



**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/JS/DP/2026-27/32428]**

**UNDER SECTION 23-I OF SECURITIES CONTRACTS (REGULATION) ACT, 1956
READ WITH RULE 5 OF SECURITIES CONTRACTS (REGULATION) (PROCEDURE
FOR HOLDING INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING
OFFICERS), RULES, 2005**

In respect of:

**New Delhi Television Limited
(PAN No. AAACN0865D)**

in the matter of New Delhi Television Limited

BACKGROUND OF THE CASE

1. New Delhi Television Limited (hereinafter referred to as “**NDTV/ Noticee**”) is a company listed on the BSE Limited (hereinafter referred to as “**BSE**”) and National Stock Exchange of India Limited (hereinafter referred to as “**NSE**”) (hereinafter BSE and NSE together referred as “**Stock Exchanges**”). Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) vide order dated June 26, 2018 (hereinafter referred to as “**2018 SEBI Order**”), *inter alia*, concluded that Vishvapradhan Commercial Private Limited (hereinafter referred to as “**VCPL**”) had indirectly acquired control in NDTV by entering into a loan agreement and the call option agreement on July 21, 2009 (hereinafter referred to as “**2009 Loan Agreement**”), with the promoters of NDTV and therefore, directed VCPL to make public announcement to acquire shares of NDTV in accordance with the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as “**Takeover Regulations**”), within a period of 45 days from the date of the said order.
2. Subsequent to above order, Noticee vide its letter dated June 27, 2018 made a disclosure to the Stock Exchanges stating that “... *NDTV reconfirms that Dr. Prannoy Roy and Mrs. Radhika Roy individually and through their company, i.e., RRPR Holding*



Private Limited (hereinafter referred to as “RRPR”) continue to own and hold 61.45% of the total paid up share capital of NDTV and control NDTV...”. Further, vide letter dated July 02, 2018, the Noticee had made another disclosure to BSE reiterating above stand and further stated that, “...we confirm that in our view there was nothing in the knowledge of NDTV which was not available in public domain and which may have an impact on the share price of NDTV...”

3. Thereafter, SEBI received a representation dated July 30, 2018 from Dinkar Singh (Advocate) on behalf of Quantum Securities Pvt. Ltd., a shareholder of NDTV (hereinafter referred to as ‘**complainant**’), alleging violations of various securities laws by the promoters of NDTV. In view of the chronology of issues stated in the representation by the complainant, SEBI carried out an investigation for the period from October 14, 2008 to September 30, 2010 to ascertain possible violations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**LODR Regulations**”).
4. Based on the findings of the investigation, SEBI initiated adjudication proceedings against Noticee under section 23E of the Securities Contracts (Regulation) Act, 1956 (hereinafter referred as “**SCRA**”) for the alleged violation of regulation 30(1), 30(3), 30(4) and 30(6) read with clause 8 of Para B of Part A of Schedule III of LODR Regulations and clause 8 of Para B of Annexure-I to the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015.

APPOINTMENT OF ADJUDICATING OFFICER

5. SEBI had appointed an Adjudicating Officer (hereinafter referred to as “**AO**”) in the matter vide communique dated January 13, 2020. Pursuant to reallocation of cases, vide communique dated April 21, 2025, SEBI appointed the undersigned as AO under section 23 I of the SCRA read with rule 3 of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 (hereinafter



referred to as the “**Rules**”) to inquire into and adjudge the aforesaid violations under section 23E of SCRA.

SHOW CAUSE NOTICE, REPLY AND HEARING

6. A Show Cause Notice No. EAD-2/AP/VS/2930/2020 dated January 22, 2020 (hereinafter referred to as “**SCN**”) was issued to the Noticee to show cause as to why an inquiry should not be initiated against it and penalty, if any, should not be imposed upon it under the provisions of section 23E of SCRA, for violation of regulation 30(1), 30(3), 30(4) and 30(6) read with clause 8 of Para B of Part A of Schedule III of LODR Regulations and clause 8 of Para B of Annexure-I to the SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015, alleged to have been committed by the Noticee.
7. The SCN was duly served upon the Noticee by Speed Post Acknowledgement Due. Vide letter dated February 07, 2020, the Noticee submitted that DMD Advocates will be its authorized representative (AR) in the instant proceedings. The AR vide its letter dated February 07, 2020 submitted its preliminary response to the SCN and stated that “...*In view of VCPL’s challenge in respect of the SEBI order dated 26 June 2018, bearing Appeal bearing no. 293 of 2018, pending before the Hon’ble Securities Appellate Tribunal, scheduled for final hearing on 24 February 2020, it is respectfully submitted that since the matter is sub judice, the captioned Show Cause Notice is premature, and thus, liable to be withdrawn and/or revoked in limine, and, in any event, the Show cause Notice is liable to be kept in abeyance, pending the outcome of Appeal No.293 of 2018...*”
8. However, the request of the AR was not acceded to and in the interest of natural justice and in terms of rule 4(3) of the Rules an opportunity of personal hearing was granted to the Noticee on March 20, 2020 vide notice dated March 05, 2020. The AR vide its letter dated March 13, 2020 requested for inspection of relied upon documents including internal noting, etc. Vide email dated March 18, 2020, the AR was informed



about the adjournment of the scheduled hearing due to ongoing pandemic situation. Thereafter, on August 03, 2020 an opportunity of personal hearing was granted to the Noticee on August 11, 2020 and it was further adjourned to September 11, 2020. The details of the hearing before erstwhile AO is tabulated below:

Date of Hearing	Brief Submissions by the ARs	Brief Records of Hearing
March 20, 2020	AR reiterated its request for inspection of all the documents and/ or material collected by the SEBI preceding/ during/ following investigations, including but not limited to internal file notings, orders/directions and statements recorded. (Letter dated March 13, 2020)	Inspection request rejected referring to earlier communications made in this regard by erstwhile AO. Hearing adjourned due to ongoing pandemic. (E-mail dated March 18, 2020)
August 11, 2020	AR submitted that the matter was not suitable for virtual hearing, owing to complex legal issues and thus, requested for adjournment of hearing due to lockdown environment in State of Maharashtra until August 31, 2020. (E-mail dated August 10, 2020)	Hearing Adjourned for month of September.
September 11, 2020	AR submitted that the matter was not suitable for virtual hearing, owing to complex legal issues and thus, requested for adjournment of hearing due to lockdown environment in State of Maharashtra until September 30, 2020. Reiterated request for inspection of records. (E-mail dated September 10, 2020)	Request of inspection of document rejected. There was no restriction on movement as per the Government of Maharashtra order No. DMU/2020/CR. 92/DisM-1 dated August 31, 2020 opportunity of hearing was given to the Noticee on September 17, 2020 at 4 PM onwards.
October 23, 2020	The matter could not reach to hearing due to arguments in another matter of NDTV pursuant to SCN dated August 20, 2020, wherein the same AR was appearing.	The hearing was adjourned to October 27, 2020 to begin at 11 AM.
October 27, 2020	The AR made oral submissions at length and requested for the adjournment.	The hearing was adjourned to November 05, 2020 at 11 AM.
November 05, 2020	The AR made oral submissions at length and requested that a written submissions.	Hearing was concluded. The request of AR was considered and time to file written submissions by November 23, 2020 was granted.

9. The allegations made in the SCN are summarised as under:



- a) *NDTV is a company listed on the BSE and NSE. SEBI, vide order dated June 26, 2018, inter alia, concluded that VCPL had indirectly acquired control in NDTV, by entering into a loan agreement and the call option agreement on July 21, 2009 with the promoters of NDTV and thereafter, directed VCPL to make public announcement to acquire shares of NDTV in accordance with the provisions of Takeovers Regulations within a period of 45 days from the date of the said order.*
- b) *Subsequent to above order, the Noticee vide its letter dated June 27, 2018 made a disclosure to the stock exchanges stating that "... NDTV reconfirms that Dr. Prannoy Roy and Mrs. Radhika Roy individually and through their company, i.e., RRRPR Holding Private Limited continue to own and hold 61.45% of the total paid up share capital of NDTV and control NDTV...". Further, vide letter dated July 02, 2018, the Noticee made another disclosure to BSE reiterating above submission and, inter alia, also submitted that, "...we confirm that in our view there was nothing in the knowledge of NDTV which was not available in public domain and which may have an impact on the share price of NDTV..."*
- c) *Thereafter, SEBI received a representation dated July 30, 2018 by Dinkar Singh (Advocate) on behalf of Quantum Securities Pvt. Ltd., a shareholder of NDTV (hereinafter referred to as 'complainant'), alleging violations of various securities laws by the promoters of NDTV. In view of the chronology of issues stated in the representation dated July 30, 2018 by the complainant, SEBI conducted an investigation for the period from October 14, 2008 to September 30, 2010. One of the issue raised by the complainant was that "...Under the Order, it is clear that the control of the Company was taken over by VCPL and NDTV was mandatorily required to disclose the same to the Stock Exchanges, acquisitions of Company being a material event under clause 36 of the Listing Agreement. However, neither the Promoters nor the Company has disclosed the same to the Stock Exchanges. In fact, they continue to hide the fact as stated in the disclosure made on July 02, 2018..."*
- d) *During the investigation by SEBI, comments of the Noticee were sought in the matter and the Noticee vide its letter dated August 19, 2019 submitted that it was neither a party to the proceedings in the matter of VCPL nor was aware that SEBI proceedings were ongoing in the matter against VCPL in relation to the Noticee and also that none of its promoters were party to the proceedings. The Noticee further submitted that subsequent to coming across SEBI's order dated June 26, 2018, through news reports, it had made clarification /disclosures to stock exchanges on June 29, 2018.*
- e) *The explanation of the Noticee was not found satisfactory in terms of clause 36 of Listing Agreement (applicable at the time of transaction) by the Investigating Authority. It was observed that a listed entity is required to disclose any information having bearing on the operation/performance of the company to the stock exchanges. In view of the same, NDTV ought to have disclosed the change in control in the listed entity to the stock exchange under clause 36 of the Listing Agreement.*
- f) *In view of the above, it was alleged that by not disclosing the above fact to the stock exchanges, the Noticee had violated the provisions of regulation 30(1), 30(3), 30(4) and 30(6) read with clause 8 of Para B of Part A of Schedule III of LODR Regulations and clause 8 of Para B of Annexure-I to the SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015.*



10. The Noticee, *inter alia*, made following submissions in its reply dated November 04, 2020 and post hearing submissions dated November 23, 2020 as under:
- a) *In order to sustain a Show Cause Notice premised on violation or contravention of a regulatory obligation, it is imperative that direct nexus between the alleged breach and the legal obligation must be distinctly apparent, on plain reading.*
 - b) *It is not in dispute that the Noticee is neither affiliated with nor bears risk or responsibility for the business or activities of VCPL, and as such, the law does not impose any obligation to discharge reporting requirements concerning litigation or adjudication to which VCPL may be party.*
 - c) *At best, a lender-borrower relationship exists between VCPL and the Promoter Group, which did not give rise to any regulatory obligation for the Noticee.*
 - d) *The order dated June 26, 2018 did not issue directions to the Noticee that would result in any reporting obligations whatsoever.*
 - e) *The Noticee has neither any right nor nexus whatsoever in or to VCPL, and as such there is no requirement, in law, for the Noticee to make disclosure to the stock exchanges of orders made against third parties, based on an application of the legal principles of corporate separateness.*
 - f) *The subject order dated June 26, 2018 passed by SEBI against VCPL has not been served by SEBI upon the Noticee; no reporting obligation can attach in respect of litigation to which the Noticee is not joined as party.*
 - g) *The Noticee has no role or responsibility whatsoever owed to VCPL in relation to the loan arrangements between VCPL and promoters of the Noticee.*
 - h) *The Noticee has made diligent efforts to, but remains unable to ascertain any form of participation in the SEBI adjudication proceedings against VCPL in any form or manner whatsoever, including of any statement from officer or director of the Noticee recorded by SEBI in the course of proceedings conducted by SEBI against VCPL, and in the absence of inspection granted by the SEBI, is unable to determine the correct position in this regard. The Noticee verily believes that at no stage of the proceedings against or by VCPL has the SEBI called upon the Noticee to partake therein.*
 - i) *The Noticee is not aware of any purported 'change of control' absent manifestation thereof whatsoever, and by way of abundant caution, purely in response to false market rumours, had duly verified from, and been assured by the Promoters, that there is no 'change of control' in relation to Promoter Group shareholding; which stands duly recorded in minutes of a board meeting of the Noticee, held on August 5, 2015.*
 - j) *In any event, on June 27, 2018 (Annexure B to the SCN), i.e., within 24 hours of the order dated June 26, 2018 made against VCPL, in response to "news item published in various electronic and print media on June 26-27, 2018" the Noticee issued a clarification to the stock exchanges that the Promoters continued to "own and hold 61.45% of the total paid up share capital of NDTV, and control NDTV."*
 - k) *Again, on July 2, 2018, in response to the Surveillance Section of the BSE, the Noticee confirmed "In our view there has been no change in control..."*
 - l) *It is not the case set forth in the SCN that the Noticee had knowledge of, or bears risk or responsibility for the business and activities of VCPL, including but not limited to any obligation to discharge reporting requirements concerning any litigation or adjudication to which VCPL may be party, since VCPL is neither a promoter/shareholder of the Noticee, nor a subsidiary or associate of the Noticee.*



- m) *The framework for disclosure of events or information, set down under regulation 30 of the LODR Regulations, has no application, and the SEBI Circular, as a necessary corollary can have no relevance.*
- n) *Regulation 30(1) stipulates that every listed entity shall make disclosures of events or information, which in the opinion of the board of directors of the listed company, is considered material.*
- o) *Regulation 30(2) stipulates events specified in Para A to Part A of Schedule III are deemed to be material events and that a listed entity shall make disclosure of such events.*
- p) *Regulation 30(3) stipulates that a listed entity shall make disclosure of events specified in Para B to Part A of Schedule III, based on application of the guidelines for materiality, as specified in sub-regulation (4), which further stipulates that the listed entity shall consider the following criterion for determination of materiality of events / information, viz.: (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or (b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or (c) in cases where (a) and (b) are not applicable, an event or information may be treated as being material if in the opinion of the board of directors of listed entity, the event or information is considered material.*
- q) *Further, regulation 30(6) of the LODR Regulations relates to mandatory disclosures of material events under regulation 30(2) read with Para A to Part A of Schedule III and in circumstances of not having been alleged under the SCN, have no application whatsoever to disclosures liable to be made after determination of materiality by a listed entity under regulation 30(3), 30(4) read with Para B to Part A of Schedule III.*
- r) *Circular dated September 9, 2015 issued by the SEBI, in relation to 'Continuous Disclosure Requirements for Listed Entities - regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015', which at 'Annexure - 1' indicates the details that need to be provided while disclosing the events given inter alia in Para B of Schedule III, which specifically covers clause 8 of Para B, as follows:*

"8. Litigation(s) / dispute(s) / regulatory action(s) with impact: The listed entity shall notify the stock exchange(s) upon it or its key management personnel or its promoter or ultimate person in control becoming party to any litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings or upon institution of any litigation, assessment, adjudication, arbitration or dispute including any adinterim or interim orders passed against or in favour of the listed entity, the outcome of which can reasonably be expected to have an impact.

8.1. At the time of becoming the party:

- a) *brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;*
- b) *expected financial implications, if any, due to compensation, penalty etc;*
- c) *quantum of claims, if any;*

8.2. Regularly till the litigation is concluded or dispute is resolved:

- a) *the details of any change in the status and / or any development in relation to such proceedings;*
- b) *in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings;*



- c) *in the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity."*
- s) *The Circular, therefore, requires the following four categories of litigations having a bearing on a listed entity, becoming liable to disclosure:*
- (1) The listed entity itself;*
 - (2) Key management personnel of the listed entity;*
 - (3) Promoter of the listed entity; or*
 - (4) Ultimate person in control of the listed entity.*
- t) *The VCPL order does not fulfil any of these four criterion.*
- u) *The Noticee without prejudice to its contention that no disclosure, either under clause 36 of the Equity Listing Agreement or under regulation 30 of the LODR Regulations read with SEBI Circular dated September 9, 2015, was liable to be made, by way of abundant caution, and purely to safeguard its position, in respect of matters contained in the order dated June 26, 2018, notified clarificatory disclosures to the Stock Exchanges on June 27, 2018 and further on June 29, 2018.*
- v) *Upon receipt of information through print and electronic media reports, as to the issuance of the order dated June 26, 2018, the Noticee promptly verified the correct position from the Promoters, and immediately notified the stock exchanges on June 27, 2018, through issuance of clarificatory disclosures to the effect that: "...NDTV reconfirms that Dr. Prannoy Roy and Mrs. Radhika Roy individually and through their company, i.e., RRPR Holding Private Limited continue to own 61.45% of the total paid up share capital of NDTV, and control NDTV....".*

11. The matter was heard by the first AO, however the first AO was transferred before passing of order. Since then due to reallocation of cases multiple times, the matter has changed hands, before it was allocated to the undersigned.

12. Pursuant to reallocation of the case to the undersigned, vide hearing notice dated June 26, 2025, Noticee was granted another opportunity of hearing. The ARs of the Noticee, viz., Ms. Fereshte Sethna, Advocate, DMD Advocates assisted by Mr. Abhishek Tilak and Mr. Nikhil Guliani, Advocate DMD Advocates appeared for the hearing on July 04, 2025 and reiterated the submissions made vide replies dated December 03, 2020 and July 04, 2025. It is also noted that appeal has been filed before Hon'ble Supreme Court against Hon'ble SAT order dated July 21, 2022.

13. Vide email dated July 04, 2025, Noticee filed additional submissions, *inter alia*, stating as follows:

- a) *Vide order dated July 21, 2022 the Hon'ble SAT, while disposing SAT Appeals No. 293 of 2018, 294 to 296 of 2019 and 77 to 80 of 2019 ("SAT Order"), held that VCPL had not acquired any direct or indirect control of NDTV.*



- b) *SEBI has challenged the SAT order dated July 21, 2022 passed in the hands of VCPL before the Hon'ble Supreme Court in Civil Appeal No. 7312 of 2022. Materially, the Hon'ble Supreme Court has not stayed the operation, effect and implementation of the SAT order dated July 21, 2022.*
- c) *During the pendency of the proceedings before the Hon'ble Supreme Court, the erstwhile promoters of NDTV have sold and transferred their shareholding to RRPR Holding Private Limited (a subsidiary of Adani Enterprises Limited), which was duly disclosed to the stock exchanges on December 23, 2022 and December 30, 2022 respectively. This transaction conclusively establishes that the right, title and interest in the shareholding of the erstwhile promoters of NDTV, at all material times, remained with the erstwhile promoters of NDTV.*
- d) *Accordingly, allegations in the SCN that failure on the part of Noticee, to disclose an order dated June 26, 2018 passed by SEBI in the case of VCPL to the stock exchanges, is a violation of regulation 30(1), 30(3), 30(4) and 30 (6) read with clause 8 of Para B to Part A of Schedule III of LODR Regulations and clause 8 of Para B of Annexure - I to SEBI Circular bearing no. CIR/CFD/CMD/4/2015 dated September 9, 2015, read with clause 36 of the Equity Listing Agreement, and has rendered NDTV liable to penalty under section 23 E of SCRA cannot be sustained in light of the observations in SAT order dated July 21, 2022.*
- e) *The order dated June 26, 2018 passed in the hands of VCPL did not issue directions to the Noticee that would result in any reporting obligations whatsoever.*
- f) *Upon receipt of information through print and electronic media reports, as to the issuance of the SEBI order dated June 26, 2018 in the hands of VCPL, the Noticee promptly verified the correct position from the erstwhile promoters, and immediately notified the stock exchanges on **June 27, 2018**, through issuance of clarificatory disclosures to the effect that: "...NDTV **reconfirms** that Dr. Prannoy Roy and Mrs. Radhika Roy individually and through their company, i.e., RRPR Holding Private Limited continue to own 61.45% of the total paid up share capital of NDTV, and control NDTV....". No further action by the Noticee was required.*
- g) *In its notification of June 27, 2018, within barely 24 hours of the SEBI order dated June 26, 2018 in the hands of VCPL, it was recorded that this notification was in response to "news item published in various electronic and print media on June 26-27 2018" that the erstwhile promoters continued to "own and hold 61.45% of the total paid up share capital of NDTV, and control NDTV."*
- h) *The prompt action of June 27, 2018 was followed by **further disclosure of June 29, 2018**, including a statement from the erstwhile promoters of NDTV, which specifically asserted that the allegation that control of NDTV was acquired by VCPL through the loan transactions was factually incorrect and that shares of NDTV comprising 61.45% were not transferred to VCPL and that the erstwhile Promoters continued to exercise voting rights, and consequently retained control in NDTV, which was not ceded either directly or indirectly, as alleged.*
- i) *It is not in dispute that the Noticee is neither affiliated with, nor bears risk or responsibility for the business or activities of VCPL, and as such, the law does not impose any obligation to discharge reporting requirements concerning litigation or adjudication to which VCPL may be party.*
- j) *At best, a lender-borrower relationship existed between VCPL and the Promoter Group, which did not give rise to any regulatory obligation for the Noticee, which in case has now been put to rest vide SAT order dated July 21, 2022.*



- k) *The framework for disclosure of events or information, set down under regulation 30 of the LODR Regulations, has no application to the facts in this SCN, and the SEBI Circular, as a necessary corollary can have no relevance.*
- l) *The overbroad allegations in the SCN fail to narrow down how the order dated June 26, 2018 passed in the hands of VCPL was liable to disclosure under the LODR Regulations, including Part A of Schedule III.*
- m) *Regulation 30(1) stipulates every listed entity shall make disclosures of events or information, which in the opinion of the board of directors of the listed company, is considered material.*
- n) *As to materiality, the action of the Noticee on June 29, 2018 (copy appended to the SCN) bears utmost relevance.*
- o) *Regulation 30(2) stipulates events specified in Para A to Part A of Schedule III are deemed material events and that a listed entity shall make disclosure of such events.*
- p) *The present case does not fall within regulation 30(2) or Para A to Part A of Schedule III. Regulation 30 (3) stipulates that a listed entity shall make disclosure of events specified in Para B to Part A of Schedule III, based on application of the guidelines for materiality, as specified in sub-regulation (4), which further stipulates that the listed entity shall consider the following criterion for determination of materiality of events / information, viz.: (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or (b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or (c) in cases where (a) and (b) are not applicable, an event or information may be treated as being material if in the opinion of the board of directors of listed entity, the event or information is considered material.*
- q) *Further, regulation 30(6) of the LODR Regulations relates to mandatory disclosures of material events under regulation 30(2) read with Para A to Part A of Schedule III and no allegation is made in the SCN as to mandatory disclosure.*
- r) *Clause 8 of Para B to Part A of Schedule III reads as follows: "Litigation(s) / dispute(s) / regulatory action(s) with impact". In the absence of 'change of control', an erroneous conclusion of a regulatory authority, is not one bearing 'impact'.*
- s) *Circular dated September 9, 2015 issued by the SEBI, in relation to 'Continuous Disclosure Requirements for Listed Entities – Regulation 30 of LODR Regulations, indicates the details that need to be provided while disclosing the events given, inter alia, in Para B of Schedule III, which specifically covers clause 8 of Para B, as follows:*
***"8. Litigation(s) / dispute(s) / regulatory action(s) with impact:** The listed entity shall notify the stock exchange(s) upon it or its key management personnel or its promoter or ultimate person in control becoming party to any litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings or upon institution of any litigation, assessment, adjudication, arbitration or dispute including any ad-interim or interim orders passed against or in favour of the listed entity, the outcome of which can reasonably be expected to have an impact.*
- 8.1. At the **time of becoming the party:***
- a) brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;*
- b) expected financial implications, if any, due to compensation, penalty etc;*
- c) quantum of claims, if any;*
- 8.2. Regularly **till the litigation is concluded or dispute is resolved:***



- a) *the details of any change in the status and / or any development in relation to such proceedings;*
- b) *in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings;*
- c) *in the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity.”*
- t) *The Circular, therefore, requires the following four categories of litigations having a bearing on a listed entity, becoming liable to disclosure:*
- (1) The listed entity itself;*
 - (2) Key management personnel of the listed entity;*
 - (3) Promoter of the listed entity; or*
 - (4) Ultimate person in control of the listed entity.*
- u) *The order dated June 26, 2018 in the hands of VCPL does not fulfil any of these four criteria, since it is neither the listed entity nor promoter nor person in control.*
- v) *The Circular construed with regulation 30(3) read with 30(4) and under clause 8 of Para B to Part A of Schedule III, renders apparent that the VCPL order did not qualify for disclosure by the Noticee.*
- w) *The SCN erroneously proceeds on the footing that the Noticee allegedly violated clause 36 of the Equity Listing Agreement, and ought to have disclosed the purported ‘change in control’ to the stock exchanges.*
- x) *Significant by its absence is the identification of a date when such alleged ‘change in control’ occurred. It was not open to the Noticee to determine such date on its own, and none was available in the order dated June 26, 2018 in the hands of VCPL of the SEBI.*
- y) *Clause 36(5) of the Equity Listing Agreement, purportedly alleged to have been violated by the Noticee, reads thus:*
- “(5) Litigation/dispute with a material impact**
The Company will promptly after the event inform the Exchange of the developments with respect to any dispute in conciliation proceedings, litigation, assessment, adjudication or arbitration to which it is a party or the outcome of which can reasonably be expected to have a material impact on its present or future operations or its profitability or financials.”
- z) *The language “or the outcome of which can reasonably be expected to have a material impact” must necessarily pertain to governmental policy issues concerning the business of a listed company and has no application to the facts in hand.*
- aa) *The SCN relies on false allegations made by QSPL vide complaint dated July 30, 2018, an extract whereof has been relied upon, purportedly reporting control of NDTV taken over by VCPL, to conclude a materiality event under clause 36 of the Equity Listing Agreement.*
- bb) *The complaint falsely asserts that the Noticee has hidden facts as to alleged ‘change in control’ in the letter dated July 2, 2018 issued to the stock exchanges.*
- cc) *The Noticee vide its letter dated July 2, 2018 has unequivocally stated that neither NDTV nor its erstwhile promoters were parties to the adjudication proceedings and that there was no ‘change in control’ of NDTV, and that its erstwhile promoters, viz., Dr. Prannoy Roy, Mrs. Radhika Roy individually and through their Company, i.e., RRPR Holding*



- Private Limited owned and continue to own and control 61.45% of the total paid up share capital of NDTV, and as such there is no change of control of NDTV.*
- dd) *The said letter dated July 2, 2018 further stated that there was nothing within the knowledge of NDTV not available in public domain, which would have an impact on the share price of NDTV, and therefore it was deemed by the board of directors that the order dated June 26, 2018 passed in the hands of VCPL and the finding thereunder had no materiality to NDTV, which was clarified vide disclosures issued on June 27, 2018 to the stock exchanges.*
- ee) *The Noticee submitted that the intent and purport of the letter dated July 2, 2018 addressed to the stock exchanges, be read, for its plain meaning, rather than to become the basis for false and frivolous complaints aimed to settle personal scores and vendetta wreaked by the persons in control of QSPL upon the promoters of NDTV.*
- ff) *The Noticee, upon receipt of a letter dated August 13, 2019 from the SEBI, after lapse of more than a year since the said order dated June 26, 2018 was published, submitted its response vide letter dated August 19, 2019, duly relaying steps taken to safeguard misinformation operating in the public domain vis-à-vis NDTV as follows:*
- (i) issuance of clarificatory disclosures notifying stock exchanges that there was no 'change in control' of NDTV and that its erstwhile promoters, viz., Dr. Prannoy Roy, Mrs. Radhika Roy individually and through their Company, i.e., RRPR Holding Private Limited continue to own and control 61.45% of the total paid up share capital of NDTV, and thus control NDTV;*
 - (ii) neither NDTV nor its erstwhile promoters were a party to the adjudication proceedings, initiated against VCPL;*
 - (iii) prompt disclosures were made by way of abundant caution by NDTV, upon receipt of information as to the order dated June 26, 2018 via. print and electronic media; and*
 - (iv) further clarificatory disclosures were issued on June 29, 2018, after obtaining a copy of the order dated June 26, 2018 passed in the hands of VCPL.*
- gg) *Therefore, notwithstanding no requirement on the part of the Noticee to disclose the order dated June 26, 2018 passed in the hands of VCPL, the Noticee adopted reasonable bona fide steps to notify the non-existence of materiality upon NDTV vis-à-vis the order dated June 26, 2018 passed in the hands of VCPL, including through issuance of clarificatory disclosures to the stock exchanges, in manner whereby misinformation as to alleged 'change in control' of NDTV would be quelled.*

CONSIDERATION OF ISSUES AND FINDINGS

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

- Issue No. I** Whether the Noticee failed to disclose the 2018 SEBI Order passed against VCPL and thereby violated regulation 30(1), 30(3), 30(4) and 30(6) read with clause 8 of Para B of Part A of Schedule III of LODR Regulations and clause 8 of Para B of Annexure-I to the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015?



Issue No. II Whether the failure, on the part of the Noticee would attract monetary penalty under section 23E of SCRA?

Issue No. III If yes, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 23J of SCRA?

15. Before proceeding further, I would like to refer to the relevant provisions of the LODR Regulations and the circular thereof:

LODR Regulations

“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.

...

(3) The listed entity shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified in sub-regulation (4).

(4) (i) The listed entity shall consider the following criteria for determination of materiality of events/ information:

(a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

(b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;

(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

(ii) The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.

...

6) The listed entity shall first disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information: Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay: Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within thirty minutes of the conclusion of the board meeting.”

Clause 8 of Para B of Part A of Schedule III of LODR Regulations

“8.Litigation(s) / dispute(s) / regulatory action(s) with impact.”

Clause 8 of Para B of Annexure-I to the SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015



“8. Litigation(s)/dispute(s)/regulatory action(s) with impact: *The listed entity shall notify the stock exchange(s) upon it or its key management personnel or its promoter or ultimate person in control becoming party to any litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings or upon institution of any litigation, assessment, adjudication, arbitration or dispute including any ad-interim or interim orders passed against or in favour of the listed entity, the outcome of which can reasonably be expected to have an impact.*

8.1. At the time of becoming the party:

- a) *brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;*
- b) *expected financial implications, if any, due to compensation, penalty etc;*
- c) *quantum of claims, if any;*

8.2. Regularly till the litigation is concluded or dispute is resolved:

- a) *the details of any change in the status and / or any development in relation to such proceedings;*
- b) *in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings;*
- c) *in the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity.”*

Issue No. I Whether the Noticee failed to disclose the 2018 SEBI Order passed against VCPL and thereby violated regulations 30(1), 30(3), 30(4) and 30(6) read with clause 8 of Para B of Part A of Schedule III of LODR Regulations and clause 8 of Para B of Annexure-I to the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015?

16. It was alleged in the SCN that the Noticee failed to make the necessary disclosure in terms of regulations 30(1), 30(3), 30(4) and 30(6) of LODR Regulations read with clause 8 of Para B of Part A of Schedule III of the LODR Regulations and clause 8 of Para B of Annexure-I to the SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 of the 2018 SEBI Order passed against VCPL, wherein a conclusion of indirect control over the Noticee was established.

17. From the regulatory framework governing the aforesaid disclosures under LODR Regulations, it is noted that a listed company's primary duty is to ensure that the stock market operates on the timely dissemination of information. This responsibility is rooted in the concept of materiality that any event or piece of information significant



enough to sway an investor's decision to buy, sell, or hold shares must be disclosed. Under regulations 30(1) and 30(6) of LODR Regulations, listed companies are required to disclose these material events almost immediately, typically within 24 hours of them happening, or even as quickly as 30 minutes if the decision was made during a Board meeting.

18. This obligation becomes even more specific under clause 8 of Para B of Part A of Schedule III, which mandates listed companies to report any major lawsuits, legal disputes, or regulatory orders. This rule applies to the listed company, its promoters, top executives (Key Managerial Personnel), and the ultimate person in control. In order to ensure clarity and uniformity in its implementation, the SEBI Circular of September 2015 emphasizes that any government or regulatory action that changes who controls the company or how it operates must be reported.
19. In this background, I note that it is an admitted fact that the 2009 Loan Agreement was signed between promoters of the Noticee, Dr. Prannoy Roy, Mrs. Radhika Roy, and RRPR Holding Pvt. Ltd. and the lending entity, VCPL. It is also not in dispute that Noticee was not a party to the said 2009 Loan Agreement.
20. In the 2018 SEBI Order, it was observed that the said 2009 Loan Agreement functioned much more than a standard financial arrangement. It was observed that through the convertibility and control clauses of the 2009 Loan Agreement, VCPL was granted warrants that could be converted into 99.99% of RRPR's equity at any time. Since RRPR held a substantial stake in Noticee, such rights effectively gave VCPL an indirect call option (a right) to take over 26% of the total share capital of the Noticee. Further, the 2009 Loan Agreement was fortified with powerful restrictive covenants conferring veto rights. In this background, the 2018 SEBI Order concluded that the cumulative effect of these rights in the 2009 Loan Agreement resulted in a change of control in favour of VCPL, even though the individual promoters continued to serve as the face of the Noticee. In this context, it was alleged in the SCN that the said 2018 SEBI Order was a material event and should have been disclosed to the public.



21. It is a fact that the Noticee was neither a party to the proceedings against VCPL which ultimately culminated in the abovementioned 2018 SEBI Order nor was officially served with the said order.

22. In this background, the Noticee argued that the disclosure framework under regulation 30 of the LODR and the SEBI Circular dated September 09, 2015 are inapplicable. These regulations only require reporting of litigation or orders involving four specific categories: the listed entity, its promoters, its key management personnel, or the ultimate person in control. Since the order was against VCPL, which was none of these, the criteria for a material event were not met. Despite this, the Noticee pointed out that it acted with abundant caution by issuing prompt clarifications to the stock exchanges within 24 hours of media reports in June 2018, confirming that the original promoters still held a 61.45% stake and maintained full control of the Noticee. Further, the Noticee highlighted that Hon'ble SAT had ruled that VCPL had not acquired direct or indirect control of NDTV vide order dated June 21, 2022. Noticee stated that the said SAT order explicitly quashed the 2018 SEBI order, concluding that the 2009 Loan Agreement between VCPL and the promoters did not constitute a change of control. The Noticee stated that since Hon'ble SAT has already determined that no change of control actually occurred, the premise of the SCN that a change of control should have been disclosed is legally unsustainable. This is further proven by the fact that the original promoters eventually sold their shares to another company in 2022, confirming they held the rights and titles to those shares all along. Consequently, the Noticee argued that the entire SCN is legally unsustainable as there was no change of control, and hence, there could be no failure to disclose such a material event.

23. In this regard, it is noted that the issue whether the 2009 Loan Agreement resulted in the change of control in Noticee has been examined by the Hon'ble SAT in its order dated July 21, 2022 wherein the 2018 SEBI Order was subject matter of the appeal. In the said order, Hon'ble SAT, *inter alia*, observed the following:



“36. We have carefully gone through each and every clause of the loan agreements and we find that there is a commercial rationale behind the entire arrangement. Admittedly, Prannoy Roy and Radhika Roy, being promoters of NDTV, required money to pay the loan availed from ICICI Bank Limited. Through this agreement, we find that if the share price of NDTV exceeds Rs. 214.65 per equity share, then VCPL could exercise any of the following option and acquire 26% of the equity shares of NDTV at a fixed price of Rs. 214.65 per share. The options that could be exercised were the warrant conversion option under which 99.99% equity shares of RRPR could be acquired which would result in indirect acquisition of 26% of the equity shares of NDTV. The same would also result when VCPL exercises the purchase option to purchase all the equity shares of RRPR held by Prannoy Roy and Radhika Roy at par value for a nominal amount of Rs. 1 lakh. In addition, VCPL through its affiliates STPL and SEPL could directly purchase 26% of NDTV at a price of Rs. 214.65 by paying a consolidated amount of Rs. 350 crores to RRPR (namely, the loan amount) which amount would be utilized by RRPR to repay the loan to VCPL. VCPL if interested in the media business of NDTV could acquire 26% equity shares of NDTV at Rs. 214.65 per share irrespective of the then prevailing market price. VCPL risk was restricted to the loss of interest on the loan given. The contention that since no interest was charged on the loan given, it was not a loan but an indirect acquisition is erroneous. The bargain in the agreement has to be understood from a commercial point of view. This is the upshot of the commercial rationale in the loan agreement which suited all parties i.e. VCPL and the promoters of NDTV.”

37. In our opinion, none of the aforesaid arrangement entails an acquisition of shares in NDTV, nor controls the management or policy decisions of NDTV. So long as the loan remains unpaid, VCPL continues to have the warrant conversion option, the purchase option and the call option under the call option agreements. It is a settled position of law that when there are options with convertibility, unless such options are exercised, the obligation to make an open offer under Regulation 14 is not triggered.... In our opinion, the transaction has to be considered from a commercial rationale and has to be interpreted in a businesslike manner.

...56. Thus, upon a careful reading of various clauses in the agreements, we are of the opinion, that various clauses are meant to protect the interest of VCPL and the investment made by it. The transaction in the agreement is an amalgamation of rights. It is a loan transaction with an option to acquire 26% equity shares of NDTV as consideration for the provision of the loan. However, the transaction does not justify as being a control transaction. The transaction does not acquire direct or indirect control of NDTV. The intent and language of the loan agreement and call option agreements read with the SAST Regulations makes it clear that there is no direct or indirect control of NDTV by VCPL. The transaction structure does not lead to a conclusion that VCPL has acquired direct or indirect control over NDTV.” (Emphasis Supplied)

24. It is noted that the above-mentioned order of the Hon’ble SAT has not been stayed by the Hon’ble Supreme Court of India. While an appeal¹ has been admitted by the Hon’ble Supreme Court and the parties have been heard on preliminary grounds, the

¹ Civil Appeal No. 7312 of 2022.



matter remains pending for final judgement sans any stay on the operation or effect of the aforesaid SAT order dated July 21, 2022.

25. In this context, it is pertinent to mention that Hon'ble SAT in the matter of *Mr. Ratanlal Tamakhuwala & Ors. v. SEBI*² avowed the procedural principle regarding the legal status of an unstayed order. In the said matter, the Hon'ble SAT explicitly held:

"... Fact that the appeal against an order passed by this Tribunal is pending before the Apex Court cannot be a ground not to follow the decision of this Tribunal. ..."

26. Thereafter, Hon'ble SAT reinforced the same view in the matter of *Anarcon Resources Pvt. Ltd. v. SEBI*³. Considering the established position of law, I am of the opinion that the mere fact that SEBI has filed an appeal before the Hon'ble Supreme Court cannot be a sufficient ground in itself to bypass or ignore the legal mandate emanating from the orders of Hon'ble SAT. Consequent the absence of an express stay, the Hon'ble SAT orders remains active, authoritative, and binding. As a natural corollary, the decision of the Hon'ble SAT that there was no change in control pursuant to the 2009 Loan Agreement must guide the determination of the instant issue.

27. In light of the aforesaid discussions, I note that the existence of a change in control was *sine qua non* for the disclosure obligation to arise under LODR Regulations in the present case. Since Hon'ble SAT determined that VCPL never possessed the rights or power to manage or dictate the policies of the Noticee, VCPL cannot be retroactively classified as a "ultimate person in control" in terms of LODR Regulations read with the SEBI Circular dated September 09, 2015. In this regard, it is pertinent to note that the statutory obligation to disclose regulatory actions under LODR Regulations read with SEBI Circular dated September 09, 2015 is strictly contingent upon the legal status of the parties involved. A listed entity is mandated to notify the stock exchanges of significant litigation or regulatory orders only when such actions involve the entity itself, its promoters, its Key Management Personnel (KMP), or, crucially, the ultimate person in control. The allegation in the SCN rested on the

² Appeal No. 249 of 2014, decided on July 1, 2016.

³ MANU/SB/0276/2016.



premise that the 2018 SEBI Order established VCPL as the entity in indirect control of the Noticee, thereby triggering a mandatory disclosure under LODR Regulations. As noted above, Hon'ble SAT subsequently quashed the 2018 SEBI Order and explicitly ruled that the 2009 Loan Agreement did not constitute an acquisition of control, direct or indirect. Therefore, the very foundation of the disclosure requirement has been undermined. Accordingly, I am of the opinion that in the absence of a legally recognized change in control, the disclosure mandates of the LODR Regulation read with SEBI Circular dated September 09, 2015 does not arise.

28. It is also important to appreciate that a significant shift in views has occurred since the 2018 SEBI Order, which held that VCPL acquired indirect control of NDTV in 2009 – 10 and directed a retrospective open offer based on historical pricing and accrued interest. Instead, VCPL exercised its warrants in August 2022 in line with the 2009 Loan Agreement, leading to a prospective open offer in November 2022 at current market rates. As the open offer was ultimately executed on a prospective basis rather than a retrospective one, the very foundation of the present proceedings has been effectively undermined and nullified by these subsequent events. Moreover, the open offer made by VCPL along with the persons acting in concert in November 2022 has reaffirmed the position that there was no change of control pursuant to the 2009 Loan Agreement.

29. Since, the requirement of disclosure of litigation(s)/dispute(s)/regulatory action(s) with impact does not arise in the present case as evident from SAT order dated July 21, 2022 and open offer made by VCPL in November 2022, I am of the opinion that Noticee has not violated regulations 30(1), 30(3), 30(4) and 30(6) read with clause 8 of Para B of Part A of Schedule III of LODR Regulations and clause 8 of Para B of Annexure-I to the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 which require listed companies to report any major lawsuits, legal disputes, or regulatory orders.



Issue No. II Whether the failure, on the part of the Noticee would attract monetary penalty under section 23E of SCRA?

Issue No. III If yes, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 23J of SCRA?

30. it is noted that the present proceedings have been initiated under section 23E of SCRA. In this regard, I note that Hon'ble SAT in the matter of *Suzlon Energy Ltd. v. SEBI*⁴ had examined whether a failure to disclose material information under the LODR Regulations would amount to a breach of "listing conditions" under section 23E of SCRA. In the said case, Hon'ble SAT, *inter alia*, observed that:

"... One of the requirements in the Listing Agreement which is required to be complied with is Clause 36 whereas Section 23E refers to the conditions which are imposed upon a Company when it is applying for its shares to be listed on the stock exchange platform. Section 23E has to be read along with Rule 19 of the Securities Contracts (Regulation) Rules, 1957 ('SCRR' for short). Rule 19 of the SCRR provides certain requirements with respect to a listing of securities on a recognized stock exchange. Rule 19A provides that a Company has to continuously maintain listing requirements. Rule 21 provides conditions for delisting of securities. Failure to comply with the listing conditions which are stated in Rule 19 would entail a penalty as provided under Section 23E. Thus, in our view violation of Clause 36 of the Listing Agreement will attract Section 23A(a) of the SCRA and will not attract Section 23E. The AO has made an error. ..."

31. I note that SEBI has filed an appeal before the Hon'ble Supreme Court of India against aforesaid order of the Hon'ble SAT. While no stay has been granted by the Hon'ble Supreme Court in the said matter, Hon'ble Apex Court, vide Order dated March 13, 2023, directed that the order of the Hon'ble SAT in the matter of *Suzlon Energy Ltd.* shall not be treated as precedent.

32. However, as the allegation mentioned in the issue no. I has not been established against the Noticee, the question of imposing a penalty on the Noticee under section 23E of SCRA does not survive for consideration. Accordingly, no finding is rendered on the issue nos. II and III.

⁴ Appeal No. 201 of 2018.



ORDER

33. In view of my findings noted in the preceding paragraphs, I hereby dispose of the adjudication proceedings initiated against the Noticee (New Delhi Television Limited) without imposition of any monetary penalty. In terms of the provisions of rule 6 of the Rules, a copy of this order is being sent to the Noticee and also to the Securities and Exchange Board of India.

Date : May 29, 2026
Place : Mumbai

JAI SEBASTIAN
ADJUDICATING OFFICER