

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. ORDER/BM/DS/2024-25/30806]**

UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992, AND RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995

In the matter of
Brightcom Group Limited
(PAN: AAACL5827B)

BACKGROUND:

1. Securities and Exchange Board of India (hereinafter being referred to as “**SEBI**”) conducted examination in the matter of Brightcom Group Limited (hereinafter referred to as “**BGL**” / “**Company**” / “**Noticee**”) for the alleged violation of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “LODR Regulations, 2015”).
2. Based on the observations of the NSE and corporate announcements made by the Noticee on the exchanges and the reply/clarifications submitted by the Noticee vide e-mail dated February 13, 2024, various instances of incorrect disclosures and non-disclosures and alleged non-compliance of LODR Regulations, 2015 were observed. as specified in the table below. The extract of violations alleged to have been committed by the Noticee and the corresponding provisions of LODR Regulations, 2015 and applicable SEBI Circulars are provided in the table below.

Table 1

Sr. No.	Alleged Violations (summarized)	Regulatory provisions
1	Delayed submission of statement of modified opinion for the year ended March 31, 2023	Regulation 33(3)(d) of LODR Regulations, 2015

Sr. No.	Alleged Violations (summarized)	Regulatory provisions
2	Non submission of financial results for the quarter ended Sep, 2023 and Dec, 2023	Regulation 33(3)(a) of LODR Regulations, 2015
3	Failure to disclose resignation letters	Regulation 4(1)(e) read with Regulations 30(1) and 30(2) and with clause 7C of Para A of Part A of Schedule III of LODR Regulations, 2015
4	Delay in disclosure of resignation of directors	Regulation 30(6) read with clause 7 of Para A of Part A of Schedule III of LODR Regulations, 2015 and with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023
5	Delay in disclosure of shareholding pattern for the quarter ended Dec, 2023	Regulation 31(1) of LODR Regulations, 2015
6	Non-Disclosure of SEBI Order dated February 28, 2024	Regulation 30(1) read with 30(2) and clause 20 of Para A of Part A of Schedule III of LODR Regulations, 2015
7	Delay in disclosure of resignation of auditor of the Company	Regulation 30(1) read with Regulation 30(2) and sub-clause (7A) of Para A of Part A of Schedule III of LODR Regulations, 2015
8	Delay in disclosure of outcome of board meeting	Regulation 30(1) read with 30(2) and clause 4 of Para A of Part A of Schedule III of LODR Regulations, 2015
9	Inadequate composition of stakeholder relationship committee	Regulation 20(2A) of LODR Regulations, 2015
10	Inadequate disclosure under SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019	Clause 7A of Para A of Part A of Schedule III under Regulation 30(2) of SEBI LODR Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 and Regulation 4(1)(e) of LODR Regulations, 2015

3. SEBI initiated adjudication proceedings against the Noticee under section 15A(b) and section 15HB of SEBI Act, 1992 for the alleged violations of the relevant provisions as stated above.

APPOINTMENT OF ADJUDICATING OFFICER

4. The undersigned was appointed as the Adjudicating Officer (“**AO**”) vide Order dated May 24, 2024, under Section 15-I of the SEBI Act, and Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties Rules, 1995 (hereinafter referred to as “**Adjudication Rules**”) read with Section 19 of the SEBI Act, 1992, to enquire into and adjudge under the provisions of Section 15A(b) and Section 15HB of the SEBI Act, 1992, the aforesaid alleged violations.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

5. Show Cause Notice no. EAD/BM/DS/18176/1/2024 dated May 31, 2024 (hereinafter referred to as “**SCN**”) was issued by the undersigned to the Noticee via Speed Post Acknowledgement Due (SPAD) and digitally signed e-mail under the provisions of Rule 4(1) of the Adjudication Rules and section 15-I of the SEBI Act, calling upon the Noticee to show cause as to why an inquiry should not be held against them for the aforesaid alleged violations of provisions of LODR Regulations, 2015 and applicable SEBI Circulars and why penalty, if any, should not be imposed on them under Section 15A(b) and Section 15HB of the SEBI Act, 1992.
6. The SCN was duly served on the Noticee through SPAD and digitally signed e-mail dated May 31, 2024. It was observed that the Noticee had not submitted its reply till July 01, 2024. Vide email dated July 01, 2024, the Noticee was advised to submit its reply by July 10, 2024. Vide email dated July 16, 2024, the Noticee sought time till July 31, 2024 to submit replies to the SCN, which was granted to the Noticee. However, no reply was submitted by the Noticee till July 31, 2024. In

the interest of natural justice, the Noticee was provided an opportunity of personal hearing vide notice dated July 31, 2024. The Noticee was advised to appear for the hearing on August 06, 2024. Vide letter dated August 06, 2024, the Noticee requested for adjournment of the hearing by four weeks and also requested for inspection of documents. Vide email dated August 06, 2024, the Noticee was advised to be present on August 08, 2024 for inspection of documents. Vide email dated August 07, 2024, the Noticee requested for rescheduling the inspection of documents to a later date. The Noticee's request was acceded to and it was advised to conduct the inspection of documents on August 22, 2024. The Noticee was provided inspection and copies of examination report and annexures to the SCN and examination report which were relied upon. Vide email dated August 22, 2024, the Noticee was advised to submit reply to the SCN on or before August 31, 2024. Vide email dated August 30, 2024, the Noticee was advised to appear before the undersigned for personal hearing on September 12, 2024. Vide letter dated August 31, 2024, the Noticee submitted its reply.

7. The submissions made by the Noticee, vide letter dated August 31, 2024 are summarized as under:

7.1. Noticee denied all the allegations.

7.2. Delayed submission of statement of modified opinion for the year ended March 31, 2023 –

7.2.1. Financial results for the year ended March 31, 2023 were, in fact, submitted by the Noticee to the Exchanges on time, i.e. on May 31, 2023 at 3:13 hours, which was well within the stipulated 30 Minutes Time-frame of the closure of the Board Meeting, i.e. at 02:45 Hrs. of May 31, 2023. The said Board Meeting commenced at 20:30 Hrs. on May 30, 2023 and concluded at 02:45 Hrs. (Small Hours) on May 31, 2023, due to elaborate discussions on the Financial Results and Other Business Agenda Items of the Company.

7.2.2. It is further submitted that the said results were resubmitted pursuant to the query email received from the NSE on June 20, 2023. In the query email NSE directed the Noticee to share the Statement on Impact of Audit Qualification for the Year Ended March 31, 2023. Therefore, there was no delay.

7.3. Non submission of financial results for the quarter ended Sep, 2023 and Dec, 2023 –

7.3.1. The said delay in submission of financial results for the quarter ended 30.09.2023 and 31.12.2023 was primarily due to resignations of Mr. Suresh Kumar Reddy, Ex-CMD/CEO, BGL and Mr. S. L. Narayana Raju, Ex-CFO of BGL on August 27, 2023 and resignation of Statutory Auditors M/s. P. Murali & Co. on July 27, 2023, in obedience and due compliance with the Order dated 22.08.2023 passed by the Ld. Whole Time Member (“WTM”), SEBI. The frequent changes in the Board of Directors of the Company, as a sequel to the above said Order passed by the SEBI compounded the confusion, resulting in acute problems and serious difficulties for the Company.

7.3.2. It was further submitted that the Company experienced a series of new appointments and resignations from its Board of Directors and Key Managerial Personnel (“KMP”), creating additional instability. Although new Directors were brought in to fill these vacancies, the transition period contributed to delays in decision-making and the execution of key initiatives including publishing of Quarterly Results and other compliances related issues. The details of KMPs and their respective resignation dates are mentioned in the Table here below, which clearly demonstrates the fact of utter confusion and instability in the Company.

SL .	NAME	DESIGNATION	RESIGNATION DATE
1	Mr. M. Suresh Kumar Reddy	CMD and CEO	August 27, 2023
2	Mr. S. L. Narayana Raju	CFO	August 27, 2023

3	Mr. Nilendu Narayan Chakraborty	Independent Director	October 27, 2023
4	Mr. Peshwa Acharya	Non-executive Director	December 30, 2023
5	Mr. Vijay Kancharla	Executive Director	January 2, 2024
6	Mr. Rajesh Vankadara	Company Secretary	March 4, 2024
7	Ms. Meghana Musunuri	Independent Director	March 19, 2024
8	Ms. Jayalakshmi Kumari Kanukollu	Independent Director	May 4, 2024
9	Ms. Surabhi Sinha	Independent Director	May 4, 2024
10	Mr. Radhakishore Pandrangi	Independent Director	May 4, 2024
11	Mr. Kallol Sen	Executive Director	August 11, 2024
12	Dr. Shambavi Vedanta Murthy	Independent Director	August 11, 2024
13	Mr. Ravi Chandran	Independent Director	August 11, 2024

7.3.3. In addition to the above stated grounds, the fact of resignation of Company's Statutory Auditors, viz. M/s. Brandt & Associates and M/s. DP Sarda & Co. added to the delay, if any.

7.4. Failure to disclose resignation letters - the non-disclosure of copies of the resignation letters in both its intimations dated 27.08.2023 and 05.03.2024 was totally unintentional. The resignation of Mr. Suresh Reddy, CMD and Mr. S. L. Narayana Raju, CFO were discussed at the Board meetings and a decision was taken accordingly.

7.5. Delay in disclosure of resignation of directors – The Noticee experienced a series of new appointments and resignations from its Board of Directors and KMPs creating additional instability in the functioning of the Company. Although the new directors were brought in to fill those vacancies, the transition period contributed to delays in decision-making and the execution of key initiatives including publishing of quarterly results and other compliance related

issues. Various KMPs, more particularly Mr. Nilendu Narayan Chakraborty, Mr. Peshwa Acharya and Mr. Vijay Kancharla, all of whom were requested by the Board for reconsideration of their decision. The said discussions resulted in the delay in disclosure of resignation of Directors.

7.6. Delay in disclosure of shareholding pattern for the quarter ended Dec, 2023 –

The delay was due to the resignation of Mr. Suresh Kumar Reddy, Ex-CMD/CEO, Mr. S. L. Narayana Raju, Ex-CFO on August 27, 2023 and Statutory Auditors M/s. P. Murali & Co. resigned with effect from July 27, 2023, as per the Order passed by SEBI. The frequent changes to the Board of Directors thereafter have compounded the difficulties.

7.7. Non-Disclosure of SEBI Order dated February 28, 2024 – For the same reasons stated above.

7.8. Delay in disclosure of resignation of auditor of the Company – The Noticee had requested the Statutory Auditors to reconsider their decision to resign or at least continue till the end of September 2023. The ongoing communication and various rounds of discussions with the statutory auditors M/s. P Murali & Co. has resulted in delay in communication.

7.9. Delay in disclosure of outcome of board meeting – The delay was by about 18.50 minutes. The said delay was due to some technical reasons and was purely unintentional.

7.10. Inadequate composition of stakeholder relationship committee – Although new directors were brought in to fill these vacancies, the transition period contributed to delays in decision-making and the execution of key initiatives including publishing of quarterly results and other compliance related issues. The said frequent changes to the Board of BGL has hampered the efforts to constitute a Stakeholder Relationship Committee. The Company's present Board of Directors are working towards constituting all the committees.

7.11. Inadequate disclosure under SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 – The insufficient disclosure of the Statutory Auditor's

resignation resulted from lack of proper guidance. The Noticee further submits that this was an unintentional procedural oversight, with no intent to circumvent the prescribed format.

8. The Noticee appeared for the scheduled hearing through its authorized representative (**AR**) on September 12, 2024 through video-conferencing mode. The AR reiterated the submissions already made vide letter dated August 31, 2024. The AR confirmed that it has no further submissions to be made and the aforementioned submissions may be considered to be final.

ISSUES FOR CONSIDERATION, EVIDENCE AND FINDINGS

9. After perusal of the material available on record, following are the issues for consideration.

ISSUE I: Whether the Noticee has violated the provisions of LODR Regulations, 2015 and applicable SEBI Circulars, as given in Table 1 above?

ISSUE II: Does the violation, if any, on part of the Noticee attract penalty under Section 15A(b) and Section 15HB of the SEBI Act, 1992?

ISSUE III: If so, how much penalty should be imposed on the Noticee taking into consideration the factors mentioned in Section 15J of the SEBI Act, 1992?

10. Before moving forward, it is pertinent to refer to the relevant provisions of LODR Regulations, 2015, which read as under:

SEBI LODR Regulations, 2015

Principles governing disclosures and obligations.

4. (1) *The listed entity which has listed securities shall make disclosures and abide by its obligations under these regulations, in accordance with the following principles:*

(e) The listed entity shall ensure that disseminations made under provisions of these regulations and circulars made thereunder, are adequate, accurate, explicit, timely and presented in a simple language.

Stakeholders Relationship Committee.

20. (2A) *At least three directors, with at least one being an independent director, shall be members of the Committee and in case of a listed entity having outstanding SR equity shares, at least two thirds of the Stakeholders Relationship Committee shall comprise of independent directors.*

Disclosure of events or information.

30. (1) *Every listed entity shall make disclosures of any events or information which, in the opinion of the board of directors of the listed company, is material.*

(2) Events specified in Para A of Part A of Schedule III are deemed to be material events and listed entity shall make disclosure of such events.

(6) The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

(i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;

(ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;

(iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines:

Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the delay.

Holding of specified securities and shareholding pattern.

31.(1) *The listed entity shall submit to the stock exchange(s) a statement showing holding of securities and shareholding pattern separately for each class of securities, in the format specified by the Board from time to time within the following timelines –*

- (a) one day prior to listing of its securities on the stock exchange(s);*
- (b) on a quarterly basis, within twenty one days from the end of each quarter; and,*
- (c) within ten days of any capital restructuring of the listed entity resulting in a change exceeding two per cent of the total paid-up share capital:*

Provided that in case of listed entities which have listed their specified securities on SME Exchange, the above statements shall be submitted on a half yearly basis within twenty one days from the end of each half year.

Financial results.

33. (3) *The listed entity shall submit the financial results in the following manner:*

(a) The listed entity shall submit quarterly and year-to-date standalone financial results to the stock exchange within forty-five days of end of each quarter, other than the last quarter.

(b) ..

(c) ..

(d) The listed entity shall submit annual audited standalone financial results for the financial year, within sixty days from the end of the financial year along with the audit report and Statement on Impact of Audit Qualifications (applicable only for audit report with modified opinion):

Provided that if the listed entity has subsidiaries, it shall, while submitting annual audited standalone financial results also submit annual audited consolidated

financial results along with the audit report and Statement on Impact of Audit Qualifications (applicable only for audit report with modified opinion):

Provided further that, in case of audit reports with unmodified opinion(s), the listed entity shall furnish a declaration to that effect to the Stock Exchange(s) while publishing the annual audited financial results.

Schedule III

PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:

- a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;*
- b) any cancellation of dividend with reasons thereof;*
- c) the decision on buyback of securities;*
- d) the decision with respect to fund raising proposed to be undertaken*
- e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;*
- f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;*
- g) short particulars of any other alterations of capital, including calls;*
- h) financial results;*
- i) decision on voluntary delisting by the listed entity from stock exchange(s):*

Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.),¹[senior management,] Auditor and Compliance Officer.

²[(7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.]

³[(7C)In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.]

⁴[20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key

¹ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023

² Inserted by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 1.4.2019.

³ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

⁴ Inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 w.e.f. 15.7.2023.

managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- (a) suspension;*
 - (b) imposition of fine or penalty;*
 - (c) settlement of proceedings;*
 - (d) debarment;*
 - (e) disqualification;*
 - (f) closure of operations;*
 - (g) sanctions imposed;*
 - (h) warning or caution; or*
 - (i) any other similar action(s) by whatever name called;*
- along with the following details pertaining to the actions(s) initiated, taken or orders passed:*
- i. name of the authority;*
 - ii. nature and details of the action(s) taken, initiated or order(s) passed;*
 - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;*
 - iv. details of the violation(s)/contravention(s) committed or alleged to be committed;*
 - v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.]*

SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 - Resignation of statutory auditors from listed entities and their material subsidiaries

https://www.sebi.gov.in/legal/circulars/oct-2019/resignation-of-statutory-auditors-from-listed-entities-and-their-material-subsidiaries_44703.html

SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 - Disclosure of material events / information by listed entities under Regulations 30

and 30A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

<https://www.sebi.gov.in/legal/circulars/jul-2023/disclosure-of-material-events-information-by-listed-entities-under-regulations-30-and-30a-of-securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-regulations-201-73910.html>

FINDINGS

11. Before moving forward, it is noted that the Noticee has raised preliminary issue of not providing all relied upon documents, which ought to be addressed, before proceeding with the merits of the matter. The Noticee has submitted in its reply dated August 31, 2024 that the receipt of remaining relied upon documents, including the SCORES complaints received by the operational department of SEBI, is still pending. It is pertinent to mention that the authorized representative of the Noticee were informed during the inspection and also at the time of hearing that the SCORES complaints were closed and taken up for detailed examination separately. The same was also noted in the examination report, the copy of which was also shared with the Noticee. The AR was also informed that the SCORES complaints also contained the personal information of the complainants, including their names and email IDs, which is third party information, and hence, cannot be shared. Further, there is no reference of the SCORES complaints in the SCN or in any of the allegations levelled against the Noticee.

12. Now, the matter is proceeded on merits.

ISSUE I. Whether the Noticee has violated the provisions of LODR Regulations, 2015 and applicable SEBI Circulars, as given in Table 1 above?

13. The findings in each of the alleged violations against the Noticee in the SCN dated May 31, 2024 are proceeded as below:

Delayed submission of statement of modified opinion for the year ended March 31, 2023

14. It was observed that the auditor of the Noticee had given modified opinion in its audit report for the year ended March 31, 2023. However, the statement of modified opinion in respect of modified opinion by the auditor for the quarter and year ended March 31, 2023 was submitted to the stock exchanges on June 20, 2023, i.e. with a delay of 21 days. In view of the same, it was alleged that the Noticee has violated the provisions of Regulation 33(3)(d) of LODR Regulations, 2015.
15. As per Regulation 33(3)(d) of LODR Regulations, 2015, the Noticee was required to submit statement of modified opinion to the stock exchanges within sixty days from the end of financial year.
16. In this regard, the Noticee has submitted that the financial results for the year ended on March 31, 2023 were submitted on time, i.e. within 30 minutes from the closure of the Board Meeting. It further submitted that the results were re-submitted pursuant to query received from the NSE on June 20, 2023, wherein the Noticee was directed to share the Statement on impact of Audit Qualification. Thus, there was no violation.
17. It is noted that the allegation pertains to delay in submission of Statement of Modified Opinion / Statement on impact of Audit Qualification for the year ended on March 31, 2023. Therefore, Noticee's submissions with respect to financial results submitted on May 31, 2023 is irrelevant.
18. It is further noted that the Noticee should have submitted the Statement of modified opinion on or before May 30, 2023, in terms of Regulation 33(3)(d) of LODR Regulations, 2015. However, the same was not submitted by the Noticee even with the financial results which were submitted on May 31, 2023. Thereafter,

clarifications were sought from the Noticee by the NSE with respect to the Statement of Modified Opinion on June 20, 2023. In response to the query of the NSE, the Noticee resubmitted its financial results on June 22, 2023, including the Statement of Modified Opinion. Thus, there was a delay of 23 days in submitting the Statement of Modified Opinion for the year ended on March 31, 2023. Hence, the Noticee's response is not tenable.

19. In view of the foregoing observations, the allegation of violation of provisions of Regulation 33(3)(d) of LODR Regulations, 2015 stand established.

Non submission of financial results for the quarter ended Sep, 2023 and Dec, 2023

20. It was observed that the Noticee had not submitted its financial results for the quarter ended September 30, 2023 and December 31, 2023. In view of the same, it was alleged that the Noticee has violated the provisions of Regulation 33(3)(a) of the LODR Regulations, 2015.

21. As per Regulation 33(3)(a) of the LODR Regulations, 2015, a listed entity shall submit quarterly and year-to-date standalone financial results to the stock exchange within forty-five days of end of each quarter, other than the last quarter.

22. In this regard, the Noticee has submitted that due to resignation of various directors and KMPs, and also the statutory auditors, there were delays in submitting financial results for the quarter ended September 30, 2023 and December 31, 2023.

23. It is noted that the financial results for the quarter ended September 30, 2023 and December 31, 2023 were not submitted by the Noticee on the date of the SCN, i.e. May 31, 2024. Thus, there has been non-submission of the financial results, and not just delay, as stated by the Noticee. It is also noted that the aforesaid financial results have still not been submitted by the Noticee as on the date of this Order.

24. Being a listed Company, the Noticee was under the obligation to ensure timely compliance. Noticee cannot do away with its responsibilities under the pretext of resignation of various directors, KMPs and auditors. Thus, submission of the Noticee is not tenable.

25. In view of the foregoing observations, I find that the allegation of violation of provisions of Regulation 33(3)(a) of the LODR Regulations, 2015 stand established.

Failure to disclose resignation letters

26. It was observed that the Noticee, vide its intimation dated August 27, 2023, had intimated the stock exchanges about the Resignation of Mr. Suresh Reddy, Chairman & Managing Director and Mr. Narayana Raju, Chief Financial Officer with effect from August 27, 2023. Through another disclosure dated March 05, 2024, the Noticee intimated the stock exchanges regarding resignation of Mr. Rajesh Vankadara, Company Secretary and Compliance officer of the Company, w.e.f. March 04, 2024. However, it was observed that the Noticee has not provided copies of the resignation letters in both its intimations dated August 27, 2023 and March 05, 2024. In view of the same, it was alleged that the Noticee has violated the provisions of Regulation 4(1)(e) read with Regulation 30(1) and 30(2) and clause 7C of Para A of Part A of Schedule III of LODR Regulations, 2015.

27. Regulation 30(1) read with 30(2) and clause 7C of Para A of Part A of Schedule III of LODR Regulations, 2015 requires that the letter of resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges. Regulation 4(1)(e) of LODR Regulation which inter-alia requires the listed entity to ensure that disseminations made under provisions of LODR Regulations and circulars made thereunder, are adequate.

28. In this regard, the Noticee has submitted that the non-disclosure of copies of the resignation letters in both the intimations dated August 27, 2023 and March 05, 2024 was unintentional.

29. It is noted the observation made by SAT in the matter of Akriti Global Traders Ltd. Vs. SEBI, decided on 30.09.2014, 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..*”. In view of the same, the contention of the Noticee is not acceptable and is without any merits. Therefore, I find that the Noticee has violated the provisions of Regulation 4(1)(e) read with Regulation 30(1) and 30(2) and clause 7C of Para A of Part A of Schedule III of LODR Regulations, 2015, by not providing copies of the resignation letters in both its intimations dated August 27, 2023 and March 05, 2024.

Delay in disclosure of resignation of directors

30. Following delays in disclosure of the resignations were observed.

30.1. Mr. Nilendu Chakraborty, Independent Director of the Noticee resigned with effect from October 20, 2023. However, the intimation was filed with stock exchanges on October 27, 2023, i.e. with a delay of six days.

30.2. Noticee, vide its intimation dated December 30, 2023 informed the stock exchanges that Mr. Peshwa Acharya, Non-Executive Director had resigned with effect from December 30, 2023. The resignation letter dated December 25, 2023 of Mr. Peshwa Acharya stated that the resignation is with immediate effect. However, the disclosure was submitted on January 01, 2024.

30.3. Mr. Vijay Kancharla, Executive Director resigned with effect from January 02, 2024. However, the disclosure was filed on January 04, 2024, i.e. with a delay on one day.

31. In view of the aforesaid, it was alleged that the Noticee has violated the provisions of Regulation 30(6) read with clause 7 of Para A of Part A of Schedule III of LODR Regulations, 2015 and SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

32. Regulation 30(6) read with clause 7 of Para A of Part A of Schedule III of LODR Regulations, 2015 and with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 inter alia requires that resignation of directors and key managerial personnel should be intimated to stock exchange within 24 hours.

33. In this regard, the Noticee has submitted that there were delays due to resignation of directors and KMPs. It also submitted that Mr. Nilendu Chakraborty, Mr. Peshwa Acharya and Mr. Vijay Kancharla were requested by the Board of Directors for reconsideration of their decision, and these discussions resulted in delay in disclosure of their resignation.

34. From the intimations with respect to resignation of Mr. Nilendu Chakraborty, Mr. Peshwa Acharya and Mr. Vijay Kancharla by the Noticee on the stock Exchanges, following is noted:

Name of Directors	Date of resignation letter	Resignation effective from	Date of Intimation to the Stock Exchange	Delay in intimation by the Noticee
Mr. Nilendu Chakraborty	20/10/2023	20/10/2023	27/10/2023	6 days
Mr. Peshwa Acharya	25/12/2023	25/12/2023	30/12/2023	4 days

Name of Directors	Date of resignation letter	Resignation effective from	Date of Intimation to the Stock Exchange	Delay in intimation by the Noticee
Mr. Vijay Kancharla	02/01/2024	02/01/2024	04/01/2024	1 day

35. From the above table, it is observed that the Noticee had intimated the stock exchanges with respect to the resignation of aforementioned three directors with a delay of 6 days, 4 days and 1 day respectively.

36. It is further noted that the Noticee had intimated that *“Mr. Peshwa Acharya, has tendered his resignation as the Non-Executive Director of the Company, close of business hours on December 30, 2023, citing pre-occupation and other personal commitments.”* However, it is observed from the resignation letter of Mr Peshwa Acharya, submitted by the Noticee, that it is dated December 25, 2023 and it is explicitly mentioned that the resignation is *“with immediate effect”*. Thus, Mr Peshwa Acharya had tendered resignation on December 25, 2023 with immediate effect. Thus, it is observed that the Noticee has made incorrect disclosures with respect to the resignation of Mr Peshwa Acharya and delayed disclosures were made with respect to the resignation of other two directors.

37. In view of the foregoing observations, it is noted that the Noticee has violated the provisions of Regulation 30(6) read with clause 7 of Para A of Part A of Schedule III of LODR Regulations, 2015 and with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

Delay in disclosure of shareholding pattern for the quarter ended Dec, 2023

38. With respect to quarter ended December 31, 2023, it was observed that the due date for submission of shareholding pattern on quarterly basis was January 21, 2024. However, the Noticee had submitted the same on January 25, 2024, i.e. with

a delay of 4 days. In view of the same, it was alleged that the Noticee has violated the provisions of Regulation 31(1) of the LODR Regulations, 2015.

39. As per Regulation 31(1) of the LODR Regulations, 2015, a listed entity shall submit the shareholding pattern to the stock exchanges on a quarterly basis, within twenty one days from the end of each quarter.

40. In this regard, the Noticee has submitted that the delay occurred due to resignation of Mr Suresh Kumar Reddy, Ex-CMD/CEO, Mr S. L. Narayana Raju, Ex-CFO on August 27, 2023 and Statutory Auditors M/s P. Murali & Co. with effect from July 27, 2023, and the frequent changes in the Board of Directors have compounded the difficulties.

41. It is noted that the shareholding pattern for the quarter ended December 31, 2023 was submitted with a delay of 4 days. The delay could have been prevented by the Noticee if it had acted in a timely manner. It cannot be attributed to resignation of its KMPs and statutory auditors, especially when they had resigned more than 4-5 months before the end of the third quarter of the FY 2023-24. Therefore, Noticee's submissions are not tenable.

42. In view of the foregoing observations, the allegation of violation of provisions of Regulation 31(1) of the LODR Regulations, 2015 against the Noticee stands established.

Non-Disclosure of SEBI Order dated February 28, 2024

43. Regulation 30(1) read with 30(2) and clause 20 of Para A of Part A of Schedule III of LODR Regulations, 2015 *inter alia* requires disclosure of orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, to the stock exchanges.

44. SEBI had passed a confirmatory Order dated February 28, 2024 in the matter of Brightcom Group Limited (Noticee). Thus, the Noticee was required to disclose the same to the stock exchanges, which it had not disclosed at the time of examination. Thus, it was alleged that the Noticee has violated the provisions of Regulation 30(1) read with 30(2) and clause 20 of Para A of Part A of Schedule III of LODR Regulations, 2015.

45. In this regard, the Noticee has made similar submissions that it was due to resignation of Mr Suresh Kumar Reddy, Ex-CMD/CEO, Mr S. L. Narayana Raju, Ex-CFO on August 27, 2023 and Statutory Auditors M/s P. Murali & Co. with effect from July 27, 2023, and the frequent changes in the Board of Directors have compounded the difficulties.

46. As already noted previously, the resignation of its KMPs and statutory auditors in July, 2023 and August, 2023 could not have any bearing on not making the disclosure with respect to the SEBI Order, which was passed on February 28, 2024. Had the Noticee acted with due care and diligence, timely disclosures could have been made, it is further noted that the disclosure has still not been made by the Noticee, as on the date of this Order. Thus, the violation is still continuing.

47. In view of the foregoing observations, the violation of the provisions of Regulation 30(1) read with 30(2) and clause 20 of Para A of Part A of Schedule III of LODR Regulations, 2015 against the Noticee stands established.

Delay in disclosure of resignation of auditor of the Company

48. Regulation 30(1) read with Regulation 30(2) and clause 7A of Para A of Part A of Schedule III of LODR Regulations, 2015 *inter alia* requires that the disclosure for resignation of statutory auditor should be filed within 24 hours.

49. It was observed that P. Murali & Co., the Statutory Auditor of the Noticee, had resigned vide Resignation letter dated July 27, 2023. However, the disclosure for intimating the resignation of the statutory auditor was filed by the Noticee on August 12, 2023. It was observed that the information with respect to the resignation of auditor was available with the Noticee on July 27, 2023, but the disclosure for the resignation was filed by the Noticee on August 12, 2023, i.e. with a delay of 15 days, only after the auditor sent the letter to Noticee, reminding for the said event. In view of the aforesaid, it was alleged that the Noticee has violated the provisions of Regulation 30(1) read with Regulation 30(2) and clause 7A of Para A of Part A of Schedule III of LODR Regulations, 2015.

50. In this regard, the Noticee submitted that it had requested the auditors to reconsider their decision to resign, and various subsequent communications in this respect resulted in delay in disclosing the resignation of statutory auditors.

51. I note that M/s P. Murali & Co., the Statutory Auditor of the Noticee, resigned vide letter dated July 27, 2023. Thus, the Noticee was required to disclose the same to the Exchanges by July 28, 2023, i.e. within 24 hours, in terms of clause 7A of Para A of Part A of Schedule III of LODR Regulations, 2015. However, the disclosures were not made by the Noticee. It is also noted that no relaxations in terms of postponing / delaying the disclosures, have been provided under the provisions of Regulation 30 of the LODR Regulations, 2015. Therefore, the Noticee was required to make disclosures with respect to the resignation of statutory auditors within 24 hours of the receipt of the resignation letter from M/s P. Murali & Co.

52. It is further noted that the disclosures were not made by the Noticee of its own volition. Instead, the disclosures were made by the Noticee on August 12, 2023, after receiving another letter from M/s P. Murali & Co., wherein the statutory auditor had informed the Noticee that it had already resigned on July 27, 2023 and it had

also filed form ADT-3 with the RoC on July 29, 2023. Thus, the subsequent disclosures made by the Noticee on August 12, 2023 were not made in a timely manner and thus, cannot be considered to be in compliance with the provisions of LODR Regulations, 2015.

53. In view of the foregoing observations, the allegation of violation of provisions of Regulation 30(1) read with Regulation 30(2) and clause 7A of Para A of Part A of Schedule III of LODR Regulations, 2015 against the Noticee stands established.

Delay in disclosure of outcome of board meeting

54. Based on the disclosure dated January 21, 2024 (filed with the stock exchanges on January 22, 2024), it was observed that meeting of board of directors of the Noticee, held to consider *inter alia* the financial statement of the Noticee, was concluded at 23:30 hrs on January 21, 2024.

55. Regulation 30(1) read with 30(2) and clause 4 of Para A of Part A of Schedule III of LODR Regulations, 2015 *inter alia* requires that the outcome of meeting of board of directors of the Company held to consider the financial results shall be disclosed within 30 minutes of the closure of the meeting. However, it was observed that the aforesaid disclosure dated January 21, 2024 was filed with the stock exchanges on January 22, 2024 with delay beyond 30 minutes. In view of the same, it was alleged that the Noticee has violated the provisions of Regulation 30(1) read with 30(2) and clause 4 of Para A of Part A of Schedule III of LODR Regulations, 2015.

56. In this regard, the Noticee has submitted that there has been a delay of only 18:50 minutes, which was due to technical reasons and was unintentional.

57. As per the disclosures made by the Noticee, the board meeting concluded at 23:30 on January 21, 2024, and the outcome was disclosed at 00:18:50 on January 22,

2024. Thus, the outcome was not disclosed within 30 minutes of the closure of the meeting. It is noted that clause 4 of Para A of Part A of Schedule III of LODR Regulations, 2015 specifically states that the outcome of meeting of Board of Directors shall be disclosed within 30 minutes of the closure of the meeting. It is observed that the Noticee has admitted to the delay.

58. In view of the foregoing observations, the Noticee has violated the provisions of Regulation 30(1) read with 30(2) and clause 4 of Para A of Part A of Schedule III of LODR Regulations, 2015

Inadequate composition of stakeholder relationship committee

59. Regulation 20(2A) of LODR Regulations, 2015 *inter alia* requires that at least three directors, with at least one being an independent director, shall be members of the Stakeholders Relationship Committee.

60. However, as per Corporate Governance Report filed by the Noticee for the quarter ended December 31, 2023, Stakeholders Relationship Committee had only two directors as on December 31, 2023. Thus, it has been alleged that the Noticee has violated the provisions of Regulation 20(2A) of LODR Regulations, 2015.

61. In this regard, the Noticee has submitted that the frequent changes to the Board of the Noticee has hampered the efforts to constitute a Stakeholder Relationship Committee, and the Noticee's present Board of Directors are working towards constituting all the committees.

62. It is noted that the Noticee is required to constitute a Stakeholders Relationship Committee, with at least three directors, out of which at least one shall be an independent director. However, as per the Corporate Governance Report for the quarter ended December 31, 2023, the Stakeholders Relationship Committee of the Noticee constituted of only two directors. It is further noted that the

Stakeholders Relationship Committee was reconstituted later during the Board Meeting held on February 02, 2024. The Stakeholders Relationship Committee is a crucial part of corporate governance in listed companies. It oversees fair management of stakeholder grievances and promotes transparent relationship with the stakeholders.

63. Noticee's submissions that it could not comply with the provisions of LODR Regulations, 2015, with respect to constituting the Stakeholders Relationship Committee due to frequent changes to the Board is not tenable.

64. In view of the foregoing, I find that the allegation of violation of provisions of Regulation 20(2A) of LODR Regulations, 2015 stands established.

Inadequate disclosure under SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019

65. As per SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019, upon resignation of the auditor, a listed entity is required to obtain information from the Auditor in the format prescribed in Annexure A to the aforesaid circular and ensure disclosure of the same to the stock exchanges. In the prescribed format, the statutory auditor is also required to provide the following declaration.

"1. I/ We hereby confirm that the information given in this letter and its attachments is correct and complete."

"2. I/ We hereby confirm that there is no other material reason other than those provided above for my resignation/ resignation of my firm"

66. It was observed that P. Murali & Co., the Statutory Auditor of the Noticee had resigned vide Resignation letter dated July 27, 2023. However, based on the disclosure dated August 12, 2023, submitted by the Noticee, it was observed that the required information, in the format prescribed in Annexure A to the Circular dated October 18, 2019, was not signed by the statutory auditor and was printed

on the letterhead of the Noticee. Thus, it was observed that the information was not obtained from the resigning statutory auditor, but was filled up by the Noticee itself and then submitted to the stock exchanges. Further, there was no declaration of completeness and correctness of the information provided in the aforesaid format. Also, in the field of 'detailed reasons of resignation' in the aforesaid format, the Noticee had filled "*as specified in the resignation letter*". However, it did not provide confirmation that there was no material reason for resignation of the Auditor, other than that provided by the Auditor.

67. In view of the aforesaid, it was alleged that the Noticee has violated the provisions of Clause 7A of Para A of Part A of Schedule III under Regulation 30(2) of LODR Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 and Regulation 4(1)(e) of LODR Regulations, 2015.

68. In this regard, the Noticee has submitted that the insufficient disclosure had resulted from the lack of proper guidance, and that it was unintentional procedural oversight, with no intent to circumvent the prescribed format.

69. It is noted that the Noticee's submissions are not justified. As postulated by legal maxim "*ignorantia juris non excusat*", ignorance of law is no excuse and everyone is presumed to know the law of the land. Therefore, there is no merit in the Noticee's submissions.

70. In view of the foregoing, the violation of the provisions of Clause 7A of Para A of Part A of Schedule III under Regulation 30(2) of LODR Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 and Regulation 4(1)(e) of LODR Regulations, 2015 against the Noticee stands established.

71. To summarize the foregoing findings, it is concluded that the Noticee has violated the following provisions –

- 71.1. Regulation 33(3)(d) of LODR Regulations, 2015
 - 71.2. Regulation 33(3)(a) of LODR Regulations, 2015
 - 71.3. Regulation 4(1)(e) read with Regulations 30(1) and 30(2) and with clause 7C of Para A of Part A of Schedule III of LODR Regulations, 2015
 - 71.4. Regulation 30(6) read with clause 7 of Para A of Part A of Schedule III of LODR Regulations, 2015 and with SEBI Circular SEBI/HO/CFD/ CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023
 - 71.5. Regulation 31(1) of LODR Regulations, 2015
 - 71.6. Regulation 30(1) read with 30(2) and clause 20 of Para A of Part A of Schedule III of LODR Regulations, 2015
 - 71.7. Regulation 30(1) read with Regulation 30(2) and sub-clause (7A) of Para A of Part A of Schedule III of LODR Regulations, 2015
 - 71.8. Regulation 30(1) read with 30(2) and clause 4 of Para A of Part A of Schedule III of LODR Regulations, 2015
 - 71.9. Regulation 20(2A) of LODR Regulations, 2015
 - 71.10. Clause 7A of Para A of Part A of Schedule III under Regulation 30(2) of SEBI LODR Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 and Regulation 4(1)(e) of LODR Regulations, 2015
72. It is noted that the disclosures requirements under the LODR Regulations, 2015 serve very important purposes. The stock exchange is informed via disclosures so that the investing public will come to know of the position enabling them to continue on with or exit from the company. Sudden resignations may also indicate potential red flags that investors need to consider. Further, timely disclosures of the details of the resignation of directors, auditors, financial results, shareholding pattern, etc are of significant importance as such disclosures also enable the regulators to ensure that companies adhere to fair practices and maintain market integrity. Further, Hon'ble Securities Appellate Tribunal ('SAT') in the matter of Coimbatore

Flavors & Fragrances Ltd. vs SEBI (Appeal No. 209 of 2014 order dated August 11, 2014), has also held that *“Undoubtedly, the purpose of these disclosures is to bring about more transparency in the affairs of the companies. True and timely disclosures by a company or its promoters are very essential from two angles. Firstly; investors can take a more informed decision to invest or not to invest in a particular scrip secondly; the Regulator can properly monitor the transactions in the capital market to effectively regulate the same.”*

73. Further, Hon'ble SAT in its judgement dated October 14, 2014 in the matter of Virendrakumar Jayantilal Patel vs. SEBI (Appeal No. 299 of 2014), has held that *“..... obligation to make disclosures within the stipulated time is a mandatory obligation and penalty is imposed for not complying with the mandatory obligation.”*

ISSUE II: Does the violation, if any, on part of the Noticee attract penalty under Section 15A(b) and Section 15HB of the SEBI Act, 1992?

74. The provisions of Section 15A(b) and Section 15HB of the SEBI Act, 1992 read as under:

Penalties and Adjudication

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 or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents, he shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees.

Penalty for contravention where no separate penalty has been provided.

15HB. Whoever fails to comply with any provision of this Act, the rules or the regulations made or directions issued by the Board thereunder for which no separate penalty has been provided, shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees.

75. The Hon'ble Supreme Court of India in the matter of Chairman, SEBI Vs Shriram Mutual Fund {[2006]5 SCC 361} has 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.....”

76. In the context of disclosure related violations, it is observed that Hon'ble SAT has consistently held that the obligation to make disclosure within the stipulated time is a mandatory obligation and penalty is imposed for non-compliance of the mandatory obligation.

77. Hence, in view of the violation of provisions of LODR Regulations, 2015, it is a fit case for imposition of penalty under Section 15A(b) of the SEBI Act, 1992 for the violations of provisions enumerated in paragraph 71.1 to 71.8 above and under Section 15HB of the SEBI Act, 1992 for the violations of provisions enumerated in paragraph 71.9 and 71.10 above.

ISSUE III: If so, how much penalty should be imposed on the Noticee taking into consideration the factors mentioned in Section 15J of the SEBI Act, 1992?

78. While determining the quantum of penalty under Section 15A(b) and Section 15HB of the SEBI Act, 1992, it is important to consider the factors relevantly as 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 investor/+s as a result of the default;*
- (c) the repetitive nature of the default.*

79. The main objective of LODR Regulations, 2015 is to afford fair treatment for shareholders. 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 reducing information asymmetry. Correct and timely disclosures are also an essential part of the proper functioning of the securities market and failure to do so results in preventing investors from taking well-informed decisions. It is the essence of good corporate governance. Thus, the cornerstone of such provisions is investor protection. Further, these timely disclosures are of significant importance from the point of view of the Regulators also.

80. 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 Noticee. 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 Noticee, nor has it been alleged by the SEBI. Further, as per the available records, it is observed that Noticee have not been penalised earlier for any of the aforesaid violations. However, the violations enumerated in the preceding paragraphs calls for imposition of appropriate penalty.

ORDER

81. Having considered all the facts and circumstances of the case, the material available on record, the submissions made by Noticee and also the factors mentioned in Section 15J of the SEBI Act, 1992, and also taking into account judgment of the Hon'ble Supreme Court in SEBI vs. Bhavesh Pabari (2019) 5 SCC 90, in exercise of the powers conferred under Section 15-I of the SEBI Act, 1992 and Rule 5 of the Adjudication Rules, following penalty is imposed upon the Noticee.

Name of Noticee	Violation provisions	Penal Provision s	Penalty
Brightcom Group Limited	• Regulation 31(1), 33(3)(a), 33(3)(d) of LODR Regulations, 2015 • Regulation 4(1)(e) read with Regulations 30(1) and 30(2) and with clause 7C of Para A of Part A of Schedule III of LODR Regulations, 2015 • Regulation 30(6) read with clause 7 of Para A of Part A of Schedule III of LODR Regulations, 2015 and with SEBI Circular SEBI/HO/CFD/ CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023	Section 15A(b) of the SEBI Act, 1992	₹ 6,00,000/- (Rupees Six Lakh Only)

Name of Noticee	Violation provisions	Penal Provisions	Penalty
	• Regulation 30(1) read with 30(2) and clause 20 and clause 7A of Para A of Part A of Schedule III of LODR Regulations, 2015 • Clause 7A of Para A of Part A of Schedule III under Regulation 30(2) of SEBI LODR Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 and Regulation 4(1)(e) of LODR Regulations, 2015		
	• Regulation 20(2A) of LODR Regulations, 2015 • Clause 7A of Para A of Part A of Schedule III under Regulation 30(2) of SEBI LODR Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 and Regulation 4(1)(e) of LODR Regulations, 2015	Section 15HB of the SEBI Act, 1992	₹ 2,00,000/- (Rupees Two Lakh Only)
	TOTAL		₹ 8,00,000/- (Rupees Eight Lakh Only)

82. Noticee shall remit / pay the said amount of penalty within 45 days of receipt of this order through online payment facility available on the website of SEBI, i.e., www.sebi.gov.in on the following path, by clicking on the payment link: ENFORCEMENT → Orders → Orders of AO → PAY NOW. In case of any

difficulties in payment of penalties, Noticee may contact the support at portalhelp@sebi.gov.in.

83. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, SEBI may initiate consequential actions including but not limited to recovery proceedings under section 28A of the SEBI Act, 1992 for realization of the said amount of penalty along with interest thereon, *inter alia*, by attachment and sale of movable and immovable properties of Noticee.

84. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order is being sent to the Noticee, and also to the Securities and Exchange Board of India.

Place: Mumbai

Date: September 23, 2024

**BARNALI MUKHERJEE
ADJUDICATING OFFICER**