

**BEFORE THE ADJUDICATING OFFICER  
SECURITIES AND EXCHANGE BOARD OF INDIA  
[ADJUDICATION ORDER NO. AK/AO- 67-73/2014]**

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**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

**M/s. Inland Printers Limited (PAN AAACI0987M)  
M/s. Insight Management Services Pvt Ltd (PAN AAACI1283L)  
M/s. Inland Dataforms Pvt Ltd (PAN AAACI1275Q)  
Ms. Indumati Raman (PAN ACXPR3663D)  
Ms. Shanti Gopalakrishnan (PAN ADMPG6256B)  
Mr. Gopalakrishnan Raman (PAN AAFPR3063H)  
Mr. Ramnath Raman (deceased)**

In the matter of

M/s. Inland Printers Limited

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**FACTS OF THE CASE**

1. A letter of offer was made by Tigerstone Trading Pvt. Ltd., (hereinafter referred to as the **‘Acquirer’**) to acquire 19,21,530 fully paid up equity shares of Rs 10/- each at an offer price of Rs. 3/- per equity share (representing 26% of the total paid-up equity share capital and voting rights) of M/s. Inland Printers Limited (hereinafter referred to as the **‘the company’**). The public announcement of the same was made on March 11, 2013 and the shares of the company are listed at Bombay Stock Exchange Ltd. (hereinafter referred to as the **‘BSE’**), Ahmedabad Stock Exchange Ltd. (hereinafter referred to as the **‘ASE’**) and Delhi Stock Exchange Assn. Ltd. (hereinafter referred to as the **‘DSE’**).

2. While examining the letter of offer document of the Acquirer to acquire the shares of the Company, it was observed that the Company had failed to comply with the provision of Regulation 8(3) of the Takeover Regulations, 1997 within the stipulated time during the financial years ended March 31, 2002 to March 31, 2011. Furthermore, the then promoters of the Company, viz. Ms. Indumati Raman, M/s. Inland Dataforms Pvt Ltd, Mr. Raman Gopalakrishnan, Mr. Ramnath Raman, M/s. Insight Management Services Pvt. Ltd. and Ms. Shanti Gopalakrishnan (hereinafter collectively referred as the **'Promoters'**) did not comply with the provisions of Regulation 8(2) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 (hereinafter referred to as **'Takeover Regulations, 1997'**) within the stipulated time for the financial years ended March 31, 2003 to March 31, 2011 and Regulation 30(1) and (2) read with 30(3) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (hereinafter referred to as **'Takeover Regulations, 2011'**) for the financial year ended March 31, 2012 within the stipulated time. Based on the aforesaid information with respect to the non-compliance of Takeover Regulations, 1997 and Takeover Regulations, 2011, Adjudication proceedings under Chapter VI-A of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **'SEBI Act, 1992'**) were initiated against the Company, Ms. Indumati Raman, M/s. Inland Dataforms Pvt Ltd, Mr. Raman Gopalakrishnan, Mr. Ramnath Raman, M/s. Insight Management Services Pvt Ltd. and Ms. Shanti Gopalakrishnan (hereinafter collectively referred to as **'the Noticees'**) under Section 15 A (b) of SEBI Act, 1992 to inquire into and adjudicate the alleged violation of the aforesaid provisions of the Takeover Regulation, 1997 and/ or Takeover Regulations, 2011, as applicable.

#### **APPOINTMENT OF ADJUDICATING OFFICER**

3. The undersigned was appointed as the Adjudicating Officer on November 26, 2013 under section 15-I of SEBI Act read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as **'SEBI Rules'**) to inquire into and adjudge under Section 15A (b) of the SEBI Act for the alleged

violation/ non-compliance of the Takeover Regulations, 1997 and/ or Takeover Regulations, 2011, as applicable, committed by the Noticees.

#### **SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING**

4. A common Show Cause Notice (hereinafter referred to as '**SCN**') Ref. No. EAD-6/AK/VG/2854/2014/1-7 dated January 27, 2014 was issued to the Noticees under rule 4(1) of SEBI Rules communicating the alleged violation of Takeover Regulations 1997 and/ or 2011, as applicable, as detailed below. A copy of status of compliance document as admitted by the concerned Noticees and detailed below was also sent along with the SCN:

- i. Non compliance by the Company:

Regulations/ Sub-regulation (Takeover Regulations, 1997)	Due date for compliance	Actual date of compliance	Delay in compliance (in number of days)
8(3)	30/04/2002	10/04/2012	3,633
8(3)	30/04/2003	10/04/2012	3,268
8(3)	30/04/2004	10/04/2012	2,902
8(3)	30/04/2005	10/04/2012	2,537
8(3)	30/04/2006	10/04/2012	2,172
8(3)	30/04/2007	10/04/2012	1,807
8(3)	30/04/2008	10/04/2012	1,441
8(3)	30/04/2009	10/04/2012	1,076
8(3)	30/04/2010	10/04/2012	711
8(3)	30/04/2011	10/04/2012	346

ii. Non compliance by the Promoters:

Regulations/ Sub-regulation	Due date for compliance	Actual date of compliance	Delay in compliance (in number of days)
8(2) Takeover Regulations, 1997	21/04/2003	10/04/2012	3,277
8(2) Takeover Regulations, 1997	21/04/2004	10/04/2012	2,911
8(2) Takeover Regulations, 1997	21/04/2005	10/04/2012	2,546
8(2) Takeover Regulations, 1997	21/04/2006	10/04/2012	2,181
8(2) Takeover Regulations, 1997	21/04/2007	10/04/2012	1,816
8(2) Takeover Regulations, 1997	21/04/2008	10/04/2012	1,450
8(2) Takeover Regulations, 1997	21/04/2009	10/04/2012	1,085
8(2) Takeover Regulations, 1997	21/04/2010	10/04/2012	720
8(2) Takeover Regulations, 1997	21/04/2011	10/04/2012	355
30(1)&(2) read with 30(3) of Takeover Regulations, 2011	09/04/2012	16/04/2012	7

5. The Noticees were called upon to show cause as to why an inquiry should not be initiated against it and penalty be not imposed under Section 15 A(b) of the SEBI Act for the alleged violations.
6. The Noticees filed their submissions in reply to the SCN vide their letters dated February 10, 2014. The submissions of the Noticees are as under:
  - i. *The company has stated that it had its public issue in the year 1995 and had listed its share on BSE, ASE and DSE;*
  - ii. *Further the company has inter alia submitted that in the year 2000, the company had severe financial crunch coupled with other problems and the problems aggravated*

*further due to untimely and unfortunate demise of the erstwhile promoters, resulting in closure of operations;*

- iii. That non-compliance of the listing agreement, Takeover Regulations and non-payment of listing fees attracted suspension in trading of shares of the company in the year 2002 and the shares were reinstated for trading in the November 2012, after the company complied with all the clauses of listing agreement;*
- iv. That the delayed compliance of Regulation 8(3) of the Takeover Regulations, 1997 occurred in the period of the earlier management. The present management has been diligently carrying out the compliances as mandated by law;*
- v. That, hence, penalizing the company at this stage for delayed compliances by the earlier management would rather be unfair on the present management;*
- vi. Promoter Mr. Gopalakrishnan Raman in his individual capacity and on behalf of promoters viz. Ms. Shanti Gopalakrishnan, M/s. Inland Dataforms Pvt Ltd. and M/s. Insight Management Services Pvt. Ltd. has inter alia further submitted that the Company defaulted on loan installment and interest thereon and banks and financial institutions filed suits for the recovery of amounts due to them. Further, the problems were aggravated by the untimely and sudden demise of its erstwhile promoters. Promoters were busy settling bank dues and cash flows were affected. The office of the company was shifted to the residence of some of the promoters, and during the process of shifting; some of the records were mutilated and software was not updated to retrieve the data. Such issues bogged down the promoters from meeting the compliances on time and submitting the same to the authorities;*
- vii. That since the shares were not trading for almost ten years from 2002 to 2012, there was no major change in the shareholding pattern of the Company, and no harm was caused to anybody due to non-submission/ delay in disclosure under Regulation 8(2) of Takeover Regulations;*
- viii. That the delay in disclosures was inadvertent and beyond the control of the promoters of the Company, and neither deliberate nor intentional;*

- ix. *That promoter Ms. Shanti Gopalakrishnan was not the original promoter, but, was inducted as director in 1996, because of the death of the erstwhile promoters;*
  - x. *Promoter Ms. Indumati Raman, replying on behalf of herself and her late husband Mr. Ramnath Raman, inter alia further added that in December 1997, Mr. Ramnath Raman left home under extremely serious health conditions and never returned. Family and friends tried to locate him at hospitals, temples, ashrams, and so on, but in vain. Ms. Indumati Raman was in a state of severe shock and in dire financial straits. While dealing with her personal loss and tragedy, Ms. Indumati Raman was unable to look into the matters of the Company;*
  - xi. *Further Ms. Indumati Raman submitted that as is the case with Missing Persons, Ms. Indumati Raman had to wait for seven years to file a Testamentary Petition at the Bombay High Court to be designated as the legal heir of her husband. The legal procedure took over four years and finally in 2010, Ms. Indumati Raman was granted a Letter of Administration which declared Mr. Ramnath Raman as legally dead and Ms. Indumati Raman as his legal heir;*
  - xii. *That the non-compliance with Takeover Regulations was not a deliberate or a willful act on her part, it happened because she was not in a mental or physical state to look into the matters of company and its procedures.*
7. Thereafter, vide Notice of hearing dated February 18, 2014,, the Noticees were granted a personal hearing on March 03, 2014, wherein promoters viz. Mr. Gopalakrishnan Raman and Ms. Shanti Gopalakrishnan appeared in person and on behalf of promoters viz. M/s. Insight Management Services Pvt. Ltd. and M/s. Inland Dataforms Pvt. Ltd.; Mr. JJ Bhatt, Advocate and Ms. Ruupa Raaman appeared along with promoter Ms. Indumati Raman on behalf of Ms. Promoter Ms. Indumati Raman and Late Mr. Ramnath Raman; and Mr. Kapil Gupta, Mr. Sanjay Shringarpure and Mr. Parin Shah, appeared on behalf of promoter M/s. Inland Printers Ltd. (the company) and made submissions on behalf of the respective Noticees. The submissions of the Noticees made in their earlier replies were reiterated during the hearing. In respect of late Mr. Ramnath Raman, his representatives produced the original Letter of Administration declaring Mr. Ramnath Raman as legally dead, and the same was

examined. The representatives were advised to submit a notarized/ certified copy of the said Letter of Administration. The authorized representatives of the Company were advised to submit copy of Exchange's letter regarding suspension and revocation of suspension. In addition, the authorized representatives of the respective Noticees were *inter alia* advised to submit copies of the filings made under the Takeover Regulations, 1997 and/ or Takeover Regulations, 2011, if any, as applicable.

8. Thereafter, vide letter dated March 12, 2014, promoter Ms. Indumati Raman submitted Notarized copies of the Letter of Administration issued by the Bombay High Court in 2010, Report of Missing Person registered at the DN Nagar Police Station dated December 19, 1997 and Missing Person's Bureau Report dated December 20, 2004. She has *inter alia* stated that no harm, injury or loss was caused to the investors as there was no trading in the market. It has been further submitted that there was no change in the promoter holding and the promoters did not benefit in any manner by non-disclosure, as there was neither any propriety trading in the scrip, nor, any off-market trading.
9. M/s. Inland Printers Limited (the company) vide letter dated March 10, 2014 filed further written submissions. The Company has stated that the trading in the shares of the company was suspended due to non payment of the listing fees and non compliance of the provisions of the listing agreement entered into with BSE. The suspension was revoked in September 2012, and a copy of the letter of BSE dated September 26, 2012, granting in principle approval for revocation of suspension of trading in the scrip was submitted. The company also confirmed that, to the best of their knowledge, there were no further non compliances by the Company in the past. It has been further *inter alia* submitted that the company is an artificial person run by the promoters and directors of the company, who are the trustees and agents of the company, hence it was their fiduciary duty for due compliances under the securities laws, and therefore, they cannot be faulted and penalised for the lapses/ delay in compliance of making disclosures, which have happened during the tenure of the earlier management.

10. Promoter Mr. Gopalakrishna Raman filed further written submissions vide letter dated March 08, 2014, on behalf of himself and promoters viz. Ms. Shanti Gopalakrishna, M/s. Inland Dataforms Pvt. Ltd. and M/s. Insight Management Services Pvt. Ltd., attaching therewith copies of the filings made under the Takeover Regulations, 1997 and the Takeover Regulations, 2011 by the aforementioned entities. These entities have also stated that there are no past non compliances of the SEBI act, 1992 and Regulations or any action pending against them, to the best of their knowledge.

### **CONSIDERATION OF ISSUES**

11. I have carefully perused the written submissions of the Noticees and the documents available on record. It has been alleged that the Company has failed to comply with the provision of Regulation 8(3) of the Takeover Regulations, 1997 within the stipulated time during the financial years ended March 31, 2002 to March 31, 2011. The allegation against the promoters is that they did not comply with the provisions of Regulation 8(2) of the Takeover Regulations, 1997 for the financial years ended March 31, 2003 to March 31, 2011 and Regulation 30(1) and (2) read with 30(3) of the Takeover Regulations, 2011 for the financial year ended March 31, 2012, within the stipulated time.
12. The issues that arise for consideration in the present case, therefore, are :
- a. Whether the Company has failed to comply with the provision of Regulation 8(3) of the Takeover Regulations, 1997 within the stipulated time during the financial years March 31, 2002 to March 31, 2011?
  - b. Whether the promoters have failed to comply with the provisions of Regulation 8(2) of the Takeover Regulations, 1997 within the stipulated time for the financial years ended March 31, 2003 to March 31, 2011 and have also failed to comply with the provisions of Regulation 30(1) and (2) read with 30(3) of the Takeover Regulations, 2011 for the financial year ended March 31, 2012, within the stipulated time?
  - c. Do the violations, if any, attract monetary penalty under Section 15 A(b) of SEBI Act?



- d. If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of SEBI Act?

## **FINDINGS**

13. Before moving forward, it is pertinent to refer to the relevant provisions of the Takeover Regulation, 1997 and the Takeover Regulations, 2011, which reads as under:

### **Regulation 8(2) and 8 (3) of the Takeover Regulations, 1997**

#### **Continual disclosures.**

8. (1) ...

*(2) A promoter or every person having control over a company shall, within 21 days from the financial year ending March 31, as well as the record date of the company for the purposes of declaration of dividend, disclose the number and percentage of shares or voting rights held by him and by persons acting in concert with him, in that company to the company.*

*(3) Every company whose shares are listed on a stock exchange, shall within 30 days from the financial year ending March 31, as well as the record date of the company for the purposes of declaration of dividend, make yearly disclosures to all the stock exchanges on which the shares of the company are listed, the changes, if any, in respect of the holdings of the persons referred to under sub regulation (1) and also holdings of promoters or person(s) having control over the company as on 31st March.*

### **Regulation 30(1), (2) and (3) of the Takeover Regulations, 2011**

#### **Continual disclosures**

*30(1) Every person, who together with persons acting in concert with him, holds shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company, shall disclose their aggregate shareholding and voting rights as of the thirty-first day of March, in such target company in such form as may be specified.*

*(2) The promoter of every target company shall together with persons acting in concert with him, disclose their aggregate shareholding and voting rights as of the thirty-first day of March, in such target company in such form as may be specified.*

*(3) The disclosures required under sub-regulation (1) and sub-regulation (2) shall be made within seven working days from the end of each financial year to,—*

*(a) every stock exchange where the shares of the target company are listed; and*

*(b) the target company at its registered office.*

14. The issue for consideration is whether the Noticees did not comply with the provisions of the Takeover Regulations, 1997 and/ or Takeover Regulations, 2011, as applicable, within the stipulated time. As per Regulation 8(3) of the Takeover Regulations, the Company was required to make yearly disclosure within 30 days from the financial year ending March 31, to the stock exchanges on which the shares of the Company are listed, the changes, if any, in respect of the holdings of the persons referred to under sub regulation (1) and also holdings of promoters or person(s) having control over the Company as on 31st March. As per Regulation 8 (2) of the Takeover Regulations, 1997, the promoters *inter alia* were required to make disclosures of the number and percentage of shares and voting rights within 21 days from the financial year ending March 31 to the Company. As per Regulation 30(1)/30(2) read with 30 (3) of the Takeover Regulations, 2011, every person, who together with persons acting in concert with him, held shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a company and the promoters of the company were required to disclose within seven working days from thirty-first day of March, their aggregate holdings to the Company and the concerned stock Exchanges where the shares of the Company were listed. With regard to the aforesaid compliances, the respective Noticees in their submission have stated that the lapses/delay in compliance of making disclosures have occurred due to inadvertence and were unintentional. The promoters and the Company have given an account of the difficulties that they were facing on personal front as well as in the business which resulted in delayed compliance. The Company has also stated that the lapses/delay in

compliance of making disclosures had occurred during the tenure of the earlier management.

15. With respect to late Mr. Ramnath Raman, who by Order of the Hon'ble Bombay High Court has been declared legally dead, I note that In the matter of Padmalaya Telefilms Ltd. (November 2, 2006), the Hon'ble WTM, SEBI inter-alia held that

“...Since the proceedings were initiated against the personal acts of omission of a person who is no more alive to face the penalty, the proceedings against him are liable to be abated”.

16. Further, in *Girijandini vs. Bijendra Narain* (AIR 1967 SC 2110), the Hon'ble Supreme Court, *inter-alia* observed that in case of personal action, i.e. the actions where the relief sought is personal to the deceased, the right to sue will not survive to or against the representatives, and in such cases, the maxim *actio personalis moritur cum persona* (personal action dies with the death of the person) would apply.

17. In view of the above, the adjudication proceedings against late Mr. Ramnath Raman are liable to be abated without going into the merits of the case. The matter in respect of late Mr. Ramnath Raman is accordingly disposed of.

18. In respect of the other Noticees, apart from Mr. Ramnath Raman, I find from the submission of the Noticees and on perusal of the copies of the delayed filings made by the Noticees, that it is established without doubt that the Company has failed to comply with the provision of Regulation 8(3) of the Takeover Regulations, 1997 within the stipulated time during the financial years ended March 31, 2002 to March 31, 2011. The promoters have failed to comply with the provisions of Regulation 8(2) of the Takeover Regulations, 1997 for the financial years ended March 31, 2003 to March 31, 2011 and with Regulation 30(1) and (2) read with 30(3) of the Takeover Regulations, 2011 for the financial year ended March 31, 2012, within the stipulated time. The respective number

of days of non-compliance in respect of each financial year has been enumerated in the table at Para (4) above.

19. The Hon'ble Supreme Court of India in the matter of *SEBI Vs. Mr. 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..."*. Further in the matter of *Ranjan Varghese v. SEBI* (Appeal No. 177 of 2009 and Order dated April 08, 2010), the Hon'ble SAT had observed *"Once it is established that the mandatory provisions of Takeover Code was violated the penalty must follow."*
20. In view of the foregoing, I am convinced that it is a fit case to impose monetary penalty on the Noticees, apart from Mr. Ramnath Raman, under Section 15A(b) of the SEBI Act, 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 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.*

21. While determining the quantum of monetary penalty under Section 15 A(b), I have considered the factors stipulated in Section 15-J of SEBI 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.”*

22. In view of the charges as established, the facts and circumstances of the case and the judgments referred to and mentioned hereinabove, the quantum of penalty would depend on the factors referred in Section 15-J of SEBI Act and stated as above. It is noted that no quantifiable figures are available to assess the disproportionate gain or unfair advantage made as a result of such default by the Noticees. Further from the material available on record, it may not be possible to ascertain the exact monetary loss to the investors on account of default by the Noticees. However, the main objective of the Takeover Regulations is to afford fair treatment for shareholders who may be affected by the change in control. The Regulation seeks to achieve fair treatment by *inter alia* mandating disclosure of timely and adequate information to enable shareholders to make an informed decision and ensuring that there is a fair and informed market in the shares of companies affected by such change in control. Though I have taken note of the personal, professional and financial hardship that the Noticees were under, however, at the same time, in case of listed companies, it is especially important for the companies and its promoters to ensure that correct and timely disclosures, as required under the law are made, as the cornerstone of the Takeover Regulations is investor protection.
23. As per Section 15A(b) of the SEBI Act, the Noticees are liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less. Further, under Section 15-J of the SEBI Act, the adjudicating officer has to give due regard to certain factors which have been stated as above while adjudging the quantum of penalty. It is noted that no quantifiable figures are available to assess the disproportionate gain or unfair advantage made as a result of such non-compliance by the

Noticees. Further from the material available on record, it is not possible to ascertain the exact monetary loss to the investors on account of non-compliance by the Noticees. However, I note that the Hon'ble Securities Appellate Tribunal (SAT) in the matter of Komal Nahata Vs. SEBI (Date of judgment- 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.”*

In view of the same, the argument put forth by the Noticee Ms. Indumati Raman that no harm, loss or injury was caused to the investors as there was no trading in the market and the argument put forth by the Noticee Promoters viz. Mr. Gopalakrishnan Raman, Ms. Shanti Gopalakrishnan, M/s. Inland Dataforms Pvt Ltd. and M/s. Insight Management Services Pvt. Ltd. that no harm was caused to anybody due to non-submission/ delay in disclosure under Regulation 8(2) of Takeover Regulations is not relevant for the given case.

24. In addition to the aforesaid, I am also inclined to consider the following mitigating factors while adjudging the quantum of penalty: a) the paid-up capital/ market capitalization of the Company at the relevant point of time; b) the trading volumes of the Company's shares on the exchange, where the shares were listed, during the relevant period; and c) the number of occasions in the instant proceeding that the Noticee has violated the relevant provisions of the Takeover Regulations.
25. The paid up capital of the Company was 73,90,500 shares of Rs. 10/- each aggregating Rs 7,39,05,000/-. I further note from the BSE website that there were about 1,400 shareholders in public shareholding category holding appox. 35-45% of total paid-up capital of the company during the relevant period. I also note that the Noticees have submitted that there was no trading in shares of the Company. I note that the trading in

equity shares of the Noticee was suspended by BSE from 2002 to 2012 for non compliance with the provisions of the listing agreement and for non-payment of listing fees. The shares were reinstated for trading on September, 2012. Thus, I note that it was due to delinquency on the part of the Company in complying with the provisions of the listing agreement and with respect to payment of listing fees of the Exchange, which resulted in non-trading of the Company's shares on the Exchange, and thus, cannot support the Noticee's case for non-disclosure under the relevant provisions of the Takeover Regulations, 1997 and/ or Takeover Regulations, 2011, as applicable. I find that the Noticee Company did not comply with Regulation 8(3) of the Takeover Regulations for ten (10) consecutive financial years within the stipulated time. Similarly, I find that the Noticee promoters did not comply with Regulation 8(2) of the Takeover Regulations for nine (9) consecutive financial years within the stipulated time and Regulation 30(1) and (2) read with 30(3) of the Takeover Regulations, 2011 on one occasion.

26. Further, I note that the Noticee Company, in its submissions, has repeatedly pointed out that penalizing the company at this stage for delayed compliances by the earlier management would rather be unfair on the present management. I find that disclosures to be made under Regulation 8(3) of the Takeover Regulations is an obligation cast upon the company, and the liabilities arising, if any, due to non-compliance of the same in the past, cannot be washed away by claiming that there has been change of the promoters or the directors.
27. As a listed company, the Noticee company and its promoters had a responsibility to comply with the disclosure requirements in accordance with their spirit, intention and purpose of the Takeover Regulations. Non-compliance/ Delayed compliance with the disclosure requirements by a listed company and its promoters undermines the regulatory objectives and jeopardizes the achievement of the underlying policy goals.

## **ORDER**

28. After taking into consideration all the facts and circumstances of the case, I impose a penalty of **Rs. 5,00,000/- (Rupees Five Lakh only)** under Section 15A(b) of the SEBI Act, 1992 on **each of the Noticees viz. M/s. Inland Printers Limited, M/s. Insight Management Services Pvt Ltd., M/s. Inland Dataforms Pvt Ltd., Ms. Indumati Raman, Ms. Shanti Gopalakrishnan and Mr. Gopalakrishnan Raman, (a total of Rs. 30,00,000/- on the aforementioned Noticees)** which will be commensurate with the violations committed by them.
29. Further, after taking into consideration all the facts and circumstances of the case, I find that the matter in respect of the **Noticee, Late Mr. Ramnath Raman** cannot be proceeded with as the Noticee has been declared legally dead, and thus, the matter becomes infructuous and adjudication proceeding cannot be proceeded with.
30. The Noticees named at Para (28) above shall pay the said amount of penalty by way of demand draft 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 should be forwarded to Mr. V S Sundaresan, Chief General Manager, Corporation Finance Department, SEBI Bhavan, Plot No. C – 4 A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.
31. In terms of rule 6 of the Rules, copies of this order are sent to the Noticees and also to the Securities and Exchange Board of India.

Date: **April 30, 2014**

Place: **Mumbai**

**Anita Kenkare**  
**Adjudicating Officer**