

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. PKB/AO-58/2011]

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:

Robinson Worldwide Trade Limited

(PAN - AABCR6814P)

In the Matter of: Platinum Corporation Limited

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) conducted investigations relating to buying, selling or dealing in the shares of Platinum Corporation Limited (hereinafter referred to as “**the Company**”). Investigation, *inter-alia*, had revealed that certain persons were holding more than 5% of equity capital of the Company but did not disclose their shareholdings to the Company in compliance with Regulation 13(1) of SEBI (Prohibition of Insider Trading) Regulations, 1992. Investigation also revealed that they did not disclose change in shareholding in compliance with Regulation 13(3) of SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as “**PIT Regulations**”). Investigation further revealed that they did not disclose their shareholdings in compliance with Regulation 7(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as “**SAST Regulations**”).
2. It was observed that Robinson Worldwide Trade Limited (hereinafter referred to as the “**Noticee / RWTL**”), a listed company and also a group company of Platinum Corporation Ltd., was having beneficiary account with Depository Participant (hereinafter referred to as “**DP**”), India Infoline Ltd. having BOID: 10357128 and the account was mainly operated by Mr. Ramanlal Nagjibhai Trivedi.

3. It was observed that on August 17, 2005, the Noticee was holding 7.00% of equity capital of the Company by way of off-market credits received from Ashok Hiralal Shah and on next day, holding of the Noticee decreased to 4.95% of equity capital of the Company on account of sale of shares through broker India Infoline Ltd. Thereafter, the Noticee sold the remaining shares in the market. After complete sale of shares, the Noticee received 80 lac shares from Anand Ramanlal Trivedi and the holdings once again went up to 7.47% and on the same day it got reduced to 5.40%. On account of sale delivery made on August 29, 2005, shareholding of the Noticee got reduced to 2.77% of paid up capital of the Company.

4. It was observed that the Noticee was summoned vide summons dated July 06, 2010 to submit relevant information and also to appear before Investigating Authority on July 14, 2010. The Noticee had sent a letter seeking 3 weeks time to submit information sought in the summons. However, the Noticee failed to appear before the Investigating Authority. Further, another opportunity was given to the Noticee by way of summons dated July 16, 2010 to submit and appear before Investigating Authority on July 27, 2010. However, the Noticee filed a reply dated July 24, 2010, enclosing copies of disclosures (made on four occasions) submitted to the Company in compliance with SAST & PIT Regulations. However, the Noticee did not disclose the same to the Stock Exchanges in compliance with SAST Regulations. Details of such submissions are tabulated below:

Date of disclosure	Particulars of disclosures	SEBI observation
19/08/2005	RWTL acquired 50 lac shares from Ashok Hiralal Shah on 17/08/2005 at Rs.2.30 per share. The consideration for such acquisition was against amount outstanding	<p>It was observed that the letter head of RWTL used for disclosures show its registered office was located at 202, Chitra rath Complex, Nr. President Hotel, Opp. Municipal Market, CG Road, Navrangpura Ahmedabad-380009.</p> <p>It was observed that RWTL in Appeal No. 114 of 2010 before Securities Appellate Tribunal, in the case of Sarang Chemicals Ltd., submitted 32 copies of disclosures made to the company during (28/07/2005-07/09/2005), wherein the address of RWTL was mentioned as 403, Sanjay Apartment, Nr. Old Excise Chowky, Ambawadi, Ahmedabad-380015, which was entirely different than the above address. The stationery used for this purpose was entirely different.</p> <p>Further, it was also observed that the address of the Company during the period was 301, HN House, behind Anand Building, near Stadium Circle, Navrangpura, Ahmedabad-380009 and the Company shifted its premises to 4th Floor, A-Block, Maradia Plaza, CG Road, Ahmedabad-380006 only on 09/09/2005.</p> <p>It was observed that the documents submitted by RWTL were fabricated for the purpose of submission of information before</p>

		Investigating Authority, thereby, RWTL was misleading SEBI by submitting false information.
27/08/2005	RWTL acquired 80 lac shares from Anand Ramanlal Trivedi on 26/08/2005 at Rs.2.75 per share. The consideration for such acquisition was against amount outstanding. Further sold 22,12,922 shares in the market.	It was observed that Mr. Anand Ramanlal Trivedi is son of Ramanlal N. Trivedi. From the documents submitted by RWTL, it was observed that they sold 22,12,922 shares at Rs.2.12 per share. The transactions resulted loss of Rs.13.94 lacs. It was observed that the company being a listed company purchased shares at Rs.2.75 per share and sold at Rs.2.12 per share, resulting to loss of 13.94 lacs to the company. Loss to the company (uninformed shareholders) benefited to its director and his son.
31/08/2005	Sold 28,13,830 shares on 29/08/2005	It was further observed that the purported copy of disclosures for sale transactions did not contain details of trading member through whom the sale was made.

5. It was alleged that the evidence submitted by the Noticee in regard to the disclosures appeared to be false and that the Noticee failed to make disclosures about its initial shareholding and change in shareholding to the Company and also to the Stock Exchanges as required under the PIT Regulations and SAST Regulations. In view of the Noticee's actions and omissions in this matter, it was alleged that the Noticee violated the provisions of Regulation 13(1) and 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations.
6. The undersigned was appointed as the Adjudicating Officer vide Order dated March 23, 2011 and the said appointment was conveyed vide proceedings of the Whole Time Member dated July 04, 2011 to inquire into and adjudicate under Section 15 A (b) of the SEBI Act, 1992, the alleged violation of provisions of Regulation 13(1) and 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations.

SHOW CAUSE NOTICE, HEARING & REPLY

7. A Show Cause Notice (hereinafter referred to as "SCN") in terms of the provisions of Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as "**Adjudication Rules**") was issued to the Noticee on July 15, 2011, calling upon the Noticee to show cause why an inquiry should not be held against it under Rule 4(3) of the Adjudication Rules for the alleged violations.
8. The aforesaid SCN was duly delivered to the Noticee on July 21, 2011. Subsequently, vide letter dated August 01, 2011, the Noticee acknowledged the receipt of the SCN and sought extension of one month to submit reply. Vide letter dated August 12, 2011, the Noticee was informed that the time limit for submission of reply to the SCN was

extended to August 25, 2011. Thereafter, vide letter dated August 24, 2011, the Noticee once again requested for thirty more days to submit reply. Vide letter dated August 25, 2011, the Noticee was informed that the time limit for submission of reply to the SCN was extended to September 15, 2011.

9. Since no reply was received from the Noticee, Notice of Inquiry dated September 23, 2011 was issued under Rule 4(3) of the Adjudication Rules vide which an opportunity of personal hearing was given to the Noticee which was scheduled for October 12, 2011. However, the Noticee failed to appear for personal hearing on the scheduled date. The Noticee submitted his reply vide letter dated October 11, 2011 and *inter alia* made the following submissions:

1. *In respect of the acquisition of 75 Lakh shares i.e. 7% as on 17-8-05, the company i.e. we had made proper disclosures under Regulations 7(1) of SEBI (SAST) Regulations, 1997 and regulation 13 (1) of SEBI (PIT) Regulations, 1992 to the company i.e. PCL, Ahmedabad Stock Exchange (ASE) and Bombay Stock Exchange (BSE) on August 19, 2005. The details of disclosure made are under:-*
 - a. *Duly acknowledged copy the disclosures from company is enclosed as annexure -A, which suggests that the disclosure was made to the company.*
 - b. *Duly acknowledged copy of the disclosure from ASE is enclosed as annexure -B, which suggests that the disclosure was made to ASE.*
 - c. *The company & ASE both were situated at my home town/ business place. So, we personally submitted the disclosures and took acknowledgement. But, we sent the said disclosures to BSE through courier but the copy of the acknowledgement is not available as there was a fire in our office. (Point No.3) Further, we have talked to our courier co. for providing a copy of the said courier slip which we will send you afterwards.*
2. *Further, in respect of my acquisition of 80 Lakh shares i.e. 7.47% as on 26-8-05, we had made proper disclosures under Regulations 7(1) of SEBI (SAST) Regulations, 1997 and regulation 13 (1) of SEBI (PIT) Regulations, 1992 to the company Platinum, Ahmedabad Stock Exchange (ASE) and Bombay Stock Exchange on August 27, 2005. The details of disclosure made are as under:-*
 - a. *Duly acknowledged copy the disclosures from company is enclosed as annexure -C, suggesting the receipt of the same by the company.*
 - b. *Duly acknowledged copy of the disclosure from ASE is enclosed as annexure -D, suggesting the receipt of the same by ASE.*
 - c. *The company & ASE both were situated at my home town/ business place, so we personally submitted the disclosures and took acknowledgement. But, we sent the said disclosures to BSE through courier but the copy of the acknowledgement is not available as there was a fire in our office. (Point No.3) Further, we have talked to our courier co. for providing a copy of the said courier slip which we will send you afterwards.*
3. *Further, it is submitted that due to fire in the office (copy of FIR is enclosed) and misplacement of most of our records, we could not gather/ collect the copy of disclosure at the time of notice from investigation department. So we did not submit the same at that time.*

In view of above, it is evident that we have made all the necessary disclosures to the requisite authorities. So we request to drop the SCN against us.

10. Thereafter, another opportunity of personal hearing was granted to the Noticee on November 09, 2011, which was subsequently rescheduled to November 24, 2011. However, the Noticee vide letter dated November 09, 2011 requested for another hearing date in the next week which was acceded to and accordingly the personal hearing of the Noticee was rescheduled to November 15, 2011. Ms. Ragini Chokshi, Authorised Representative of the Noticee appeared for hearing on November 15, 2011 and reiterated the submissions previously made by the Noticee vide letter dated October 11, 2011. During the hearing, the Noticee was informed that it had not made any submissions regarding the alleged violation of provisions of Regulation 13(3) of PIT Regulations, as mentioned in the SCN. The Noticee was informed that it had not submitted any proof evidencing disclosures made to BSE as mentioned in its reply dated October 11, 2011. The Noticee was advised to submit a true copy of the FIR mentioned in its reply dated October 11, 2011. The Noticee was also advised to submit a photocopy of its PAN Card. The Authorised Representative of the Noticee stated that these documents would be submitted by November 17, 2011. Subsequently, on November 17, 2011 the Authorised Representative of the Noticee submitted a copy of the PAN Card of the Noticee and stated that other documents have been already submitted vide reply dated October 11, 2011 and no further documents were available for submission.

ISSUES FOR CONSIDERATION

11. After perusal of the material available on record, I have the following issues for consideration, viz.,
- A. Whether the Noticee has violated provisions of Regulation 13(1) and 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations?
 - B. Whether the Noticee is liable for monetary penalty under Section 15 A (b) of the SEBI Act, 1992?
 - C. What quantum of monetary penalty should be imposed on the Noticee taking into consideration the factors mentioned in Section 15J of the SEBI Act, 1992?

FINDINGS

12. On perusal of the material available on record and giving regard to the facts and circumstances of the case, I record my findings hereunder.

ISSUE 1: Whether the Noticee has violated provisions of Regulation 13(1) and 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations?

13. The provisions of Regulation 13(1) and 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations read as under:

SEBI (Prohibition of Insider Trading) Regulations, 1992

Disclosure of interest or holding by directors and officers and substantial shareholders in a listed companies - Initial Disclosure.

- 13 (1)** *Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form A, the number of shares or voting rights held by such person, on becoming such holder, within 4 working days of : –*
(a) the receipt of intimation of allotment of shares; or
(b) the acquisition of shares or voting rights, as the case may be.

Continual Disclosure

- 13 (3)** *Any person who holds more than 5% shares for voting rights in any listed company shall disclose to the company in Form C the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the company.*

SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997

Acquisition of 5 per cent and more shares or voting rights of a company

- 7(1):** *Any acquirer, who acquires shares or voting rights which (taken together with shares or voting rights, if any, held by him) would entitle him to more than five per cent or ten per cent or fourteen per cent or fifty four per cent or seventy four per cent shares or voting rights in a company, in any manner whatsoever, shall disclose at every stage the aggregate of his shareholding or voting rights in that company to the company and to the stock exchanges where shares of the target company are listed.*

14. I note that Regulation 13(1) of PIT Regulations requires any person who holds more than 5% shares or voting rights in any listed company, to disclose to the company in Form A, the number of shares or voting rights held; and such disclosure has to be made within four working days of receipt of intimation of allotment of shares or acquisition of shares or voting rights, as the case may be. I also note Regulation 13(3) of PIT Regulations requires a person holding more than 5% shares for voting rights in any listed company to disclose to the company the number of shares or voting rights held and change in shareholding or voting rights, if there has been change in such holdings from the last disclosure made under Regulation 13(1) of PIT Regulations or Regulation 13(3) of PIT Regulations; and such change exceeds 2% of total shareholding or voting rights in the company.

15. I note that the Noticee was having beneficiary account with DP India Infoline Ltd. having BOID: 10357128. From the beneficiary account statement (Demat statement) of the Noticee (enclosed with the SCN as “Annexure II”) I note that on August 17, 2005, the Noticee bought/received 75,00,000 shares of the Company (representing 7.00% of the equity capital of the Company) and sold/transferred 11,67,000 shares on the same day thereby taking his shareholding in the Company to 63,33,000 shares (representing 5.91% of the equity capital of the Company). Subsequently, the Noticee sold/transferred 10,35,000 shares on August 18, 2005 reducing its shareholding to 52,98,000 shares (representing 4.95% of the equity capital of the Company) which in the same day was further reduced to 43,17,711 shares (representing 4.03% of the equity capital of the Company). Thereafter, the Noticee once again sold/transferred shares thereby reducing his total shareholding in the Company to 0 by August 25, 2005. On August 26, 2005, the Noticee bought/received 80,00,000 shares of the Company (representing 7.47% of the equity capital of the Company) and also sold 22,12,922 shares of the Company on the same day thereby taking his shareholding to 57,87,078 shares (representing 5.40% of the equity capital of the Company). The Noticee then sold/transferred 28,13,830 shares on August 29, 2005, and the shareholding of the Noticee was reduced to 29,73,248 shares (representing 2.77% of the equity capital of the Company). Relevant transactions of the Noticee in the aforesaid beneficiary account were as follows:

Date	Description	Credit	Debit	Balance	Balance % to equity
17/08/05	By SHAH INVESTOR S HOME LTD / 10279975 / Offmarket	25,00,000	0	25,00,000	2.33%
17/08/05	By SHAH INVESTOR S HOME LTD / 10279975 / Offmarket	50,00,000	0	75,00,000	7.00%
17/08/05	To CM INDIA INFOLINE LIMITED Rolling Market Lot/ 0506097	0	11,67,000	63,33,000	5.91%
18/08/05	To CM INDIA INFOLINE LIMITED Rolling Market Lot/ 0506098	0	10,35,000	52,98,000	4.95%
18/08/05	To CM INDIA INFOLINE LIMITED Rolling Market Lot/ 0506099	0	9,80,289	43,17,711	4.03%
19/08/05 to 25/08/05	To CM INDIA INFOLINE LIMITED	0	43,17,711	0	0
26/08/05	By SHAH INVESTOR S HOME LTD / 10263667 / Offmarket	80,00,000	0	80,00,000	7.47%
26/08/05	To CM INDIA INFOLINE LIMITED Rolling Market Lot/ 0506105	0	22,12,922	57,87,078	5.40%

29/08/05	To CM INDIA INFOLINE LIMITED Rolling Market Lot/ 0506107	0	28,13,830	29,73,248	2.77%
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16. From the above it is evident that on August 17, 2005, the Noticee had bought/received 75,00,000 shares of the Company (representing 7.00% of the equity capital of the Company). Hence, the Noticee was under obligation to make disclosure under Regulation 13(1) of PIT Regulations to the Company and under Regulation 7(1) of SAST Regulations to the Company and to the stock exchanges where shares of the Company were listed. The Noticee, vide its reply dated October 11, 2011 has, *inter alia*, submitted that “In respect of the acquisition of 75 Lakh shares i.e. 7% as on 17-8-05, the company i.e. we had made proper disclosures under Regulations 7(1) of SEBI (SAST) Regulations, 1997 and regulation 13 (1) of SEBI (PIT) Regulations, 1992 to the company i.e. PCL, Ahmedabad Stock Exchange (ASE) and Bombay Stock Exchange (BSE) on August 19, 2005.” I note that the Noticee has also enclosed acknowledged copies of letters dated August 19, 2005 evidencing disclosures made by it to the Company and Ahmedabad Stock Exchange in compliance with the aforesaid regulations. However, the Noticee has not been able to provide any documentary evidence which could suggest that it had made the necessary disclosure to Bombay Stock Exchange (BSE) under Regulation 7(1) of SAST Regulations.

17. From the above table, it is noted that the Noticee on August 26, 2005 bought/received 80,00,000 shares of the Company (representing 7.47% of the equity capital of the Company). Hence, the Noticee was under obligation to make disclosure under Regulation 13(1) of PIT Regulations to the Company and under Regulation 7(1) of SAST Regulations to the Company and to the stock exchanges where shares of the Company were listed. The Noticee, vide its reply dated October 11, 2011 has, *inter alia*, submitted that “Further, in respect of my acquisition of 80 Lakh shares i.e. 7.47% as on 26-8-05, we had made proper disclosures under Regulations 7(1) of SEBI (SAST) Regulations, 1997, and regulation 13 (1) of SEBI (PIT) Regulations, 1992 to the company Platinum, Ahmedabad Stock Exchange (ASE) and Bombay Stock Exchange on August 27, 2005.” I note that the Noticee has also enclosed acknowledged copies of letters dated August 27, 2005, evidencing disclosures made by it to the Company and Ahmedabad Stock Exchange on August 29, 2005, in compliance with the aforesaid regulations. However, the Noticee has not been able to provide any documentary evidence which could

suggest that it had made the necessary disclosure to BSE under Regulation 7(1) of SAST Regulations.

18. It was alleged in the SCN that the letters used by the Noticee for disclosures showed that the registered office of the Noticee was located at 202, Chitra rath Complex, Nr. President Hotel, Opp. Municipal Market, C. G. Road, Navrangpura, Ahmedabad-380009; whereas in Appeal No. 114 of 2010 before Securities Appellate Tribunal, in the case of Sarang Chemicals Ltd., the Noticee had submitted 32 copies of disclosures made to the company during 28/07/2005 - 07/09/2005, wherein the address of the Noticee was mentioned as 403, Sanjay Apartment, Nr. Old Excise Chowky, Ambawadi, Ahmedabad-380015, which was entirely different from the above address and the stationary used for this purpose was entirely different. It was also alleged that the address of the Company during the period was 301, HN House, behind Anand Building, near Stadium Circle, Navrangpura, Ahmedabad-380009 and the Company shifted its premises to 4th Floor, A-Block, Maradia Plaza, C. G. Road, Ahmedabad-380006 only on September, 09, 2005; however, the letters dated August 19, 2005 and August 27, 2005 used by the Noticee to submit its disclosures to the Company mentions the address of the Company as 4th Floor, 'A'-Block, Maradia Plaza, C. G. Road, Ahmedabad. Hence, it was alleged that the documents submitted by the Noticee were fabricated for the purpose of submission of information before Investigating Authority, and the Noticee was misleading SEBI by submitting false information. I find that the copies of letters dated August 19, 2005 and August 27, 2005, submitted by the Noticee vide its reply dated October 11, 2011, suffers from the same infirmities/inconsistencies as alleged in the SCN. I also find that the Noticee has not made any submissions regarding the allegation of submission of false/misleading information to SEBI. Nevertheless, I find that the copies of the letters dated August 19, 2005 and August 27, 2005, submitted by the Noticee as proof of disclosures made to the Company under Regulation 13 (1) of PIT Regulations and Regulation 7 (1) of SAST Regulations and copies of the letters dated August 19, 2005 and August 27, 2005, submitted by the Noticee as proof of disclosures made to the Ahmedabad Stock Exchange under Regulation 7 (1) of SAST Regulations contain acknowledgement (stamping) of the Company and the Ahmedabad Stock Exchange respectively. Hence, I tend to give Noticee the benefit of doubt on this count.

19. I note that on August 17, 2005 and August 26, 2005 the Noticee had bought/received more than 5% of equity capital of the Company and the Noticee was under an obligation to submit required disclosures to BSE in terms of Regulation 7(1) of SAST Regulations. However, the Noticee has not been able to provide any documentary evidence which could suggest that it had made the necessary disclosure to BSE under Regulation 7(1) of SAST Regulations. The Noticee in its reply dated October 11, 2011 has, *inter alia*, submitted that '*But, we sent the said disclosures to BSE through courier but the copy of the acknowledgement is not available as there was a fire in our office. Further, we have talked to our courier co. for providing a copy of the said courier slip which we will send you afterwards..... Further, it is submitted that due to fire in the office (copy of FIR is enclosed) and misplacement of most of our records, we could not gather/ collect the copy of disclosure at the time of notice from investigation department. So we did not submit the same at that time.*' I note that the Noticee had enclosed unsigned and unstamped copies of printouts of certain pages out of which one was a purported certificate dated May 05, 2006 which states that one Ramanlal Nagjibhai declared that one hand bag containing cancelled share certificate, sales bill from 1999 to 2006, voucher bills, notes, register note, purchase bills, bank statement, the income books, etc. was dropped somewhere between C. G. Road to Sanjay Apartment while shifting office equipments and other office goods from Robinson Worldwide Trade Limited at Chitra rath Complex. Another page contained one purported report, unsigned and unstamped, by one Police Sub Inspector of Navrangpura Police Station, dated May 24, 2006, which speaks about one fire incident at 202, Samedh Building, wherein one Mr. Ashokbhai Hiralal Shah was carrying business in the name of Indurama Developers Pvt. Ltd. The other was one Panchnama (also unsigned and unstamped) carried out at Samedh Building at Office No. 202, situated at C. G. Road wherein it is *inter alia* mentioned that there was a cabin of Robinson Worldwide Trade Ltd. and the office documents and files were burnt.

20. I note that during the course of personal hearing held on November 15, 2011, the Noticee was informed that it had not submitted any proof evidencing disclosures made to BSE as mentioned in its reply dated October 11, 2011. Since the documents submitted by the Noticee as copy of FIR did in no manner reflect a true copy of a First Information Report and were neither having any signature nor any stamp of the police authorities, the Noticee was advised to submit a true copy of the FIR mentioned in its reply dated October 11, 2011. However, on November 17, 2011, the Authorised

Representative stated that the Noticee had no further documents for submission. In view of the aforesaid, I find that Noticee has not been able to submit any plausible evidence or document which could suggest that it had made the necessary disclosures to BSE as required under Regulation 7(1) of SAST Regulations. The Noticee has also failed to submit copy of the courier slip as assured by the Noticee vide reply dated October 11, 2011. I also find that BSE vide email dated July 07, 2010 had, *inter alia*, confirmed to SEBI that no disclosures were found in their records in terms of Regulation 7(1) of SAST Regulations. Therefore, I hold that the Noticee failed to make required disclosures to BSE under Regulation 7(1) of SAST Regulations. I further note that even if it is said that the Noticee made the required disclosures to the Company and Ahmedabad Stock Exchange under Regulation 7(1) of SAST Regulations, the fact remains that the Noticee did not make the required disclosures to BSE which has nationwide terminals with capacity for larger dissemination of information and a larger investor base. Therefore, the default of the Noticee was definitely detrimental to the interest of investors and securities market which cannot be viewed lightly.

21. From the above table, it is also evident that on August 18, 2005, the Noticee had reduced its shareholding to 4.95%, i.e., a change exceeding 2% of the shareholding in the Company from the last disclosure made by the Noticee under Regulation 13 (1) of PIT Regulations. Hence, the Noticee was under obligation to make disclosure under Regulation 13(3) of PIT Regulations to the Company. In this regard, I note that the Noticee had not made any submissions regarding the alleged violation of provisions of Regulation 13(3) of PIT Regulations. I also note that during the course of personal hearing held on November 15, 2011, the Noticee was informed that it had not made any submissions regarding the alleged violation of provisions of Regulation 13(3) of PIT Regulations, as mentioned in the SCN. Subsequently, on November 17, 2011, the Authorised Representative stated that the Noticee had no further documents for submission. Hence, I hold that the Noticee was under an obligation to make disclosure about change in shareholding under Regulation 13(3) of PIT Regulations to the Company which the Noticee failed to do.

22. From the above table, it is also evident that on August 29, 2005, the Noticee had reduced its shareholding from 7.47% to 2.77%, i.e., a change exceeding 2% of the shareholding in the Company. Hence, the Noticee was under obligation to make disclosure under Regulation 13(3) of PIT Regulations to the Company. In this regard, I

note that the Noticee has not made any submissions regarding the alleged violation of provisions of Regulation 13(3) of PIT Regulations.

23. In view of my considerations discussed in the previous paragraphs, I find that the Noticee was under an obligation to make the required disclosures under Regulation 7(1) of SAST Regulations to BSE, which the Noticee failed to do. I also find that the Noticee was under an obligation to disclose to the Company, the sale transaction carried out by it in terms of provisions of Regulation 13(3) of PIT Regulations. Therefore, the Noticee has violated the provisions of Regulation 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations.

ISSUE 2: Whether the Noticee is liable for monetary penalty under Section 15A(b) of the SEBI Act, 1992?

24. The provisions of Section 15 A(b) of the Act reads,

“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 therefore in the regulations, fails to file return or furnish the same within the time specified therefore 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. As already observed, the Noticee failed to make disclosures as required under Regulation 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations. Therefore, I find that the Noticee is liable for monetary penalty under Section 15A(b) of the SEBI Act, 1992.

ISSUE 3: What quantum of monetary penalty should be imposed on the Noticee taking into consideration the factors mentioned in Section 15J of the Act?

26. While imposing monetary penalty it is important to consider the factors stipulated in Section 15J of the Act, 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.”

27. In the absence of material on record, the amount of disproportionate gain or unfair advantage made as a result of the default and the amount of loss caused to the investors due to the said default cannot be quantified. However, by virtue of the failure on the part of the Noticee to make the necessary disclosures on time, the fact remains that the investors were deprived of the important information at the relevant point of time. In other words, by not complying with the regulatory obligation of making the disclosures, the Noticee had not provided the vital information which is detrimental to the interest of investors in securities market. Since, the Noticee failed to make necessary disclosures to BSE under Regulation 7(1) of SAST Regulations on two occasions, the default of the Noticee is repetitive in nature on this count.
28. In the forgoing paragraphs it is now established that the Noticee failed to make necessary disclosures under Regulation 13(3) of PIT Regulations to the Company and Regulation 7(1) of SAST Regulations to BSE. Considering the facts and circumstances of the case and the violations committed by the Noticee, I find that imposing a penalty of ₹ 3,00,000/- (Rupees Three Lakhs only) on the Noticee would be commensurate with the violations committed by it.

ORDER

29. Considering the facts and circumstances of the case, in terms of the provisions of Section 15A(b) of the SEBI Act, 1992 and Rule 5(1) of the Adjudication Rules, I hereby impose a penalty of ₹ 3,00,000/- (Rupees Three Lakhs only) on Robinson Worldwide Trade Limited for not making necessary disclosures under Regulation 13(3) of PIT Regulations and Regulation 7(1) of SAST Regulations.
30. The penalty shall be paid by way of demand draft drawn in favour of "SEBI - Penalties Remittable to Government of India" payable at Mumbai within 45 days of receipt of this Order. The said demand draft shall be forwarded to Ms. Anita Kenkare, General Manager, Investigation Department, Securities and Exchange Board of India, Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051.
31. In terms of the provisions of Rule 6 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules 1995, copies of this Order are being sent to the Noticee and also to Securities and Exchange Board of India.

Date: December 07, 2011
Place: Mumbai

P. K. Bindlish
Adjudicating Officer

*Adjudication Order in respect of Robinson Worldwide Trade Limited
In the matter of Platinum Corporation Ltd.*