

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**

**[ADJUDICATION ORDER NO. Order/AK/DS/2025-26/31508]**

**UNDER SECTION 15-I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995, IN THE MATTER OF;**

**AKI India Limited (PAN: AACCA7282K)**

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) conducted examination of various disclosures made by M/s AKI India Limited (hereinafter referred to as “**Noticee**” / “**AKI**” / “**the Company**”) and observed the violation of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**LODR Regulations**”).
2. The summary of violations alleged to have been committed by the Noticee and the corresponding regulatory provisions are given in the table below:

<b>Sr. No.</b>	<b>Alleged Violations (summarized)</b>	<b>Provisions allegedly violated</b>	<b>Under Section</b>
1	Non-adherence to timelines prescribed for filing prior intimation for board meeting held on July 13, 2023	Regulation 29(2) read with Regulation 29(1) of LODR Regulations	Section 15A(b) of SEBI Act, 1992
2	Revision and resubmission of annual financial results for FY 2022-23 multiple times without providing concrete reason	Regulation 33(3)(d) r/w with Regulation 4(1)(c) & 4(1)(e) of LODR Regulations	
3	Failure to disclose notice of AGM held on September 30, 2023 with Exchanges	Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations	

<b>Sr. No.</b>	<b>Alleged Violations (summarized)</b>	<b>Provisions allegedly violated</b>	<b>Under Section</b>
4	Delay in publishing financial results in the newspaper for Q1 FY 2023-24 and failure to publish financial results in the newspaper for Q2 – FY 2023-24.	Regulation 47(1)(b) r/w Regulation 47(3) of LODR Regulations	Section 15HB of SEBI Act, 1992
5	Failure to publish notice of AGM held on September 30, 2023 in the newspaper	Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations	

### **APPOINTMENT OF ADJUDICATING OFFICER**

3. Upon being satisfied that there have been violations of various provisions of LODR Regulations as mentioned at para 2 above, SEBI initiated adjudication proceedings against the Noticee u/s 15-I of SEBI Act, 1992 and appointed the undersigned as the Adjudicating Officer **(AO)** u/s 19 of SEBI Act, 1992, r/w Section 15-I of SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as “**SEBI Adjudication Rules**”), vide Order dated April 15, 2025, to inquire into and adjudge u/s 15A(b) and 15HB of SEBI Act, 1992, the violations of aforesaid provisions alleged to have been committed by the Noticee.

### **SHOW CAUSE NOTICE, REPLY OF THE NOTICEE AND HEARING**

4. Show Cause Notice No. SEBI/EAD/EAD-6/AK/DS/12030/1/2025 dated April 29, 2025 (hereinafter referred to as “**SCN**”) was issued to the Noticee in terms of rule 4 of SEBI Adjudication Rules r/w Section 15-I of the SEBI Act, 1992, to show cause as to why an inquiry should not be held against it and why penalty, if any, be not imposed on the Noticee under section 15A(b) and section 15HB of SEBI Act, 1992.

5. The Noticee submitted its reply to the SCN, vide letter dated June 12, 2025. The submissions made by the Noticee are summarized below:

- 5.1. Non-adherence to timelines prescribed for filing prior intimation for board meeting held on July 13, 2023 - The intimation of the board meeting originally scheduled on July 12, 2023 was duly communicated on July 06, 2023. Subsequently, the meeting was scheduled to July 13, 2023 to obtain expert advice required by the Company in relation to certain tax liability matters. Since there was no change in the agenda, the intimation date for the rescheduled board meeting shall be deemed to be July 06, 2023, thus, in compliance with LODR Regulations.
- 5.2. Revision and resubmission of annual financial results for FY 2022-23 multiple times without providing concrete reason - The annual financial results for FY 2022-23 were revised and resubmitted multiple times due to discrepancies raised concerning the inappropriate format of the Auditor's report. There were no changes in the financial figures during these revisions.
- 5.3. Failure to disclose notice of AGM held on September 30, 2023 with Exchanges- The annual report for FY 2022-23, which included the AGM notice, was duly submitted to the Stock Exchanges.
- 5.4. Delay in publish financial results in the newspaper for Q1 FY 2023-24 and failure to publish financial results in the newspaper for Q2 – FY 2023-24 - The Board meeting for the approval of the financial results for the second quarter of FY 2023-24 was held on November 14, 2023. Subsequently, due to a discrepancy pointed out by the stock exchange, revised financial results were submitted on November 22, 2023. The revised results were duly published in the newspapers Rashtriya Sahara and The Pioneer on November 24, 2023.
- 5.5. Failure to publish notice of AGM held on September 30, 2023 in the newspaper - Notice of the AGM held on September 30, 2023 was inadvertently not published in the newspaper. The omission was unintentional and the company is making every effort to ensure strict compliance of the LODR Regulations.

6. In the interest of natural justice, vide letter dated May 30, 2025, hearing notice was issued to the Noticee to provide an opportunity of personal hearing on June 13, 2025. The Noticee appeared for the scheduled hearing through its authorized representative (**AR**). The AR reiterated submissions already made, vide letter dated June 12, 2025, and also made additional submissions vide letter dated June 14, 2025.
7. The additional submissions made by the Noticee are summarized below.
- 7.1. Noticee submitted copies of email received by it from the NSE regarding deficiency in the format of the Limited Review Report / Independent Auditor's Report submitted to the Exchange on May 11, 2023. The Noticee had received the emails on June 01, 2023, July 18, 2023 and August 28, 2023, pursuant to which it had revised and resubmitted the FY 2022-23 financial results.*
- 7.2. Noticee submitted a screenshot of the Exchange website showing submission of annual report on September 25, 2023.*
- 7.3. Noticee submitted newspaper clippings in support of its submissions that it had published the revised results for second quarter of FY 2023-24 in the newspapers Rashtriya Sahara and The Pioneer on November 24, 2023.*

### **CONSIDERATION OF ISSUES AND FINDINGS**

8. Considering the allegations made out in the SCN and the submissions made by the Noticee, the following issues require consideration in the present case:
- ISSUE I** - Whether the Noticee has violated provisions of LODR Regulations, as alleged in the SCN?
- ISSUE II** - Do the violations, if any, attract penalty under section 15A(b) and section 15HB of SEBI Act, 1992?
- ISSUE III** - If so, what should be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of SEBI Act, 1992?
9. I now proceed to deal with the issues as under:

**ISSUE I - Whether the Noticee has violated provisions of LODR Regulations, as alleged in the SCN?**

**10. Non-adherence to timelines prescribed for filing prior intimation for board meeting held on July 13, 2023**

- 10.1. It was observed that the Noticee filed a disclosure on July 6, 2023 with respect to board meeting which inter-alia pertained to adoption of financial results for quarter ended on June 2023. The said meeting was scheduled on July 12, 2023.
- 10.2. Thereafter, the Noticee filed another intimation dated July 12, 2023, i.e. on date of the scheduled board meeting. The said intimation stated that board meeting was rescheduled and would be held on July 13, 2023, very next day from the date when board meeting was supposed to be held.
- 10.3. Thus, it was noted that intimation for the board meeting which took place on July 13, 2023 should have been disclosed by the Noticee on or before July 7, 2023. Therefore, it was alleged that the Noticee has violated the provisions of Regulation 29(2) r/w Regulation 29(1) of LODR Regulations.
- 10.4. The aforesaid applicable provisions are stated hereunder:

*SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*  
*Prior Intimations.*

*29.(1) The listed entity shall give prior intimation to stock exchange about the meeting of the board of directors in which any of the following proposals is due to be considered:*

- (a) financial results viz. quarterly, half yearly, or annual, as the case may be;*
- (b) proposal for buyback of securities;*
- (c) proposal for voluntary delisting by the listed entity from the stock exchange(s);*
- (d) fund raising by way of further public offer, rights issue, American Depository Receipts/Global Depository Receipts/Foreign Currency Convertible Bonds, qualified*

*institutions placement, debt issue, preferential issue or any other method and for determination of issue price:*

*Provided that intimation shall also be given in case of any annual general meeting or extraordinary general meeting or postal ballot that is proposed to be held for obtaining shareholder approval for further fund raising indicating type of issuance.*

*(e) declaration/ recommendation of dividend, issue of convertible securities including convertible debentures or of debentures carrying a right to subscribe to equity shares or the passing over of dividend.*

*(f) the proposal for declaration of bonus securities*

*(2) The intimation required under sub-regulation (1), shall be given at least two working days in advance, excluding the date of the intimation and date of the meeting: Provided that intimation regarding item specified in clause (a) of sub-regulation (1), to be discussed at the meeting of board of directors shall be given at least five days in advance (excluding the date of the intimation and date of the meeting), and such intimation shall include the date of such meeting of board of directors.*

- 10.5. In this regard, the Noticee has submitted that the board meeting was rescheduled to obtain expert advice required by the Noticee regarding certain tax liability matters. Since there was no change in agenda, the intimation dated July 06, 2023 shall be considered as the intimation for the rescheduled board meeting held on July 13, 2023.
- 10.6. I note that Regulation 29(2) r/w Regulation 29(1) of LODR Regulations are specific regarding the intimation to be submitted to the stock exchanges regarding the Board Meeting and do not provide relaxations in cases where the date of the Board Meeting is changed without changes in the agenda of the Board Meeting. Therefore, Noticee's submissions that the intimation dated July 06, 2023 should be considered for the rescheduled board meeting held on July 13, 2023, are not tenable.

10.7. I also note that the Noticee could have intimated regarding the rescheduled board meeting at least five days in advance, as this would not have resulted in breaching the timelines under LODR Regulations for submitting the financial results of the first quarter. However, the Noticee did not adhere to the provisions of LODR Regulations, requiring it to intimate the stock exchanges at least five working days in advance for the adoption/approval of financial results of the company for the first quarter ended June 30, 2023.

10.8. In view of the above, I find that the Noticee has violated the provisions of Regulation 29(2) r/w Regulation 29(1) of LODR Regulations.

**11. Revision and resubmission of annual financial results for FY 2022-23 multiple times without providing concrete reason**

11.1. Upon perusal of BSE website, it was observed that financial results u/r 33 of LODR Regulations were revised by the Noticee on various counts in 2023, as under:

11.1.1. Q1 FY 2023-24 results were originally filed with BSE on July 13, 2023. The same were revised and re-submitted on August 16, 2023.

11.1.2. Annual financial results of FY 2022-23 were originally filed with BSE on May 11, 2023. The same were revised and re-submitted on June 20, 2023 & September 02, 2023.

11.2. BSE, vide email dated December 2, 2024, informed that the revised submission of Q1 FY 2023-24 financial results appears to be in response to Exchange query.

11.3. However, with respect to revised submission of FY 2022-23, it was noted that that the Noticee had not provided any response with respect to revision of annual financial results for FY 2022-23 to BSE, despite multiple reminders as informed by BSE vide email dated November 26, 2024 and January 16, 2025.

11.4. As per the provisions of Regulation 4(1)(c) of LODR Regulations, the listed entity shall refrain from misrepresentation and ensure that the information

provided to recognized stock exchange(s) and investors is not misleading. Further, Regulation 4(1)(e) of LODR Regulations, states that all the disseminations made under provisions of these regulations and circulars made thereunder, are adequate, accurate, explicit, timely and presented in a simple language. Thus, it was alleged that the Noticee has violated the provisions of Regulation 33(3)(d) r/w Regulation 4(1)(c) & 4(1)(e) of LODR Regulations by revising and resubmitting its financial results multiple times in the year 2023, without providing specific reasons for the same despite multiple reminders by the BSE.

11.5. The aforesaid applicable provisions are stated hereunder:

**SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Principles governing disclosures and obligations.**

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

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

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

**Financial results.**

*33. (1) ...*

*(2) ...*

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

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



*Provided that if the listed entity has subsidiaries, it shall, while submitting annual audited standalone financial results also submit annual audited consolidated financial results along with the audit report and Statement on Impact of Audit Qualifications (applicable only for audit report with modified opinion)*

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

- 11.6. In this regard, the Noticee has submitted that the annual financial results for FY 2022-23 were revised and resubmitted multiple times due to discrepancies raised by NSE concerning the inappropriate format of the Auditor's report. However, there were no changes in the financial figures during these revisions. The Noticee has also submitted copies of the email received from the NSE.
- 11.7. I note from the submissions of the Noticee that it had received emails dated June 01, 2023, July 18, 2023 and August 28, 2023, vide which the Noticee was advised to submit clarification on financial results submitted on May 11, 2023. It was further stated in the emails that the Limited Review Report/ Independent Auditor's Report is not in the format prescribed by SEBI. Pursuant to the reminder emails received from the NSE, the Noticee made revised submissions of its Annual financial results of FY 2022-23 on June 20, 2023 and September 02, 2023.
- 11.8. Thus, the revised submissions were made pursuant to the Exchange's queries, and were only w.r.t. Limited Review Report/ Independent Auditor's Report being not in the format.
- 11.9. In view of the above, I find that the allegation of violation of provisions of Regulation 33(3)(d) r/w Regulation 4(1)(c) & 4(1)(e) of LODR Regulations against the Noticee does not stand established.

**12. Failure to disclose notice of AGM held on September 30, 2023 with Exchanges**

- 12.1. The Annual General Meeting (AGM) of the Noticee for the FY 2022-23 was conducted on September 30, 2023. However, it was observed that the Noticee had not filed the notice of the AGM to the Exchanges.
- 12.2. As per the provisions of Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations, a listed entity shall inter alia publish notice given to shareholders by advertisement in newspaper simultaneously with the submission of the same to the stock exchange(s).
- 12.3. Thus, it was alleged that the Noticee has violated the provisions of Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations.
- 12.4. The aforesaid applicable provisions are stated hereunder:

**SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Advertisements in Newspapers.**

*47.(1) The listed entity shall publish the following information in the newspaper:*

*(d) notices given to shareholders by advertisement.*

*47 (3) The listed entity shall publish the information specified in sub-regulation (1) in the newspaper simultaneously with the submission of the same to the stock exchange(s).*

*Provided that financial results at clause (b) of sub-regulation (1), shall be published within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved.*

- 12.5. In this regard, the Noticee has submitted that the notice was duly submitted to the Stock Exchanges vide its annual report for the FY 2022-23.
- 12.6. The provisions of Section 101 of the Companies Act, 2013 inter-alia prescribe that the notice of the AGM shall be given at least 21 clear days prior to the date of AGM. It also states that the notice shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.

- 12.7. I note that the notice to the shareholders which is provided as part of the annual report is dated September 08, 2023. However, the annual report for the FY 2022-23 was submitted to the Stock Exchanges on September 25, 2023, i.e. just 4 clear days prior to the date of the AGM. Thus, the same cannot be considered as a valid notice of the AGM to the shareholders. Therefore, the Noticee's submissions in this regard are not tenable.
- 12.8. I also note from the Exchange website that the Noticee had submitted intimation of AGM to the Exchanges, along with Outcome of Board Meeting held on September 08, 2023, on the same date. However, the business to be transacted in the AGM was not specified in the intimation submitted by the Noticee to the Exchanges. Therefore, the intimation made by the Noticee to the Exchanges on September 08, 2023 cannot be considered as notice of the AGM to be given to the shareholders.
- 12.9. In view of the above, I find that the Noticee has violated the provisions of Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations by not submitting notice to the shareholders regarding the AGM, to the Exchanges.
13. Delay in publishing financial results in the newspaper for Q1 FY 2023-24 and failure to publish financial results in the newspaper for Q2 – FY 2023-24.
- 13.1. As per the provisions of Regulation 47(1)(b) r/w Regulation 47(3) of LODR Regulations, a listed entity shall inter-alia publish results, as specified in Regulation 33, along-with the modified opinion(s) or reservation(s), if any, expressed by the auditor within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved.
- 13.2. It was observed from perusal of NSE website that the financial results of the Noticee for Q1 FY 2023-24 were declared on July 13, 2023, after the conclusion of the board meeting on the same day. Further the said results were published in the newspaper on July 19, 2023, i.e. with a delay of 4 days

as against requirement of within 48 hours from conclusion of the board meeting, where such results were approved.

13.3. It was further observed that the financial results of the Noticee for the Q2 FY2023-24 were not published in the newspaper.

13.4. Thus, it was alleged that the Noticee has violated the provisions of Regulation 47(1)(b) r/w Regulation 47(3) of LODR Regulations, as the Noticee had delayed in publishing the financial results in the newspaper for Q1 FY 2023-24 and also failed to publish financial results in the newspaper for Q2 – FY 2023-24.

13.5. The aforesaid applicable provisions are stated hereunder:

**SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Advertisements in Newspapers.**

*47.(1) The listed entity shall publish the following information in the newspaper:*

*(b) financial results, as specified in regulation 33, along-with the modified opinion(s) or reservation(s), if any, expressed by the auditor:*

*Provided that if the listed entity has submitted both standalone and consolidated financial results, the listed entity shall publish consolidated financial results along-with (1) Turnover, (2) Profit before tax and (3) Profit after tax, on a stand-alone basis, as a foot note; and a reference to the places, such as the website of listed entity and stock exchange(s), where the standalone results of the listed entity are available.*

*47 (3) The listed entity shall publish the information specified in sub-regulation (1) in the newspaper simultaneously with the submission of the same to the stock exchange(s).*

*Provided that financial results at clause (b) of sub-regulation (1), shall be published within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved.*

13.6. With respect to delay in publishing financial results in the newspaper for Q1 FY 2023-24, the Noticee has not made any submissions. From the Exchange website and the material available on record, I observe that the standalone

and consolidated unaudited financial results for the quarter ended on 30th June, 2023 were submitted on July 13, 2023, but the newspaper publication was made only on July 19, 2023, i.e. with a delay of four days from the conclusion of the board meeting on July 13, 2023. As the newspaper publication was not made within 48 hours of the conclusion of the board meeting at which the financial results were approved, I find that the Noticee has not complied with the applicable provisions of LODR Regulations.

- 13.7. With respect to the failure to publish financial results in the newspaper for Q2 – FY 2023-24, the Noticee has submitted that it had submitted revised financial results on November 22, 2023 and made the newspaper publication on November 24, 2023. The Noticee has also provided newspaper clippings in support of its submissions.
- 13.8. Upon perusal of the submissions made by the Noticee and the Exchange website, I observe that the Noticee had submitted its financial results to the Exchanges, immediately after conclusion of the Board meeting, on November 14, 2023 and further submitted revised financial results to the Exchanges on November 22, 2023 and also published the results in newspapers on November 24, 2023. As per the provisions of aforesaid LODR Regulations, the Noticee should have published the results in the Newspaper within 48 hours of the conclusion of Board Meeting. However, the Noticee published the financial results only after revising the same on November 22, 2023. Thus, there has been a delay of about 8 days from the conclusion of the board meeting on November 14, 2023.
- 13.9. In view of the above, I find that the Noticee has violated the provisions of Regulation 47(1)(b) r/w Regulation 47(3) of LODR Regulations by delayed publication of its financial results for the first and second quarters of FY 2023-24.

**14. Failure to publish notice of AGM held on September 30, 2023 in the newspaper**

14.1. As also stated above, the Annual General Meeting (AGM) of the Noticee for the FY 2022-23 was conducted on September 30, 2023. However, it was observed that the Noticee had not published the notice of AGM in newspaper. Thus, it has been alleged that the Noticee has violated the provisions of Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations.

14.2. The aforesaid applicable provisions are stated hereunder:

**SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Advertisements in Newspapers.**

*47.(1) The listed entity shall publish the following information in the newspaper:*

*(d) notices given to shareholders by advertisement.*

*47 (3) The listed entity shall publish the information specified in sub-regulation (1) in the newspaper simultaneously with the submission of the same to the stock exchange(s).*

*Provided that financial results at clause (b) of sub-regulation (1), shall be published within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved.*

14.3. In this regard, the Noticee has submitted that it had inadvertently failed to publish the notice in the newspaper.

14.4. Admittedly, the Noticee did not publish the newspaper advertisement with respect to public notice to the shareholders regarding intimation of the AGM.

14.5. In view of the above, I find that the Noticee has violated the provisions of Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations by not publishing the intimation of AGM in the newspaper.

15. I note that the disclosures requirements under the LODR Regulations, 2015 serve very important purposes. The stock exchange is informed via disclosures so that the investing public will come to know of the position enabling them to continue on with or exit from the company. Further, timely disclosures of the details of the

financial results, notice of AGM, etc are of significant importance as such disclosures also enable the regulators to ensure that companies adhere to fair practices and maintain market integrity. Further, Hon'ble Securities Appellate Tribunal ('SAT') in the matter of Coimbatore Flavors & Fragrances Ltd. vs SEBI (Appeal No. 209 of 2014 order dated August 11, 2014), has also held that *"Undoubtedly, the purpose of these disclosures is to bring about more transparency in the affairs of the companies. True and timely disclosures by a company or its promoters are very essential from two angles. Firstly; investors can take a more informed decision to invest or not to invest in a particular scrip secondly; the Regulator can properly monitor the transactions in the capital market to effectively regulate the same."*

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

**ISSUE II - Do the violations, if any, attract penalty under Section 15A(b) and Section 15HB of the SEBI Act, 1992?**

17. I note that since the above violation is established, the Noticee is liable for monetary penalty under Section 15HB of the SEBI Act, 1992, the text of which is reproduced hereunder:

**SEBI Act, 1992**

**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,—

(a) ...

(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.*

18. In the context of disclosure related violations, it is observed that Hon'ble SAT has consistently held that the obligation to make disclosure within the stipulated time is a mandatory obligation and penalty is imposed for non-compliance of the mandatory obligation.
19. Hence, in view of the violation of provisions of LODR Regulations, 2015, it is a fit case for imposition of penalty under Section 15A(b) of the SEBI Act, 1992 for the violations of provisions of Regulation 29(2) r/w Regulation 29(1) and Regulation 47(1)(d) r/w Regulation 47(3) of LODR Regulations and under Section 15HB of the SEBI Act, 1992 for the violations of provisions Regulation 47(1)(b), and 47(1)(d) r/w Regulation 47(3) of LODR Regulations, as concluded above.

**ISSUE III - If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of SEBI Act, 1992?**

20. While determining the quantum of penalty under Section 15A(b) and Section 15HB of the SEBI Act, 1992, it is important to consider the factors stipulated in Section 15J of the SEBI Act, 1992, which read as under:

**SEBI Act, 1992**

*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.*

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

22. It is noted that no quantifiable figures are available to assess the disproportionate gain or unfair advantage made as a result of such non-compliance by the Noticee. Further from the material available on record, it is not possible to ascertain the exact monetary loss to the investors on account of non-compliance by the Noticee, nor has it been alleged by the SEBI. Further, as per the available records, it is observed that Noticee has not been penalised earlier for any of the aforesaid violations. However, the violations enumerated in the preceding paragraphs call for imposition of appropriate penalty.

### **ORDER**

23. Having considered all the facts and circumstances of the case, the material available on record, the submissions made by Noticee and also the factors mentioned in Section 15J of the SEBI Act, 1992, in light of judgment of the Hon'ble Supreme Court in SEBI vs. Bhavesh Pabari (2019) 5 SCC 90, in exercise of power

conferred under Section 15-I of the SEBI Act,1992 r/w Rule 5 of the SEBI Adjudication Rules, I impose the following penalty upon the Noticee for the violations as mentioned hereunder.

<b>Name of Noticee</b>	<b>Provisions violated</b>	<b>Penalty attracted under</b>	<b>Penalty Amount</b>
AKI India Limited	• Regulation 29(2) r/w Regulation 29(1) of LODR Regulations	Section 15A(b) of SEBI Act, 1992	Rs. 2,00,000/- (Rupees Two Lakh Only)
	• Regulation 47(1)(b), and 47(1)(d) r/w Regulation 47(3) of LODR Regulations	Section 15HB of SEBI Act, 1992	Rs. 1,00,000/- (Rupees One Lakh Only)
<b>TOTAL</b>			<b>Rs. 3,00,000/- (Rupees Three Lakh Only)</b>

24. I find the said penalty to be commensurate with the violations committed by the Noticee.

25. The Noticee shall remit / pay the said amount of penalty within 45 days of receipt of this order through online payment facility available on the website of SEBI, i.e. [www.sebi.gov.in](http://www.sebi.gov.in) on the following path, by clicking on the payment link:

**ENFORCEMENT → Orders → Orders of AO → PAY NOW.**

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

27. In terms of Rule 6 of the SEBI Adjudication Rules, copy of this order is sent to the Noticee and also to the Securities and Exchange Board of India.

**DATE: July 01, 2025**

**PLACE: MUMBAI**

**AMIT KAPOOR  
ADJUDICATING OFFICER**