

LEGAL UPDATES

SEBI: FIVE TITAN EMPLOYEES PENALISED FOR INFRINGING THE NORMS OF DISCLOSURE AS PER PIT REGULATIONS

The bench was presided over by Ms Soma Majumder (Adjudicating Officer) wherein the noticees who are five employees of Titan were penalized for an amount of INR 1 Lakh by SEBI for not disclosing trading in shares of Titan amounting to approx. INR 10 Lakh violating the PTI regulations as well as infringing the norms of insider trading and contravening the code of ethics for the business. The bench observed that on several incidents, the noticees had sold Titan shares for about INR 10 Lakh, and being the company's employees they were bound to disclose within 2 days to the company about such trading activities. Further, SEBI noted that the same was in contravention of reg. 7(2)(a) wherein it was prescribed that the directors, staff, and promoters of Titan were required to file disclosure of the number of shares acquired or disposed by them within 2 days of such transactions. SEBI in conclusion stated that "As postulated by legal maxim "ignorantia juris excusat", the noticees cannot plead ignorance of law i.e., of the statutory and regulatory provisions and hence such conduct was not justified.