement or under sub-regulation (2A) or under this sub-regulation, and the change exceeds Rs. 5 lakh in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.

13(5) The disclosure mentioned under sub-regulations (3), (4) and (4A) shall be made within two working days of :

- (a) The receipt of intimation of allotment of shares, or
(b) The acquisition or sale of shares or voting rights, as the case may be.

13(6) Every listed company, within two working days of receipt, shall disclose to all stock exchanges on which the company is listed, the information received under sub-regulations (1), (2), (2A), (3), (4) and (4A) in respective formats specified in Schedule III.

9. I find from the SCN that BDL was incorporated as a medicine Pharmaceutical manufacturer on August 24, 1993. The shares of BDL were listed on M.P. Stock Exchange, Bombay Stock Exchange and Ahmedabad Stock Exchange. On receipt

of a reference received from BSE, the shareholding of the promoters of BDL was analyzed. Upon analysis, it was observed that the Noticee No. 2 was a promoter of BDL and had purchased 25,000 shares of BDL on May 30, 2013 which required her to make the necessary disclosures to the Noticee No. 1 (BDL) and to the stock exchanges under the PIT Regulations. It was observed that the Noticee No. 2 had made the disclosures to the Noticee No. 1 on June 01, 2013 under the PIT Regulations. However, it was alleged that the necessary disclosures under Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations were not made by the Noticee No. 2 to the stock exchanges.

- 10.** It was further observed that Noticee No. 1 (BDL), upon receipt of the said disclosures on June 01, 2013 from Noticee No. 2, was under an obligation to make the disclosures under Regulation 13(6) of the PIT Regulations to the stock exchanges. However, it was alleged in the SCN that the said disclosures were made by Noticee No. 1 to the stock exchanges belatedly i.e. on November 27, 2013.
- 11.** Similarly, it was observed that on three occasions viz. July 30, 2013, August 12, 2013 and September 30, 2013, the change in the holdings of Noticee No. 2 exceeded 25000 shares which required her to make the disclosures under Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations. However, it was alleged that the Noticee No. 2 failed to make the requisite disclosures to the company and to the stock exchanges. Also, it was observed that Noticee No. 2 had sold 20,192 shares on February 28, 2014, the value of which was more than ₹ 5,00,000 and the change in her holding exceeded more than 25000, which again required her to make the disclosures under Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations. However, it was alleged the Noticee No. 2 failed to make the said disclosures. The transaction statement of Noticee No. 2 is as under:

Date	Exch Buy Tot Qty	Exch Buy Tot Val	Exch Sell Tot Qty	Exch Sell Tot Val	Current Price	Closing Holding	Share capital	Holding as % of Share Capital	Change	Change as a % of Share capital	Violation
31/03/2013						46900	5131000	0.91%			
27/05/2013	10000	269000	0	0	26.85	56900	5131000	1.11%	10000	0.19%	
30/05/2013	25000	681250	0	0	27	81900	5131000	1.60%	35000	0.68%	13(4A) of PIT Regs
02/07/2013	2000	47600	0	0	23.6	83900	5131000	1.64%	2000	0.04%	
18/07/2013	3528	78591	0	0	22.25	87428	5131000	1.70%	5528	0.11%	
26/07/2013	10000	200000	0	0	19.9	97428	5131000	1.90%	15528	0.30%	
30/07/2013	10000	176500	0	0	19.9	107428	5131000	2.09%	25528	0.50%	13(4A) of PIT Regs
01/08/2013	10250	195545	0	0	18	117678	5131000	2.29%	10250	0.20%	
02/08/2013	10000	184812	0	0	18.4	127678	5131000	2.49%	20250	0.39%	
07/08/2013	3614	65252	0	0	18.35	131292	5131000	2.56%	23864	0.47%	
12/08/2013	4000	74400	0	0	18.7	135292	5131000	2.64%	27864	0.54%	13(4A) of PIT Regs
21/08/2013	1465	26408	0	0	18.5	136757	5131000	2.67%	1465	0.03%	
22/08/2013	5000	88450	0	0	17.25	141757	5131000	2.76%	6465	0.13%	
23/08/2013	1100	19319	0	0	17.6	142857	5131000	2.78%	7565	0.15%	
28/08/2013	485	8536	0	0	17.9	143342	5131000	2.79%	8050	0.16%	
30/08/2013	4137	79905	0	0	19.45	147479	5131000	2.87%	12187	0.24%	
23/09/2013	3264	64599	0	0	19.75	150743	5131000	2.94%	15451	0.30%	
25/09/2013	4177	86124	0	0	20.75	154920	5131000	3.02%	19628	0.38%	
27/09/2013	3915	86072	0	0	22.15	158835	5131000	3.10%	23543	0.46%	
30/09/2013	4561	106839	0	0	23.95	163396	5131000	3.18%	28104	0.55%	13(4A) of PIT Regs
18/10/2013	2200	52375	0	0	23.75	165596	5131000	3.23%	2200	0.04%	
24/10/2013	2404	57134	0	0	23.75	168000	5131000	3.27%	4604	0.09%	
30/12/2013	8192	216670	0	0	26.2	176192	5131000	3.43%	12796	0.25%	
31/12/2013	12000	317530	0	0	26.6	188192	5131000	3.67%	24796	0.48%	
28/02/2014	0	0	20192	575674	29.7	168000	5071700	3.31%	44988	0.89%	13(4A) of PIT Regs
12/05/2014	6000	155075	0	0	25.65	174000	5071700	3.43%	6000	0.12%	
15/05/2014	2500	56750	0	0	23.1	176500	5071700	3.48%	8500	0.17%	
Total	149792	3394733	20192	575674							

12. It was further observed that Noticee No. 3 was also a promoter of BDL and had acquired 24,788 shares on June 06, 2013 and 25,212 shares of BDL on July 07, 2013 which required her to make necessary disclosures under 13(4A) read with Regulation 13(5) of the PIT Regulations to Noticee No. 1 (BDL) and the stock exchanges. It was observed that the Noticee No. 3 had made the requisite disclosures to the company. However, it was alleged that the Noticee No. 3 had failed to make the necessary disclosures to the stock exchanges. Further, it was alleged that Noticee No. 1 in turn had disclosed the same to the stock exchanges

belatedly i.e. on November 27, 2013, which was in violation of the provisions of Regulation 13(6) of the PIT Regulations.

13. Further, on four occasions viz. July 05, 2013, August 14, 2013, October 17, 2013 and May 15, 2014, the transactions carried out by Noticee No. 3 had resulted in change in her holdings for more than 25000 and thus, required her to make the necessary disclosures under 13(4A) read with Regulation 13(5) of the PIT Regulations to the company and to the stock exchanges. It was alleged that the Noticee No. 3 had failed to make the said disclosures. The transaction statement of Noticee No. 3 is as under:

Date	Exch Buy Tot Qty	Exch Buy Tot Val	Exch Sell Tot Qty	Exch Sell Tot Val	Current Price	Closing Holdings	Share capital	Holding as % of Share Capital	Change	Change as a % of Share capital	Violation
01/01/2013						45,600	5131000	0.89%			
06/06/2013	24788	641382	0	0	25.85	24,788	5131000	0.48%	24788	0.48%	Reg 13(4A)& 13(6) of PIT Regs
07/06/2013	25212	657722	0	0	25.65	50,000	5131000	0.97%	25212	0.49%	Reg 13(4A)& 13(6) of PIT Regs
24/06/2013	3000	71700	0	0	24.3	53,000	5131000	1.03%	3000	0.06%	
03/07/2013	13648	322316	0	0	23.75	66,648	5131000	1.30%	16648	0.32%	
04/07/2013	1300	30801	0	0	23.7	67,948	5131000	1.32%	17948	0.35%	
05/07/2013	10000	235500	0	0	23.55	77,948	5131000	1.52%	27948	0.54%	Reg 13(4A) of PIT Regs
30/07/2013	6064	110168	0	0	19.75	84,012	5131000	1.64%	6064	0.12%	
05/08/2013	10000	185000	0	0	18.85	94,012	5131000	1.83%	16064	0.31%	
08/08/2013	2400	43800	0	0	18.5	96,412	5131000	1.88%	18464	0.36%	
13/08/2013	3373	61821	0	0	18	99,785	5131000	1.94%	21837	0.43%	
14/08/2013	15769	294776	1850	31946	17.4	1,13,704	5131000	2.22%	37606	0.73%	Reg 13(4A) of PIT Regs
19/08/2013	2000	35422	0	0	17.1	1,15,704	5131000	2.25%	2000	0.04%	
20/08/2013	3000	53451	0	0	17.9	1,18,704	5131000	2.31%	5000	0.10%	
29/08/2013	500	8950	0	0	18.65	1,19,204	5131000	2.32%	5500	0.11%	
30/08/2013	2000	37575	0	0	19.45	1,21,204	5131000	2.36%	7500	0.15%	
10/09/2013	593	11985	0	0	20.95	1,21,797	5131000	2.37%	8093	0.16%	
24/09/2013	4380	87502	0	0	20.85	1,26,177	5131000	2.46%	12473	0.24%	
26/09/2013	4808	102243	0	0	21.7	1,30,985	5131000	2.55%	17281	0.34%	
01/10/2013	2635	60536	0	0	23.05	1,33,620	5131000	2.60%	19916	0.39%	
04/10/2013	3738	84634	0	0	22.6	1,37,358	5131000	2.68%	23654	0.46%	
17/10/2013	4131	96704	0	0	23.5	1,41,489	5131000	2.76%	27785	0.54%	Reg 13(4A) of PIT Regs

31/10/2013	2217	52438	0	0	23.75	1,43,706	5131000	2.80%	2217	0.04%	
01/11/2013	2730	65253	0	0	23.85	1,46,436	5131000	2.85%	4947	0.10%	
14/05/2014	20000	476596	0	0	23.85	1,66,436	5071700	3.28%	24947	0.49%	
15/05/2014	899	21306	0	0	23.1	1,67,335	5071700	3.30%	25846	0.51%	Reg 13(4A) of PIT Regs
Total	169185	3849581	1850	31946							

14. I find that vide email dated August 08, 2017, SEBI had sought information from BSE with respect to disclosures under the PIT Regulations received in the scrip of BDL. Vide email dated August 09, 2017, BSE has submitted the non-compliances under the PIT Regulations in the matter. Further, vide email dated November 08, 2017, M.P Stock exchange had also submitted that it had not found any disclosures on record.

15. In view of the above, it was alleged in the SCN that Noticee Nos. 2 and 3 had violated the provisions of Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations and Noticee No. 1 had violated the Regulation 13(6) of the PIT Regulations.

16. Vide letter dated January 04, 2018, the Noticee No. 1 submitted its reply in the matter. The Noticee No. 1 stated that Noticee No. 2 viz. Ms Sangita Sethi had purchased 25000, 10000, 4000 and 4561 shares of the company on May 30, 2013, July 30, 2013, August 12, 2013 and September 30, 2013, respectively for which she had filed Form D with the Noticee No. 1 on June 01, 2013, July 31, 2013, August 13, 2013 and October 01, 2013, respectively. The said forms were then submitted to the MP Stock Exchange and to BSE by Noticee No. 1 on June 03, 2013, August 01, 2013, August 14, 2013 and October 03, 2013. Further, the disclosures made to the BSE was sent via courier and that made to MP Stock Exchange was by hand delivery. Further, with respect to the sale of 20192 shares by Noticee No. 2 on February 28, 2014, the Noticee No. 1 stated that Form D for the same was submitted by her on March 03, 2014 and the same was further filed with MP Stock Exchange and BSE by Noticee No. 1 on March 04, 2014. Thus, it is the case of Noticee No. 1 that it had complied with the provisions of Regulation 13 of the PIT Regulations.

- 17.** Similarly, the Noticee No. 1 stated that Noticee No. 3 had purchased 10000, 15769, 4131 and 899 shares of the company on July 05, 2013, August 14, 2013, October 17, 2013 and May 15, 2014, respectively, for which she had submitted the Form D to Noticee No. 1 on July 06, 2013, August 16, 2013, October 19, 2013 and May 16, 2014, respectively. The said forms were then submitted to the MP Stock Exchange and to BSE by Noticee No. 1 on July 06, 2013, August 17, 2013, October 19, 2013 and May 16, 2014. Thus, it is the case of Noticee No. 1 that it had complied with the provisions of Regulation 13 of the PIT Regulations with respect to the transactions executed by the Noticee Nos. 2 and 3 in the scrip of BDL.
- 18.** Further, vide separate but identical letter dated January 04, 2018, Noticee Nos. 2 and 3 also submitted their replies in the matter. They stated that they had made the requisite disclosure in Form D to the Company for the purchase of shares of BDL. Thus, it is the case of said Noticees that they had complied with the provisions of Regulation 13 of the PIT Regulations to that effect. However, the Noticees submitted that as they had filed Form D with the company, they were under an impression that the said Forms would be submitted by BDL to the stock exchanges and therefore, the non-submission of Form D as required under the disclosure provisions of PIT Regulations by them to the stock exchanges should be treated as a technical default. The Noticee Nos. 2 and 3 also stated that there was no impact on the capital market due to said non disclosures as the main object of disclosures under the PIT Regulations was achieved. They stated that they have not made any disproportionate gain or unfair advantage on account of the said non-disclosures. Further, no investor had suffered any losses for non-filing of Form D by them as the same was submitted to BDL.
- 19.** I have carefully perused the charges leveled against the Noticees in the SCN and the replies submitted by the Noticees in the matter. With respect to the submissions made by Noticee No. 1, I find that disclosures under Regulation 13(6) of the PIT Regulations in Form D were made by the said Noticee to MP Stock Exchange by hand delivery within the requisite time and upon perusal of the documentary evidence submitted by Noticee No. 1 in support of his contention, I find that MP Stock Exchange had received the said disclosures made by Noticee No. 1 on the same day as the date of disclosure made vide respective letters. Therefore, I find

merit in the submissions made by the Noticee No. 1 with respect to the said charge and thus, conclude that the same does not stand established against it.

20. However, with respect to the disclosures under Regulation 13(6) of the PIT Regulations to BSE, the Noticee No. 1 has produced letters sent to BSE along with courier receipts. Thus, I find that the Noticee No. 1 has not provided any acknowledged copies of letters showing when the said letters were received by BSE. I find that it is a well settled law that courier receipts per se cannot be treated as a proof of delivery of any document or letter. The actual proof of delivery is when some documentary evidence is available to show that the recipient of the said document or letter has received the same. Here, I would like to rely on the observations made by the ***Hon'ble High Court at Calcutta in Writ Petition 331/2001 in the matter of Arun Kumar Bajoria v/s SEBI – Order dated March 27, 2001***. The Hon'ble Court, while examining the issue of certain disclosure related compliances as prescribed under the SAST Regulations, 1997, observed as under:-

“..... Therefore, it is obligatory on the part of the person so acquiring to inform the company. In what mode or manner such information should be given has not been prescribed. It has not also been mentioned that the subject information or disclosure must be given in writing. Such disclosure, therefore, may be made orally or through telephone or in writing transmitted in some known manner. The information or disclosure must, however, reach the company. In law, anyone sending a written information through the agency of someone else, appoints such agency as his agent. If a letter is posted, unless the law specifies, the Postal Authority acts as an agent of the sender. As appears to me, by law, in respect of two instances the post office is considered as the agent of the receiver of the letter. The first is in relation to acceptance of an offer and the second is in respect of a letter sent by registered post. In all other circumstances, the post office acts as a mere agent of the sender of the letter. The Certificate of Posting may be an evidence of engaging the Postal Authority as an agent of the sender to deliver the subject letter, but not the proof of receipt of the letter by the addressee. In the event, it is contended by the addressee that the letter has not been received by him, it must be established and if necessary through the agent that the letter has

been received by the addressee. Merely because the letter was sent by post, it cannot be contended that the sender has discharged his obligations under Regulation 7 of the said Regulations as the said regulation cast the duty and obligation upon the acquirer to ensure receipt of the disclosure or information by the company concerned and argument contrary thereto is not acceptable. It is not permissible for the sender to contend that he has no control over the mode of transmission inasmuch as he has free choice of selecting the mode of transmission and for that purpose to engage a suitable agent.”

21. In the present case, I find that the main allegation levelled against Noticee No. 1 is not that of non-disclosures but of making delayed disclosures to the stock exchanges. I find that the disclosures with respect to the purchase of 25,000 shares of BDL by Noticee No. 2 on May 30, 2013 were made by Noticee No. 2 to Noticee No. 1 on June 01, 2013 under the PIT Regulations. However, the said disclosures were received by BSE only on November 27, 2013. Thus, despite the Noticee No. 1 claiming to have made the disclosures to BSE on June 03, 2013 itself, the same was received by BSE belatedly and thus, I find no merit in the submissions of the Noticee No. 1 that it had made the requisite disclosures in time. Similarly, I find that upon purchase of 24,788 shares of BDL on June 06, 2013 and 25,212 shares of BDL on July 07, 2013 by Noticee No. 3, she had made the said disclosures to Noticee No. 1 as required under the PIT Regulations. However, I conclude that as the disclosures made to BSE by Noticee No. 1 were received by BSE belatedly, Noticee No. 1 is in violation of Regulation 13(6) of the PIT Regulations for delayed disclosures so made.

22. With respect to the allegations levelled on Noticee Nos. 2 and 3, I find that both the said Noticees have admitted that the disclosures as required under Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations were made to Noticee No. 1 but not to the stock exchanges. Further, I find no merit in the submissions of the Noticee Nos. 2 and 3 that as the disclosures were made to Noticee No. 1, who had made the disclosures to the stock exchanges for the said transactions, the object of the said regulations was achieved. I find that specific obligation is cast upon the Noticee Nos. 2 and 3 to make the disclosures to the stock exchanges under the PIT Regulations. The disclosure obligation on Noticee No. 1 under

Regulation 13(6) of the PIT Regulations has nothing to do with the specific obligation cast on Noticee Nos. 2 and 3 under the PIT Regulations, they being the promoters of Noticee No. 1.

23. Further, I do not find any merit in the submission of Noticee Nos. 2 and 3 that they have not made any disproportionate gain or unfair advantage on account of the said non-disclosures and no investor has suffered any losses for non-filing of Form D by them to the stock exchanges. In this context, I note that ***the Hon'ble Securities Appellate Tribunal in the matter of Komal Nahata Vs. SEBI vide order dated January 27, 2014*** has observed that: *"Argument that no investor has suffered on account of non-disclosure and that the AO has not considered the mitigating factors set out under Section 15J of SEBI Act, 1992 is without any merit because firstly penalty for non-compliance of SAST Regulations, 1997 and PIT Regulations, 1992 is not dependent upon the investors actually suffering on account of such non-disclosure."* Further, I also note that in ***Appeal No. 78 of 2014 in the case of Akriti Global Traders Ltd. Vs. SEBI, the Hon'ble Securities Appellate Tribunal vide order dated September 30, 2014*** has observed that: *"... Argument of appellant that the delay was unintentional and that the appellant has not gained from such delay and therefore penalty ought not to have been imposed is without any merit, because, firstly, penal liability arises as soon as provisions under the regulations are violated and that penal liability is neither dependent upon intention of parties nor gains accrued from such delay"*.

24. Thus, in view of the above, I conclude that the Noticee Nos. 2 and 3 have violated the provisions of Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations by failing to make disclosures to the stock exchanges for the transactions so executed in the scrip of BDL. Further, I also conclude that, Noticee No. 1, by making delayed disclosures to BSE, has violated the provisions of Regulation 13(6) of the PIT Regulations. The said violations of the provisions of law make the Noticees liable for monetary penalties as prescribed under Section 15A(b) of the SEBI Act, 1992 (as existed at the relevant time) which reads as under:

Penalty for failure to furnish information, return, etc.-

15A.*If any person, who is required under this Act or any rules or regulations made thereunder,--*

(b) *to file any return or furnish any information, books or other documents within the time specified therefor in the regulations, fails to file return or furnish the same within the time specified therefor in the regulations, he shall be liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less.*

25. The Hon'ble Securities Appellate Tribunal, ***in Appeal No.66 of 2003 order dated April 15, 2005 - Milan Mahendra Securities Pvt. Ltd. Vs SEBI***, has also observed that, *"the purpose of these disclosures is to bring about transparency in the transactions and assist the Regulator to effectively monitor the transactions in the market. We cannot therefore subscribe to the view that the violation was technical in nature"*.

26. The Hon'ble Supreme Court of India in the matter of ***SEBI Vs. Shri Ram Mutual Fund [2006] 68 SCL 216(SC)*** 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..."*.

27. While determining the quantum of penalty under Section 15A(b) of the SEBI Act, 1992, it is important to consider the factors stipulated in Section 15J of the SEBI Act, 1992 which reads as under:-

15J-Factors to be taken into account by the adjudicating officer

While adjudging quantum of penalty under section 15-I, the adjudicating officer shall have due regard to the following factors, namely:-

- (a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;*
- (b) the amount of loss caused to an investor or group of investors as a result of the default;*
- (c) the repetitive nature of the default.*

Explanation: For removal of doubts, it is clarified that the power of an adjudicating officer to adjudge the quantum of penalty under Sections 15A to 15E, Clauses (b) and (c) of Section 15F, 15G, 15H and 15HA shall be and shall always be deemed to have been exercised under the provisions of this section.

28. I observe that, from the material available on record, any quantifiable gain or unfair advantage accrued to the Noticees or the extent of loss suffered by the investors as a result of the default cannot be computed. I note that the default of the Noticees are repetitive in nature. . I note that correct and timely disclosures play an essential role in the proper functioning of the securities market and failure to do so results in depriving the investors from taking well informed investment decision. I, therefore, conclude that the Noticee Nos. 2 and 3, by failing to make the necessary disclosures as required under the PIT Regulations and Noticee No. 1 by making the disclosures with a delay to the stock exchange, are liable for monetary penalties under the SEBI Act, 1992.

ORDER

29. In view of the above, after considering all the facts and circumstances of the case and exercising the powers conferred upon me under Section 15-I (2) of the SEBI Act, 1992 read with Rule 5 of the Adjudication Rules, I hereby impose the following monetary penalties on the Noticees:

Sr. No.	Name of the Noticee	Provisions of law violated	Penal Provisions	Penalty Amount (in ₹)
1.	Beryl Drugs Limited	Regulation 13(6) of the PIT Regulations	Section 15A(b) of the SEBI Act, 1992	1,00,000/- (Rupees One Lakh Only)
2.	Ms Sangita Sethi	Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations	Section 15A(b) of the SEBI Act, 1992	1,00,000/- (Rupees One Lakh Only)

3.	Ms Sonia Sethi	Regulation 13(4A) read with Regulation 13(5) of the PIT Regulations	Section 15A(b) of the SEBI Act, 1992	1,00,000/- (Rupees One Lakh Only)
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30. In my view, the aforesaid penalties are commensurate with the defaults committed by the Noticees.

31. The amount of penalties shall be paid either by way of demand draft/s in favor 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/s or forwarding details and confirmation of e-payment 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 - 400 052."

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

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

Date: January 15, 2018
Place: Mumbai

D.SURA REDDY
GENERAL MANAGER &
ADJUDICATING OFFICER