

BEFORE THE SECURITIES APPELLATE TRIBUNAL  
MUMBAI

**Date of Decision : 04.03.2020**

**Misc. Application No. 588 of 2019  
And  
Appeal No. 542 of 2019**

Picturehouse Media Ltd.  
KRM Centre, 9<sup>th</sup> Floor, Door No. 2,  
Harrington Road, Chetpet,  
Chennai - 600031.

..... Appellant

Versus

1. Bombay Stock Exchange Ltd.  
25, P J Towers, Dalal Street,  
Mumbai - 400001.

2. Securities and Exchange Board of India  
SEBI Bhavan, Plot No. C-4A, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400 051.

... Respondents

Mr. Paras Parekh, Advocate with Mr. Robin Shah, Advocate i/b  
Parinam Law Associates for the Appellant.

Mr. Sagar Divekar, Advocate with Mr. Pratik Ingle, Advocate for the  
Respondent Nos. 1.

Mr. Anubhav Ghosh, Advocate i/b The Law Point for the  
Respondent Nos. 2.

CORAM : Justice Tarun Agarwala, Presiding Officer  
Dr. C. K. G. Nair, Member  
Justice M. T. Joshi, Judicial Member

Per : Justice Tarun Agarwala, Presiding Officer (Oral)

1. The appellant has filed the present appeal questioning the order dated October 31, 2018 passed by Bombay Stock Exchange Ltd. (hereinafter referred to as 'BSE') imposing a penalty of Rs. 7,59,920/- for violation of Regulations 17(1) and 19(1) and 19(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'LODR Regulations'). The appellant has also challenged the order of Securities and Exchange Board of India (hereinafter referred to as 'SEBI') dated April 26, 2019 whereby the representation seeking exemption of the aforesaid penalty under Regulation 102 of the LODR Regulations was also rejected.

2. There is a delay in filing the appeal and accordingly, an application for condoning the delay has been filed. For the reasons stated in the application the delay is condoned. The Misc. Application is allowed.

3. The appellant is a public listed company and on March 6, 2017 one non-executive woman director resigned and consequently, the post became vacant which was required to be filled up by another woman under the LODR Regulations. Since there was a delay in appointing a woman as a director of the company, the aforesaid penalty was imposed by BSE under LODR Regulations. Eventually, one woman was appointed as a non-executive director on December 5, 2018.

4. The contention of the learned counsel for the appellant is, that the appointment could not be made on account of financial condition of the appellant. It was further contended that the amount is excessive and unreasonable and does not commensurate with the misconduct.

5. Having heard the learned counsel for the appellant, we find that the provisions of the LODR Regulations require that every listed company should have a woman director. Having failed to appoint a woman director, the penalty was imposed as per the circular dated May 3, 2018. The quantum of penalty was imposed as per the circular which we do not find any discrepancy. The application of the appellant seeking exemption from the aforesaid penalty was

rightly rejected by SEBI under Regulation 102 of the LODR Regulations as it does not come under this specified criteria provided under the said regulations.

6. In the light of the aforesaid admitted default committed by the appellant, we do not find any error in the impugned order.  
Dismissed.

Sd/-  
Justice Tarun Agarwala  
Presiding Officer

Sd/-  
Dr. C. K. G. Nair  
Member

Sd/-  
Justice M. T. Joshi  
Judicial Member

04.03.2020  
Prepared & Compared by  
PTM