

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/JS/DP/2025-26/31646]**

**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 OFFICERS) RULES, 1995**

**In respect of
SAR Televenture Limited
(PAN: ABCCS1098Q)**

In the matter of SAR Televenture Limited

BACKGROUND OF THE CASE

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') received an exceptional report from National Stock Exchange Limited (NSE) with respect to disclosure violation observed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as '**LODR Regulations**') in the matter of SAR Televenture Limited (hereinafter referred to as '**Noticee**') which is listed in NSE. Accordingly, SEBI carried out an examination to review the announcements made by the Noticee from January 2024 to June 2024. During the examination, SEBI observed certain non-compliances with the provisions of LODR Regulations by the Noticee.
2. Pursuant to the examination, SEBI initiated adjudication proceedings under sections 15HB and 15A(b) of SEBI Act, alleging the following violations:
 - (a) section 15HB of SEBI Act for the alleged violation of regulation 4(1) (c) and regulation 4(1) (h) of LODR Regulations;

- (b) section 15A(b) of SEBI Act for the alleged violation of regulation 30(6) read with sub-para 5 of Para B, Part A of Schedule III of LODR Regulations read with SEBI circular dated July 13, 2023.

APPOINTMENT OF ADJUDICATING OFFICER

3. SEBI appointed an Adjudicating Officer (AO) in the matter vide communique dated January 15, 2025 (First AO). Pursuant to reallocation of cases, vide communique dated April 21, 2025, SEBI appointed the undersigned as AO under section 19 of the Securities and Exchange Board of India, Act, 1992 (hereinafter referred to as “**SEBI Act**”) read with section 15-I of the SEBI Act and with rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as the “**Rules**”) to inquire into and adjudge the aforesaid violations under sections 15A(b) and 15HB of SEBI Act.

SHOW CAUSE NOTICE, REPLY AND HEARING

4. Show Cause Notice dated January 31, 2025 (hereinafter referred to as “**SCN**”) was issued to Noticee by erstwhile AO in terms of rule 4 of the Rules read with section 15-I of the SEBI Act to show cause as to why an inquiry should not be held against Noticee and why penalty, if any, should not be imposed on it in terms of the provisions of the sections 15A(b) and 15HB of the SEBI Act for the violations alleged to have been committed by Noticee.
5. The SCN, *inter alia*, alleged the following:
- (a) From the period from January 2024 to June 2024, few announcements were received from Noticee w.r.t (a) the revenue sharing agreement with BSNL for constructing, expanding, and maintaining the Optical Fiber Cables (OFC) network within residential and commercial complexes, as well as establishing interconnections between buildings using OFC, and (b) NHAI approval pertaining to installation of 50 units of 4G/5G network infrastructure on NH-24. Brief details of the announcement made are provided below:

Date of announcement	Details of announcement	Revenue Sharing	Date of agreement	Date of receipt of agreement/ information by the Company
01-02-2024	Revenue-sharing agreement with BSNL for Lucknow.	50.20-49.80	11-01-2024	31-01-2024
03-04-2024	Revenue-sharing agreement with BSNL for Rohtak, Haryana (both Rural & Urban).	50-50	28-02-2024	03-04-2024
16-05-2024	Revenue-sharing agreement with BSNL for Sonipat, Haryana (Rural).	50-50	02-05-2024	15-05-2024
27-05-2024	NHAI granted permission to install 50 units of 4G/SG network infrastructure on NH-24, the road that connects Lucknow to Shahjahanpur and spans 170 kilometres within the NH RoW.	-	-	25-05-2024
15-06-2024	Rectification of an inadvertent error of the announcement dated 27-05-2024: NHAI vide letter reference no. NHAI/PIU-LKO/NH30/NOC/MK/2024/59, requested to submit the proposal made with all the required documents in order to install 50 units of 4G/SG network infrastructure. NHAI will then proceed with the appropriate action based on Noticee's submission. The disclosure provided in Noticee's previous NSE corporate announcement included details of the said proposal. Noticee stated that it sincerely regrets for this inadvertent error and apologized for the inaccuracies in the previous disclosure.	-	-	25-05-2024

15-06-2024	<p>Rectification of an inadvertent error of the announcement dated 03-04-2024:</p> <p>Inadvertently in the mentioned disclosure, a typographical error was made regarding the revenue share between BSNL and SAR Televenture Limited for the Rohtak (Urban) Agreement. The initial disclosure stated the revenue share as 50:50 instead of the accurate revenue share of 51:49 under Annexure A of the NSE corporate announcement. Although this was an inadvertent error, Noticee stated that it sincerely regrets and apologized for the same.</p>	Revised: Rural 50-50 Urban 51-49	28-02-2024	03-04-2024
15-06-2024	<p>Address a confusion arising- NHAI- Agreement confusion as NHAI gives permission there was no agreement</p> <p>The prime reason for filing the rectification earlier today, Saturday 15th June 2024 at 15:47:13, was limited to the fact that Noticee had used the standard format in our original disclosure dated 27.05.2024, wherein Noticee had mentioned "name of the party with whom agreement has been signed". NHAI does not enter into any 'agreement', rather grants permission for installation of network infrastructure.</p> <p>In this backdrop, clarification was filed earlier today Saturday 15th June 2024 at 15:47:13. Noticee stated</p>	-	-	25-05-2024

	that it regret the confusion created by (over) clarification which was based on the legal advice. To summarize, Noticee confirmed that it had received permission from NHAI for the Installation of 50 nos. of 4G/5G Network Infrastructure on NH-24 and the same was disclosed by our filing originally made on 27.05.2024.			
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(b) During the examination, in respect to disclosure made to stock exchange, SEBI observed the following:

- 5.2.1 Disclosures pertaining to NHAI Permission: Noticee vide its announcement dated May 27, 2024 (refer Annexure 6) stated that NHAI had granted permission to it to install 50 units of 4G/5G network infrastructure on NH-24. Subsequently, Noticee vide its announcement dated June 15, 2024 (at 15:47:13) submitted that NHAI had only requested to submit the proposal and NHAI will then proceed with the appropriate action based on the submission. Noticee later submitted another clarification announcement on June 15, 2024, *inter alia*, stating that the reason for filing of rectification was limited to clarifying that the earlier disclosure mentioned NHAI as the party with whom the agreement was signed. However, NHAI does not enter into any agreement, rather grant permission for installation of network infrastructure. In view of the above, NSE had sought supporting documents from Noticee for its claim of NHAI granting permission. In response to NSE's query, Noticee provided NHAI letter dated April 08, 2024 which, *inter alia*, mentioned that Noticee had to submit the proposal to NHAI in order to install 50 units of 4G/5G network infrastructure and NHAI will then proceed with the appropriate action based on the submission.
- 5.2.2 Disclosures pertaining to BSNL Revenue Sharing agreement for Rohtak, Haryana: Noticee vide its announcement dated April 03, 2024 informed

that revenue sharing agreement with BSNL for Rohtak, Haryana (both Rural and Urban) had a sharing ratio of 50:50 for both the geographies. Subsequently, Noticee vide announcement dated June 15, 2024 corrected its earlier disclosure dated April 03, 2024 and informed that the correct ratio was 51:49 (Urban) and Rural (50:50) and the error was typographical and was inadvertent in nature.

- (c) In view of the above, it was alleged that Noticee misrepresented the facts in its announcements dated April 03, 2024, May 27, 2024, and June 15, 2024 and thus allegedly stands in violation of regulation 4(1) (c) and 4(1) (h) of SEBI LODR Regulations.
- (d) Disclosures made with delay: During the examination, in respect to non-adherence of timelines in disclosures regarding its contract with BSNL, it was observed that the disclosures mentioned below were made with delay beyond 12 hours as against the requirement:

Date of announcement	Details of announcement	Date and time of occurrence of event	Date and Time of Submission	Finding
01-02-2024	Revenue-sharing agreement with BSNL for Lucknow	31-01-2024 22:14 PM	01-02-2024 12:43:05 PM	Delay of approx . 2.5 hours
16-05-2024	Revenue-sharing agreement with BSNL for Sonipat, Haryana (Rural)	15-05-2024 12:30 PM	16-05-2024 10:49:33 AM	Delay of approx . 10 hours
27-05-2024	NHAI granted permission to install 50 units of 4G/SG network infrastructure on NH-24, the road that connects Lucknow to Shahjahanpur and spans 170 kilometres within the NH Row.	25-05-2024 14:21 PM	27-05-2024 16:18 PM	Delay of approx . 50 hours

- (e) In view of the above, SCN alleged that Noticee was in violation of regulation 4(1) (d) read with regulation 30(6) read with sub-para 5 of Para B, Part A of

Schedule III of LODR Regulations and timelines mentioned under SEBI circular dated July 13, 2023.

6. Vide letter dated February 17, 2025, Noticee filed reply to the SCN. Noticee, *inter alia*, made the following submissions:

Submissions related to the announcement(s) made by the Noticee in respect of the agreements entered into and between the Noticee and BSNL.

(a) Misrepresentation of facts in the announcements related to BSNL:

- (i) The announcement dated 03.04.2024 made by the Noticee inadvertently mentioned the revenue sharing proportion between BSNL and the Noticee to be 50:50 for Rohtak, Haryana (both rural and urban) whereas the correct proportion for Rohtak, Haryana (urban) was 51:49. The proportion for Rohtak, Haryana (rural) was already disclosed correctly in the announcement dated April 03, 2024.
- (ii) The said inadvertent non-material error in the revenue sharing proportion for Rohtak (urban) was highlighted to the Noticee's attention by its advisors while processing Noticee's composite issue (FPO and preferential Issue). Noticee being a law-abiding company with the objective of avoiding any confusion in the minds of its investors and/ or the regulators was professionally advised to rectify this inadvertent mistake by *suo motu* issuing a revised announcement on June 15, 2024.
- (iii) The inadvertent error in the revenue sharing proportion was neither material nor had any material adverse impact on the business and/ or revenue of the Noticee. It is further submitted that the rectification of the above-mentioned inadvertent error by the Noticee cannot by any stretch of imagination be construed as 'misrepresentation of facts' as has been alleged by NSE and SEBI.

(b) Delay in making the announcements related to BSNL:

- (i) As alleged in the SCN, there has been a delay of approx. 2.5 hours and 10 hours by the Noticee in making the announcements dated 01.02.2024 and 16.05.2024 respectively. However, the said alleged delay was completely unintentional.
- (ii) It is submitted that SEBI had ignored the fact that the Revenue Sharing Agreement – Lucknow was received by Mr. Rahul Sahdev, CEO and MD of the Noticee from BSNL on January 31, 2024 at 22:14 PM which was forwarded by Mr. Rahul to Mr. Abhishek Jain, Compliance Officer of the

Noticee through email on 31.01.2024 at 11:45 PM. Thereafter, the announcement was made on February 01, 2024 at 12:43 PM.

- (iii) Even if it is assumed for the sake of argument that there was a delay in making the announcement by the Noticee in respect of the Revenue Sharing Agreement – Lucknow, effectively, the delay is of about 1 hour instead of 2.5 hours as alleged in the SCN and any such alleged delay is owing to the fact that it was the primary responsibility of the Noticee's Compliance Office to make the said announcement within the time prescribed under the LODR Regulations r/w the Circular. It is further submitted that the Compliance Officer made the announcement shortly after resuming office in the morning of February 01, 2024, i.e., the very next morning after the non-working day on which the Revenue Sharing Agreement – Lucknow was received by CEO and MD.
- (iv) Without prejudice to the above-mentioned submission, it was further submitted that the Revenue Sharing Agreement – Lucknow was received by Mr. Rahul on January 31, 2024 at 22:14 PM which was way past the working hours of the Noticee. It is highly unrealistic and absolutely improbable for anyone to be able to comply with the timeline of 12 hours prescribed under regulation 30(6) read with sub-para 5 of Para B Part A of Schedule III of the LODR Regulations read with the Circular for the purposes of making the announcement.
- (v) Furthermore, for the reasons stated above, the delay alleged in the SCN appears to be highly technical resulting in an unintentional alleged delay in making the aforementioned announcement.

Submissions related to the announcement(s) made by the Noticee in respect of NHAI

(a) Misrepresentation of facts in the announcements related to NHAI:

- (i) It was submitted that the misrepresentation of facts alleged in the SCN in respect of the announcements dated 27.05.2024 made at 16:18, 15.06.2024 made at 15:47 and 15.06.2024 made at 22:32 is baseless and devoid of any merits.
- (ii) The Noticee had already submitted the proposal dated 12.03.2024 to NHAI for setting-up of the 4G/5G network infrastructure on the road from Lucknow to Shahjahanpur which was approximately a stretch of 170 Kms on NH-24 to ensure seamless connectivity to moving vehicles on the said road.

- (iii) The fact of the matter was that NHAI had vide letter dated 08.04.2024 granted permission to the Noticee's proposal dated 12.03.2024 which is evidenced from the said letter dated 08.04.2024 with had the following subject mentioned thereon:

"Permission for installation of 50 nos. of 4G/5G Network Infrastructure on NH-24 (Lucknow to Shahjahanpur, 170 Km.) road within NH ROW-reg."

- (iv) The said letter dated 08.04.2024 further requested Noticee to submit all the remaining documents (which included the deposits and/ or bank guarantee(s), more granular technical data, etc., and other relevant details) in physical form to the NHAI so that NHAI could carry out further processing for implementation of the project. This submission is also supported by the fact that the Noticee's proposal dated 08.04.2024 itself suggested several documents/ information/ plans, etc., to be provided at a later stage. The relevant points from the said proposal are reproduced hereunder for ready reference:

"10. Cost Estimate and Financing Plan: A detailed cost estimate will be prepared, and a financing plan will be developed to secure funding for the project. Financing options may include government allocations, loans, grants, and public-private partnerships."

"11. Digital Map and Route: A digital map with marked locations along NH24 will be created to visualize the proposed route plan and infrastructure deployment. This map will serve as a valuable tool for project planning and coordination."

***"13. Appendices: Appendices will include detailed technical specifications, cost estimates, project schedules, environmental and social impact assessments, and other relevant documentation."**(bold supplied)*

- (v) A copy of the Noticee's proposal dated 12.03.2024 was provided to NSE through Noticee's email dated 19.06.2024 at 22:08 which was conveniently ignored by NSE, and it was also ignored in the SCN.
- (vi) It was further submitted that the details prescribed by SEBI in the Circular related to point number 5 on page 14 of the Circular contemplates that the business transactions are entered into by listed companies only in the form of an agreement and miss to comprehend a scenario wherein certain binding business transactions which are not in the course of ordinary business may be entered into by the listed company without entering into an agreement.

(b) Delay in making the announcements related to NHAI:

- (i) As alleged in the SCN, there has been a delay of approx. 50 hours by the Noticee in making the announcements dated May 27, 2024.
- (ii) The alleged delay of approximately 50 hours was completely unintentional and beyond control of the Noticee. Furthermore, SEBI has ignored the fact that the letter dated April 08, 2024 was received by the Noticee through speed post on May 25, 2024 at 14:21 PM which was actually received by the security guard of the Noticee. On 25.05.2024 (Saturday), the Delhi office of the Noticee was closed being a Lok Sabha election day in Delhi and the said office continued to remain closed on May 26, 2024 being a Sunday. Effectively, the said NHAI letter reached the compliance officer of the Noticee on May 27, 2024 and the on the same day the announcement dated May 27, 2024 was made. Hence, the alleged delay on the part of the Noticee of having made the announcement with a delay of approximately 50 hours is untenable and should be disregarded given the facts and circumstances of the present case.

Submissions common to the announcements related to BSNL and NHAI:

- (a) There was no adverse impact of any nature whatsoever on either the investors or any other stakeholder by the alleged delay in making the disclosures to the NSE which are subject matter of the SCN.
- (b) In compliance with 4(1)(c) of the LODR and to follow the applicable law in letter and spirit in compliance with 4(1)(h) of the LODR, the Noticee had communicated all required information to the stock exchange in a truthful, accurate, and transparent manner, without providing false impressions or omitting critical details that could potentially mislead investors/ other stakeholders. Further, it is pertinent to highlight that the sole intent of the Noticee behind making the disclosures was to keep the all investors and other stakeholders abreast in a manner which is fair and transparent. It is further submitted that the revised/ rectified disclosures were made in good faith with the primary objective of ensuring transparency and preventing dissemination of any misleading information to the public contrary to what has been alleged in the SCN. The Noticee remained committed to complying, in good spirit, with the regulation 4(1)(c) and 4(1)(h) of the LODR Regulations. The revisions in the announcements were undertaken as part of a responsible and proactive effort of the Noticee to uphold regulatory standards and maintain transparency.

- (c) Sub-para 5 of Para B Part A of Schedule III of the LODR Regulations r/w the Circular use the term 'Agreement' for the purposes of making disclosures under regulation 30 of the LODR Regulations. Both the said regulation r/w the Circular did not contemplate that permissions may be granted without the execution of an agreement between the relevant parties and did not consider the said NHAI's letter dated 08.04.2024 as a permission. It is a fact that NHAI had vide letter dated 08.04.2024 granted permission to the Noticee's proposal dated 12.03.2024 which is evidenced from the subject line of the said letter dated 08.04.2024.
- (d) It is submitted that through Noticee was listed on NSE in November 2023, Noticee's past track record with SEBI is clean and intact. Further, Noticee has adhered to all the regulations and guidelines prescribed by SEBI in the letter and spirit and that the Noticee has never been subject to any penalties or enforcement actions by SEBI for any violations of the applicable securities law(s).
- (e) In the event the Learned Adjudicating Officer is still not inclined to set aside the SCN, it is hereby urged to take the factors under section 15J of SEBI Act into account to ensure a fair and just assessment, reflecting the true nature and impact of the alleged non-compliance.
- (f) It is submitted that there are judicial precedents which are highlighted hereunder to interpret and understand the broader context within which 15J of the SEBI Act including the power not to levy penalty. Noticee relied upon on the following judgments for the same:
- a. M/s. Cabot International Capital Corporation v. Adjudicating Officer, SEBI, SAT Appeal No.24 of 2000;
 - b. Hindustan Steel Limited v. State of Orissa, 1970(i) SCR, 753.
7. Vide hearing notice dated May 14, 2025, Noticee was granted an opportunity of personal hearing on May 26, 2025. The Authorised Representatives (ARs) of the Noticee, viz., Mr. Sumit Garg, Advocate and Mr. Vikas Tandon, director and CFO of the Noticee appeared for the hearing on May 26, 2025 and reiterated the submissions made vide reply dated February 17, 2025. The AR further submitted that NSE had put a hold on composite issue of FPO and preferential issue for want of clarification from the Noticee with respect to the permission from NHAI for installing 4G/5G towers on NH24. However, vide email dated June 25, 2024, NSE revoked the hold on the composite issue of FPO and preferential issue on account of the clarification issued by the Noticee on the said issue. The AR of the Noticee had also undertaken to file

written submission and the aforementioned communication from NSE in a week's time.

8. Vide email dated June 03, 2025, Noticee filed written submissions and, *inter alia*, made the following additional submissions:
 - (a) For the alleged delay of approximately 50 hours in connection with the Noticee's disclosure dated May 27, 2024, in addition to its reply dated February 17, 2025, it is immensely relevant to highlight that the said letter was addressed to the "Authorized Signatory" of the Noticee without any specific name mentioned on the said letter. Consequently, it would be unreasonable to expect the recipient of the letter which in this case was the Noticee's security guard to act upon or deliver the said letter immediately to the compliance officer of the Noticee for making the disclosure within the time frame prescribed under the applicable law(s).
 - (b) Having said that, the Noticee has instructed its staff to take any such letter without any specific addressee on it must in all circumstances be immediately taken to the Noticee's compliance office for making the relevant disclosures in a timely manner to avoid any potential delay.

With respect to in-principle approval granted by NSE, putting the said approval on hold and revoking the hold on the said approval

- (c) It is highly pertinent to mention that the NSE had vide email dated June 05, 2024 granted its in-principle approval to the Noticee's composite issue which was put on hold by NSE vide email dated June 15, 2024 after the two disclosures both dated June 15, 2024 were made by the Noticee. Thereafter, on receiving the clarification vide email dated June 15, 2024 sent by the Noticee's merchant banker to the NSE on the said two disclosures, NSE after having satisfied itself with the said clarification, vide email dated June 25, 2024 revoked the hold put on its in-principle approval. A copy of the said email exchanges between the NSE and the Noticee were sent to the Ld. AO by the counsel of the Noticee vide email dated May 28, 2025.

- (d) It is also submitted that imposition of any financial penalties on the Noticee by the Ld. AO will adversely affect its shareholders. When a company is fined, it allocates funds to pay the penalty, which results in reduction of profits and, consequently, dividends, if any to be paid to its shareholders. It has been held in various judicial precedents that the public shareholders should not be made to suffer the consequences of such penalties by damaging the companies concerned.
- (e) In this regard, the Noticee relied upon the order of Hon'ble Securities Appellate Tribunal in the matter of Texmo Pipes and Products Ltd. v. SEBI (Appeal No. 608 of 2022) and Nitin Agrawal v. SEBI (Appeal No. 20 of 2019).

CONSIDERATION OF ISSUES AND FINDINGS

9. The issues that arise for consideration in the instant matter are:

Issue No. I Whether the Noticee misrepresented the facts regarding the NHAI permission for installation of network infrastructure and revenue sharing agreement with BSNL for Rohtak, in its announcements dated April 03, 2024, May 27, 2024 and June 15, 2024 and thereby violated the provisions of regulation 4(1) (c) and 4(1) (h) of LODR Regulations.

Issue No. II - Whether Noticee failed to adhere to the timelines with respect to disclosures regarding its contract with BSNL and thereby violated provisions of regulation 4(1) (d) read with regulation 30(6) read with sub-para 5 of Para B Part A of Schedule III of LODR Regulations and timelines mentioned under SEBI circular dated July 13, 2023?

Issue No. III - If yes, whether the failure, on the part of the Noticee would attract monetary penalty under sections 15A(b) and 15HA of the SEBI Act?

Issue No. IV - If yes, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 15J of the SEBI Act?

10. Before proceeding further, I would like to refer to the relevant provisions of LODR Regulations:

“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:*

.....

(c) *The listed entity shall refrain from misrepresentation and ensure that the information provided to recognized stock exchange(s) and investors is not misleading.*

.....

(h) *The listed entity shall make the specified disclosures and follow its obligations in letter and spirit taking into consideration the interest of all stakeholders*

Disclosure of events or information.

30.....

(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.

“Schedule III

PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

.....

B. *Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):*

...

5. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.”

SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023

Para / sub-para	Events	Timeline for disclosure
5.	Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.	Within 12 hours (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).

11. Now I proceed to deal with issues at hand.

Issue No. I Whether the Noticee misrepresented the facts regarding the NHAI permission for installation of network infrastructure and revenue sharing agreement with BSNL for Rohtak, in its announcements dated April 03, 2024, May 27, 2024 and June 15, 2024 and thereby violated the provisions of regulation 4(1) (c) and 4(1) (h) of LODR Regulations.

12. Since the allegation of misrepresentation in announcements pertaining to NHAI permission and BSNL revenue sharing agreement, the issue is dealt in two parts in the following paragraphs.

A. Disclosure regarding the NHAI permission for installation of network infrastructure

13. It was alleged in the SCN that Noticee misrepresented the facts regarding grant of permission to install 50 units of 4G/5G network infrastructure on NH-24 in its disclosure dated May 27, 2024 which was later clarified in the announcement dated June 15, 2024 that NHAI does not enter into any agreement, rather grants permission for installation of network infrastructure.

14. In this regard, I note that in the original announcement dated May 27, 2024, Noticee stated that *"We have been granted permission to install 50 units of 4G/5G network infrastructure on NH-14-the road that connects Lucknow to Shahjahanpur and spans 170 kilometres within the NH RoW."* As per the report on NSE, it had sought clarification from Noticee and Noticee provided the letter from NHAI dated April 8, 2024 to NSE. NSE in its report observed that the letter reflects that NHAI had only asked the Company to submit the proposal as per their guidelines and post that further course of action will be taken by their office. NSE again sought supporting documents from Noticee and Noticee resubmitted the letter of NHAI. NSE in its report further observed that the Noticee had to submit a proposal in order to install 50 units of 4G/5G network infrastructure and NHAI will then proceed with appropriate action based on the submission. Accordingly, it was observed that despite having details of NHAI letter, Noticee misrepresented the facts in its announcement dated May 27, 2024.
15. Noticee subsequently made a clarificatory announcement in this matter on June 15, 2024 wherein it stated that it had received a letter from NHAI with reference number NHAI/PIU-LKO/NH-30/NOC/MK/2024/59 requesting it to submit the proposal made with all the required documents in order to install 50 units of 4G/5G network infrastructure. NHAI will then proceed with the appropriate action based on Noticee's submission. It regretted the inadvertent error and apologised for the inaccuracies in the previous disclosure. In this connection, I find from the records that the Noticee had sent a letter to Manager, Listing, NSE wherein it claimed that the permission for installation of 50 Nos. 4G/5G Network infrastructure on HN-24 was indeed accorded by NHAI so that the disclosure made by Noticee with respect to grant of permission by NHAI to Noticee is correct and there is no erroneous reporting. Further, Noticee stated that the prime reason for filing the clarification earlier today was limited to the fact that Noticee used the standard format, i.e., Annexure A of letter dated May 27, 2024, wherein the Noticee had mentioned the *'name of the party with whom agreement has been signed'* as NHAI. However, NHAI does not enter into any 'agreement' rather grants permission for installation of network infrastructure.

16. I note that as per the SCN the misrepresentation is stemming from the fact that Noticee failed to make a complete disclosure in this regard that it had to submit a proposal in order to install 50 units of 4G/5G network infrastructure and NHAI will then proceed with appropriate action based on the submission. I note from the said letter that NHAI requested the Noticee to submit all the required documents for further necessary action. In this regard, I find that the letter from NHAI was in continuation of a proposal of Noticee dated March 12, 2024 to the Project Director, NHAI, Project Implementation Unit Lucknow.
17. Vide email dated June 19, 2024, Noticee shared its original proposal made to the Project Director, NHAI dated March 12, 2024 with NSE. The said document states about the project scope, project objectives, type of solutions, implementation plan, cost estimates and financing plan, digital map and route, etc. It also provides detailed map and 50 specific locations on NH where Noticee proposed to install the required infrastructure.
18. As evident from the email of Noticee to NSE dated June 19, 2024, the Noticee had informed NSE that “.....NHAI letter is issued only when the proposal is accepted and such letter is the permission for the installation of the 4G/5G towers. Further, we reiterate and confirm that NHAI doesn't issue any purchase order nor enters into any agreement instead issues a letter like the one it has been issued to our company. In terms of NHAI permission letter, NHAI has sought submission of the documents so that installation can commence upon completion of the procedural formalities.....” Thus, from the records, I note that the commencement of installation of the infrastructure is subject to the completion of procedural formalities, however, the same was not part of the announcement of the Noticee dated May 27, 2024.
19. Noticee further submitted that SEBI Circular dated July 13, 2023 envisages business transactions that are entered into by listed companies only in the form of an agreement and missed out to comprehend a scenario wherein certain binding business transactions which are not in the course of ordinary business may be entered into by

a listed company without entering into an agreement. In addition, government agencies do not enter into formal agreement in certain instances rather provide only the permission as in the given case.

20. In this regard, I note that the language used in sub-para 5 of para B of Part A of Schedule III of LODR Regulations as well as sub-para 5 of para B of Annexure I of the Circular dated June 13, 2023 leave no scope for ambiguity as argued by the Noticee. The language used is “**Agreements** (viz. loan agreement(s) or any other agreement(s) **which are binding and not in normal course of business**,.....” Thus, the regulation as well as the circular refer to disclosure of material information with respect to binding agreements or contracts. However, as claimed by the Noticee, the regulation and circular are not mandating a formal agreement written and signed by both the parties, it could be any binding agreement irrespective of the form. SEBI Circular dated June 13, 2023 in this regard requires disclosure of important terms and conditions such as “*name(s) of the parties with whom the agreement is entered*”, not an agreement ‘signed’ as argued by Noticee. It could even be a unilateral contract or a contract made by proposal, counter-proposal and acceptance(s), etc. Admittedly, there is a unique situation in the instant case where Noticee made a proposal to NHAI and NHAI made a counter proposal subject to performance of certain conditions by the Noticee as discussed above. This is an intermediate stage where the transactions between Noticee and NHAI has not reached its finality, which was subject to the fulfilment of conditions as provided in the NHAI letter dated April 08, 2024, to become a binding agreement. Apparently, Noticee had applied the criteria for determination of materiality of events/ information and found the aforesaid information ‘material’ and thus fit for disclosure at NSE.

21. In the aforesaid context, in the absence of an agreement which was binding the Noticee and NHAI as on May 27, 2024, I find that the disclosure made to NSE gave a picture of an already executed binding agreement between Noticee and NHAI while Noticee’s own subsequent clarifications in this regard made it clear that it would become a binding agreement only upon completion of the procedural formalities. As

such, Noticee's omission in disclosing the fact that Noticee had to submit a proposal in order to install 50 units of 4G/5G network infrastructure and NHAi will then proceed with appropriate action based on the submission, gave the announcement an impression of binding agreement. Given the circumstances, such incomplete disclosure, giving an impression of a binding agreement with NHAi while it was still subject to approval of NHAi, is a misleading announcement which also amounts to misrepresentation. During the personal hearing dated May 26, 2025, a clarification was sought in this regard from the AR of the Noticee as to the number of sites where it received permission from NHAi for commencement of work. It was informed that so far, the Noticee received permission to commence work at 47 out of the 50 sites. This, reaffirms the fact that the announcement of the Noticees, even as on date of the hearing was not factually correct and thus the original announcement on May 27, 2024 was misleading.

22. Therefore, I find that that the Noticee had violated of regulation 4(1) (c) and 4(1)(h) of LODR Regulations as alleged in the SCN.

B. Disclosure with respect to the revenue sharing agreement with BSNL for Rohtak

23. It was further alleged in the SCN that Noticee misrepresented the facts with respect to revenue sharing agreement with BSNL for Rohtak, Haryana in its disclosure dated April 03, 2025.

24. I note that Noticee in its reply admitted that it had not disclosed the revenue sharing correctly in its disclosure dated April 03, 2025. Noticee submitted that it filed the revised disclosure with the correct revenue sharing proportion on June 15, 2024. Noticee further submitted that the said disclosure was a typographical, inadvertent and non-material error.

25. In this context, reference is drawn to the order of Hon'ble SAT in the matter of Coimbatore Flavors & Fragrances Ltd. v. SEBI¹ wherein it was held that "*True and*

¹ Appeal No. 209 of 2014

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."

26. I also note from the observation of the Hon'ble SAT in the matter of Milan Mahendra Securities Pvt. Ltd. v. SEBI² wherein it was held that "*the purpose of these disclosures is to bring about transparency in the transactions and assist the Regulator to effectively monitor the transactions in the market*".

27. Further, I note that NSE's revocation on the hold on Noticee's composite issue pursuant to the two clarificatory announcements made by the Noticee dated June 15, 2024, will not negate the misrepresentations made in the original announcements by the Noticee as far as these proceedings are concerned.

28. Therefore, I find that by making misleading/incorrect announcements as above, Noticee had violated regulation 4(1) (c) and 4(1)(h) of LODR Regulations.

Issue No. II Whether Noticee failed to adhere to the timelines with respect to disclosures regarding its contract with BSNL and thereby violated provisions of regulation 4(1) (d) read with regulation 30(6) read with sub-para 5 of Para B Part A of Schedule III of LODR Regulations and timelines mentioned under SEBI circular dated July 13, 2023?

29. It was alleged in the SCN that that the Noticee made following disclosures with a delay:

Date of announcement	Details of announcement	Date and time of occurrence of event	Date and Time of Submission	Remarks
01-02-2024	Revenue-sharing agreement with BSNL for Lucknow	31-01-2024 22:14 pm	01-02-2024 12:43:05 PM	Delay of approx. 2.5 hours
16-05-2024	Revenue-sharing agreement with BSNL for Sonipat, Haryana (Rural)	15-05-2024 12:30 pm	16-05-2024 10:49:33 AM	Delay of approx. 10 hours

² Appeal No. 66 of 2003

27-05-2024	NHAI granted permission to install 50 units of 4G/5G network infrastructure on NH-24, the road that connects Lucknow to Shahjahanpur and spans 170 kilometres within the NH Row.	25-05-2024 14:21 pm	27-05-2024 16:18 pm	Delay of approx. 50 hours
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30. In this regard, Noticee submitted that the delayed disclosures with respect to BSNL were highly technical and unintentional. Noticee further submitted that Revenue Sharing Agreement – Lucknow was received by the CEO and MD of the Noticee from BSNL on January 31, 2024 at 22:14 PM which was forwarded by him to the Compliance Officer of the Noticee through email on January 31, 2024 at 11:45 PM. Thereafter, the announcement was made on February 01, 2024 at 12:43 PM. In this regard, I have perused the documents submitted by the Noticee and the emails claimed to have received and forwarded by CEO and MD of Noticee are not placed on record by the Noticee. That being so, I am not inclined to accept the argument of the Noticee that the delay was due to late receipt of the email from BSNL.
31. With regard to the delayed disclosure of the Revenue Sharing Agreement with BSNL, Sonapat, Haryana, Noticee did not make any submissions on merit. Noticee merely submitted that delay in making the disclosure was unintentional.
32. For the delayed disclosure of the permission by NHAI to install 50 units of 4G/5G network infrastructure on NH-24, Noticee submitted that NHAI had sent the said permission by post addressing it to the Authorised Signatory of the Noticee. The said permission was received by the security guard of the Noticee on May 25, 2024 (Saturday) which was an election day in Delhi and therefore, the staff was on leave to exercise the franchise. The same was received by the Compliance Office on May 27, 2025 and the disclosure was made on the same day. Hence, the alleged delay on the part of the Noticee of having made the announcement with a delay of approximately 50 hours is untenable and should be disregarded given the facts and circumstances of the present case.

33. The Noticee also submitted that now it has put in a system in place that these letters are immediately reported to concerned official in the company for making timely disclosures.

34. In this regard, I note that the Noticee being a listed company was required to put in systems in place so that there is a timely dissemination of the information to the public through disclosures as these disclosures enable the investors to make informed decision regarding the investment in the listed company.

35. I note that it is a mandatory obligation on the listed entities to make disclosures within the stipulated time. Reliance is placed on the order of Hon'ble SAT in the matter of Virendrakumar Jayantilal Patel v. SEBI³ wherein Hon'ble SAT observed that:

“...obligation to make disclosures within the stipulated time is a mandatory obligation and penalty is imposed for not complying with the mandatory obligation. Similarly, argument that the failure to make disclosures within the stipulated time, was unintentional, technical or inadvertent and that no gain or unfair advantage has accrued to the appellant, is also without any merit, because, all these factors are mitigating factors and these factors do not obliterate the obligation to make the disclosures.”

36. From the foregoing, I find that Noticee had failed to make disclosures within the specified timelines with respect to revenue sharing agreement with BSNL for Lucknow, Sonipat and NHAI permission to install 50 units of 4G/5G network infrastructure in violation of regulation 4(1) (d) read with regulation 30(6) read with sub-para 5 of Para B Part A of Schedule III of LODR Regulations and timelines mentioned under SEBI circular dated July 13, 2023.

³ Appeal No. 299 of 2014, date of order October 14, 2014

Issue No. III If yes, whether the failure, on the part of the Noticee would attract monetary penalty under sections 15A(b) and 15HA of the SEBI Act?

Issue No. IV If yes, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 15J of the SEBI Act?

37. From the previous paragraphs, I note that it is established that the Noticee had violated regulation 4(1) (c) and 4(1)(h) of LODR Regulations and regulation 4(1) (d) read with regulation 30(6) read with sub-para 5 of Para B Part A of Schedule III of LODR Regulations and timelines mentioned under SEBI circular dated July 13, 2023.

38. In view of the foregoing, I am convinced that the Noticee is liable for monetary penalty under sections 15A(b) and 15 HA of SEBI Act. The provisions of sections 15A(b) and 15HB of the SEBI Act is reproduced as under:

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

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

.....

(b) to file any return or furnish any information, books or other documents within the time specified therefor in the regulations, fails to file return or furnish the same within the time specified therefor in the regulations 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.”

39. While determining the quantum of penalty under section 15A(b) and 15HB of the SEBI Act, I have taken into account the following factors stipulated in section 15J of the SEBI Act:

“Factors to be taken into account by the adjudicating officer

15J 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.”

40. The material available on record has not quantified the amount of disproportionate gain or unfair advantage, if any, made by the Noticee and the loss, if any, and suffered by the investors as a result of its failure. The objective behind making timely and true disclosures is that the investing public shall not be deprived of any vital information in respect of their investments in the securities market.

41. I also note that these non-compliances were revised/rectified by the Noticee suo motu. I also note that the Noticee has now put in systems in place to address these lapses. These factors have been taken into consideration while adjudging the penalty.

42. Further, with regard to levying of penalty, Noticee has relied upon orders of Hon'ble SAT in the matter of Texmo Pipes and Products Ltd. v. SEBI (Appeal No. 608 of 2022) and Nitin Agrawal v. SEBI (Appeal No. 20 of 2019). Vide said orders, Hon'ble SAT had observed that higher penalty amounts to discrimination when it was the first offence. Hon'ble SAT had further observed the penalising the company with heavy penalty is in fact penalising the shareholders which is not justifiable. The said observations of Hon'ble SAT are considered while levying the penalty in the present case.

ORDER

43. Having considered all these facts and circumstances of the case, the material available on record, the factors mentioned in section 15J of the SEBI Act and in exercise of the powers conferred upon me under section 15-I of the SEBI Act read with rule 5 of the Rules, I hereby impose a penalty of Rs.1,00,000/- (Rupees One

Lakh) under section 15A(b) of SEBI Act and Rs.1,00,000/-(Rupees One Lakh) under section 15HB of SEBI Act on the Noticee for the violations as specified in this order.

44. I am of the view that the said penalty is commensurate with the lapses/omissions on the part of Noticee.

45. Noticee shall remit/pay the said amount of penalty within 45 days of receipt of this order through the 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.

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

Date : September 04, 2025
Place : Mumbai

Jai Sebastian
Adjudicating Officer