IN THE SECURITIES APPELLATE TRIBUNAL
AT MUMBAI

DATED THIS THE 19TH DAY OF AUGUST, 2026

CORAM: Justice P.S. Dinesh Kumar, Presiding Officer
Ms. Meera Swarup, Technical Member
Dr. Dheeraj Bhatnagar, Technical Member

Appeal No.133 of 2025
[Along with Misc. Application Nos.295, 408 and 1079 of 2025]

Digvijay Laxhamsinh Gaekwad
(Danny Gaekwad)
Power of Attorney holder of the
Appellant Mr. Surya Pratap Singh
Rana, S/o. Hem Singh R/o.H.No.1,
Ahmed Bagh, Saharanpur, Delhi
Road, Uttar Pradesh-247001. …..Appellant

(By Mr. C.A. Sundaram, Senior Advocate with Ms. Rohini Musa, Mr. Rahul Punjabi and Mr. Ishan Shroff, Advocates for the Appellant.)

1. Securities and Exchange Board of India
   SEBI Bhavan, Plot No.C4-A,
   G Block, Bandra Kurla Complex,
   Mumbai-400021.

2. M.B. Finmart Private Limited
   4th Floor, Punjabi Bhawan 10,
   Rouse Avenue, New Delhi-110002.

3. Puran Associates Private Limited
   4th Floor, Punjabi Bhawan 10,
   Rouse Avenue, New Delhi-110002.

4. Vic Enterprises Private Limited
   4th Floor, Punjabi Bhawan 10,
   Rouse Avenue, New Delhi-110002.

5. Milky Investment and Trading Company
   4th Floor, Punjabi Bhawan 10,
   Rouse Avenue, New Delhi-110002. …..Respondents

(By Mr. Pradeep Sancheti, Senior Advocate with Mr. Mihir Mody, Mr. Vijay Chockalingam and Mr. Aavish Shetty, Advocates i/b. M/s. K. Ashar & Co. for the Respondent.

Mr. Pranav Badheka, Senior Advocate with Mr. Ravichandra Hegde, Mr. Major Nirvikar Singh, Mr. Rohan Batra, Mr. Abhiraj Arora, Ms. Mitravinda Chunduru, Mr. Dhruv Sethi, Ms. Richa Seth and Ms. Rhea Kapoor, Advocates for the Respondent Nos.2 to 5.)

THIS APPEAL IS FILED UNDER SECTION 15T OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 TO SET ASIDE THE ORDER DATED FEBRUARY 14, 2025 PASSED BY THE WTM, SEBI.

THIS APPEAL HAVING BEEN HEARD AND RESERVED FOR ORDERS ON JULY 29, 2026 COMING ON FOR PRONOUNCEMENT OF ORDER THIS DAY, THE TRIBUNAL MADE THE FOLLOWING:

ORDER

Per: Justice P.S. Dinesh Kumar, Presiding Officer

This appeal is directed against order dated 14.02.2025 rejecting appellant's application seeking exemption from strict enforcement of Regulations 20(1) and 20(5) of the SEBI (SAST) Regulations, 2011[1] with respect to his competing offer to acquire Religare Enterprises Limited, a non-banking financial corporation (NBFC).

2. We have heard Mr. C. A. Sundaram, learned Senior Advocate for the appellant, Mr. Pradeep Sancheti, learned Senior Advocate for the SEBI and Mr. Pranav Badheka, learned Senior Advocate for the respondent Nos.2 to 5.

3. Brief facts of the case are, Religare Enterprises Limited ('REL' for short) is a listed Company and its shares are listed on BSE[2] and NSE[3]. It is also registered with Reserve Bank of India (RBI) as an NBFC[4]. It has no identifiable promoter.

4. Three[5] private limited companies and another entity by name Milky Investment and Trading Company (collectively called as 'Burman Group') were together holding 21.54% equity shares

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[1] SEBI (substantial Acquisition of Shares and Takeovers) Regulations, 2011
[2] BSE Limited
[3] National Stock Exchange of India Ltd.
[4] Non-Banking Financial Company
[5] M.B. Finmart Private Limited, Puran Associates Private Limited and VIC Enterprises Private Limited

of REL and proposed to buy 5.27% from the market at a maximum price of ₹235 per equity share. The proposed purchase would result in 'Burman Group' crossing the threshold of 25% holding in REL, which required them to make an 'open offer' to REL's shareholders in terms of Regulation 3(1) and 4 of SAST Regulations. Burman Group made a public announcement under Regulation 13(1) on 25.09.2023 to acquire 9,00,42,541 fully paid-up shares having face value of ₹10 each (26% shares of REL). On 04.10.2023, Burman Group made a 'Detailed Public Statement' in compliance with Regulation 13(4). Following this, a draft letter of offer for the open offer was submitted on October 11, 2023 to the SEBI under Regulation 16(1). The said letter of offer received approval from SEBI, on receipt of 'fit and proper' certificate by the sectoral regulator, RBI, in December, 2024, following which Burman group proceeded with the open offer. The tendering period was to open on 27.01.2025 and close on 07.02.2025.

5. On 24.01.2025 and 26.01.2025, the appellant[6] ('Gaekwad' for short) submitted letters to SEBI through REL with a request to allow him to make a competing offer for 55% of outstanding equity share capital at ₹275 per equity share. According to SEBI, the said letters were not 'exemption applications' in terms of Regulation 11 of the SAST Regulations and they were returned to the appellant. Subsequently, on 01.02.2025, Gaekwad submitted an application seeking

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[6] Digvijay Laxhamsingh Gaekwad

exemption from enforcement of Regulation 20(1) and 20(5) of the Regulations.

6. It appears, in the meanwhile, one Sapna Govind Rao, holding 500 shares in REL filed a writ petition[7] in the Hon'ble Delhi High Court seeking stay against the open offer made by Burman Group. The High Court directed SEBI to decide appellant's application within the shortest possible time in accordance with law. The Court permitted the open offer process to continue subject to outcome of the proceedings in the Hon'ble Delhi High Court.

7. Sapna Govind Rao approached[8] the Hon'ble Supreme Court of India seeking stay against Burman Group's open offer and to consider appellant's competing offer.

8. Appellant also filed an SLP[9] with an interim prayer for stay of Burman Group's open offer. On 07.02.2025, the Apex Court passed the following order:

> *"1. The appellant, Digvijay Laxhamsinh Gaekwad (Danny Gaekwad) or their nominee/applicant before SEBI, as suggested by his counsel, shall deposit a sum of ₹600 crores in terms of the 2011 SEBI Regulations, in the form of cash and/or bank guarantee, on or before 12.02.2025. In case the amount is not deposited by the said date, the directions in the present order shall be automatically vacated without further reference to the Court.*

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[7] W.P.(C) No.727 of 2025
[8] In SLP. (C) No.3726 of 2025
[9] SLP - Diary No.6576 of 2025

> *2. The public offer, which is to close today, will be continued till 12.02.2025. In case the appellant, Digvijay Laxhamsinh Gaekwad (Danny Gaekwad) or their nominee/applicant before SEBI, deposits ₹600 crores in terms of the 2011 SEBI Regulations, the offer will continue till the end of third day post the date of the order to be passed by SEBI on the application of the appellants."*

9. Subsequently, on 12.02.2025, the Hon'ble Supreme Court of India permitted the appellant to deposit ₹600 Crores *vide* the following order:

> *"Without going into these controversies, we permit the applicant to deposit 600 crores by way of transfer to a bank account nominated by the RBI. To enable the applicant to deposit the money by 02.00 p.m. (Indian Standard Time) on 13.02.2025, we direct the RBI to permit such deposit by giving details of an appropriate bank account as well as the SWIFT number immediately, so as to enable the applicant to transfer the amount in terms of this order by 02.00 p.m. (IST) tomorrow, i.e., 13.02.2025. We, however, clarify that except this modification to the above extent, the other terms and conditions mentioned in the order dated 07.02.2025 shall remain unaffected."*

10. Appellant was called upon by the SEBI to appear for hearing on 14.02.2025 but appellant failed to appear and SEBI passed the impugned order.

11. Mr. Sundaram, learned Senior Advocate for the appellant, assailing the impugned order, submitted that appellant desired to submit a competitive bid to acquire REL's shares. REL, being an NBFC, mandatorily required RBI's permission. Though Burman Group made a public announcement on 25.09.2023, the 'Letter

of Offer' was made only on 18.01.2025 after obtaining RBI's permission. Regulation 20(1) of the SAST Regulations provide that a competing acquirer can make a public announcement 'within 15 working days' from the date of 'Detailed Public Statement' by the acquirer who has made first public announcement. In the instant case, Burman Group has issued the 'Letter of Offer' on 18.01.2025 after receiving RBI's permission. He contended that reckoned from 18.01.2025, appellant had 15 working days to make a competitive offer.

12. In substance, Mr. Sundaram's argument is, the offer made by Burman Group became certain only on 18.01.2025. Therefore, by giving a purposive interpretation to the Regulations, it must be held that the period of 15 days under Regulation 20(1) must commence from 18.01.2025 and he urged that this Tribunal may interpret the Regulations in like terms. He submitted that Regulations contemplate satisfaction of two conditions for an acquirer to cross 25% threshold; (i) an acquirer Company should be put to terms of being willing to take over majority control over 50% and (ii) to ensure that shareholders get an exit from the Company at a price better than fair price.

13. On the factual matrix of the case, Mr. Sundaram submitted that on 07.02.2025, the Hon'ble Supreme Court of India directed the appellant to deposit ₹600 Crores on or before 12.02.2025 and further directed that the proceedings pending before the Hon'ble Delhi High Court and the SEBI be decided on merits. By order dated 12.02.2025, the Apex Court extended the

time to deposit the money by one more day. Though appellant had made arrangements for transfer of money from USA to India, he was not given the bank account details and he was unable to make the deposit. SEBI fixed 14.02.2025 to hear on appellant's exemption application. In view of the difference in time zone, appellant was not able to login and attend the virtual hearing; and the SEBI has passed the impugned order on the very same day. He submitted that SEBI's actions after RBI's approval have been in undue haste. The appellant had obtained a legal opinion which suggested that SEBI had violated the statutory mandate under SAST Regulations and particularly the provisions ensuring fair competition and protection of shareholders' interests and the said legal opinion also underscored the fact that the competing offer at ₹275 per share was significantly higher than Burman's offer of ₹235 per share and SEBI's refusal to acknowledge the legal opinion constitutes a grave error in law.

14. Appellant has listed out following procedural violations / delays in Burman Group's open offer in his written submissions:

	List of Compliances	*Date when to be done*	*Date when done*
1.	*Public Announcement – Regulations 3, 4, 13 – 15*		*25.09.2023*
2.	*Detailed Public Statement – Regulation 13(4) – not later than 5*	*03.10.2023*	*04.10.2023*

	working days of public announcement		
3.	*Escrow Deposit / Payment – Regulation 17(1) – not later than 2 days prior to the date of DPS*		
4.	*Draft Letter of Offer – Regulation 16(1) – within 5 days of DPS*	*10.10.2023*	*11.10.2023*
5.	*Final Comments by SEBI on Draft Letter of Offer – Regulation 16(4) – within 15 days.*	*07.11.2023 (taking 23.10 – 27.10.2023 towards Dussehra)*	*20.12.2024*
6.	*Issuance of Letter of Offer to Shareholders – Regulation 18(2) – within 7 working days of Final Comments from SEBI*	*16.11.2023*	*18.01.2025*
7.	*Tendering Period – Regulation 18(8) – 12 working days of SEBI's comments.* *Note:- SEBI's comments received on 20.12.2024, tendering period commenced a month later.*	*30.11.2023 (taking 13.11 – 17.11 towards Diwali)*	*27.01.2025*

15. In reply, Mr. Sancheti, learned Senior Advocate for SEBI, with regard to purposive interpretation of Regulation 20(1)

submitted that as per the Regulation, upon a 'public announcement' being made, any person other than the acquirer, who is desirous of making a competitive offer, shall be entitled to make a public announcement within 15 days from the date of 'Detailed public statement' made by acquirer. Admittedly, the appellant has not made any public announcement within 15 days of 'Detailed Public Statement' made by Burman Group on 04.10.2023. If appellant's prayer for purposive interpretation is to be accepted, the 'Detailed Public Statement' will have to be replaced by 'Letter of Offer'. This is not permissible because in terms of Regulations, a competing acquirer has to follow exactly the very same procedure as required for the original acquirer, which includes issuing 'Detailed Public Statement', making deposit in escrow account, filing draft 'Letter of Offer' and ultimately issuing offer letter followed by newspaper advertisement. He argued that the Regulations in the present form are clear and unambiguous. Hence, no interpretation is warranted.

16. Mr. Sancheti further submitted that the appellant does not dispute the fact that 'Detailed Public Statement' was issued by 'Burman Group' on 04.10.2023. Then, the appellant ought to have made a competing offer within 15 days therefrom. He pointed out that during the course of hearing, it was submitted on behalf of the appellant that the appellant was 'not interested' in making a competing offer in October 2023.

17. He further submitted that on 24th and 26th January, 2025, appellant sent letters to SEBI with a request to allow him to make public announcement. At that stage, appellant did not seek purposive interpretation of Regulations. On the other hand, appellant chose to seek exemption under Regulation 11(1). He argued that if appellant was under *bona fide* belief that the triggering date under Regulation 20(1) was 18.01.2025, he could have made public announcement of his competing offer and for that purpose no permission was required from SEBI.

18. He submitted that exemption provision under Regulation 11(1) is in respect of the obligation to make an 'open offer' on the acquirer. It does not provide for relaxing procedural timelines for an ongoing open offer. In terms of Regulation 20(8), a competing offeror has to follow identical timelines, as applicable for the first acquirer. He too has to make a 'Detailed Public Statement' as per Regulation 13(4) not later than five working days of public announcement; and make an escrow deposit as security for performance of his obligations within two days prior to the 'Detailed Public Statement' as per Regulation 17(1). In the instant case, appellant has not followed the timelines prescribed in the Regulations.

19. With regard to appellant's failure to deposit ₹600 Crores as per the Apex Court's order, he submitted that according to the appellant the delay in remittance was due to RBI's approval for opening his bank account in India. However, appellant has not sought any extension from the Hon'ble Supreme Court of India.

He contended that as per the Apex Court's order, failure to deposit automatically resulted in the order being vacated.

20. With regard to RBI's approval, Mr. Sancheti submitted that appellant has not pleaded this ground in the memorandum of appeal. Moreover, if appellant is now permitted to make a competitive offer, the entire process will have to begin afresh, whereas upon successful completion of takeover process under the Regulations, Burman Group has already taken over control over REL since 2025. Further, if the appellant is permitted to make his 'Letter of Offer', possibility of another person/entity showing interest cannot be ruled out. If this course is permitted, it will be a 'never ending' process which will render the scheme nugatory. In any case, any person including appellant can always initiate a fresh takeover bid, subject to satisfaction of conditions prescribed in the Regulations.

21. Mr. Pranav Badheka, learned Senior Advocate for the respondent Nos.2 to 5 also argued in support of the impugned order and contended *inter alia* that the appeal is not maintainable as it proceeds on an erroneous premise that appellant's competing offer was rejected on procedural grounds. The exemption application has been rejected because of serious deficiencies. Burman Group's offer stood concluded on 13.02.2025 in terms of the Apex Court's orders dated 07.02.2025 and 12.02.2025 and this appeal has been rendered infructuous. The public shareholders have tendered their shares in terms of Regulation 18(12) of SAST Regulations. Further,

Burman Group have become promoters of REL pursuant to which there has been change in the management also. To consider the appeal at this stage amounts to abuse of process of law.

22. In appellant's rejoinder written submissions, among other things, it is stated that on 11.02.2025 appellant wrote to RBI for the details of escrow account. On 12.02.2025, the Apex Court directed the RBI to give the account details and the SWIFT number by 02:00 PM on 13.02.2025. RBI wrote to appellant giving the details at 7:18 PM on 12.02.2025. With regard to SEBI hearing, it is stated appellant had sought adjournment as he was embroiled in ensuring Regulatory compliances. However, SEBI passed its order on 14.02.2025.

23. We have carefully considered rival contentions and perused the records.

24. Undisputed facts of the case are, Burman Group collectively held 21.54% equity shares in REL and proposed to buy 5.27% from the market which would result in crossing the threshold of 25% in REL. As per Regulation 3(1) of SAST Regulations, an acquirer shall not be entitled to acquire more than 25% shares unless he makes a public announcement of an 'open offer' for acquiring shares. The sequence of timeline to be followed under the SAST Regulations is as follows:

"1. Public Announcement [As per Regulations 3 and 4].

Day-1 Public Announcement of an Open Offer as per Takeover Regulations, i.e. date of agreeing to acquire shares or control over the target company;
[Refer Regulation 13(1), 14 and 15]

2. Detailed Public Statement (DPS) - [As per Regulation 13(4)]
[Not later than 5 working days of Public Announcement].

3. Escrow Deposit/Payment - as security for performance - [Regulation 17(1)]
[Not later than two days prior to the date of DPS].

4. Draft of Letter of Offer to be filed by the acquirer to SEBI - [Regulation 16(1)]
[Within 5 working days of DPS]

5. Issuance of Letter of Offer to shareholders - [Regulation 18(2)]
[Within 7 working days of receipt of final comments from SEBI as distinct from queries, enquires, etc.]

6. Newspaper advertisement of the Open Offer - [Regulation 18(7)]
[One day before the commencement of tendering period]."

25. In the event, any person/entity desires to make a competing offer, the timelines are as follows:

"7. The competing acquirer to make a public announcement of an open offer - [Regulation 20(1)]

Within 15 working days of DPS by the acquirer who has made first Public Announcement.

8. Schedule of activities for the competing offeror/acquirer are identical (as mentioned in paras 1 to 6 above) - [Regulation 20(8)].

> *9. In case of competing offers, SEBI is required to provide comments on draft Letter of Offer in respect of each competing offer on the same day - [Regulation 16(5)].”*

26. In the instant case, Burman Group is the acquirer, who made the public announcement on 25.09.2023 and eventually acquired control over the Target company, REL in 2025, whereas the appellant Gaekwad proposed to make competing offer in January 2025, while the open offer process of the former was already in progress.

27. A plain reading of Regulation 20(1) shows that once a ‘public announcement’ of open offer is made, a competing acquirer shall be entitled to make his ‘public announcement’ of an ‘open offer’ within 15 working days of ‘Detailed Public Statement’ made by the acquirer who makes ‘first public announcement’.

28. In the instant case, Burman Group made ‘public announcement’ on 25.09.2023 and ‘Detailed Public Statement’ on 04.10.2023. As per Regulation 20(1), appellant was required to make a ‘public announcement of his open offer’ within 15 working days from 04.10.2023. Admittedly, appellant has not made any ‘public announcement’ even as on date.

29. On 18.01.2025, Burman Group dispatched a ‘Letter of Offer’ to the shareholders under Regulation 18(2) and advertised the same on 23.01.2025 as required under Regulation 18(7).

30. For the first time, on 24.01.2025, appellant wrote to the SEBI requesting permission to submit a competing open offer under Regulation 20(1) of SAST Regulations. As per SAST Regulations, this required him to make a public announcement within 15 days of 'Detailed Public Statement' made by the Burman Group on 04.10.2023. The said letter was returned by the SEBI on the ground that it was not an exemption application. Subsequently, appellant filed an exemption application dated 01.02.2025 under Regulation 11(1) of SAST Regulations. Thereafter, certain proceedings took place before the Hon'ble Delhi High Court and Hon'ble Supreme Court of India. Suffice to note that on 07.02.2025, the Apex Court has issued following directions:

> *"Keeping all the aforesaid facts in mind, we are inclined to pass the following order: -*
>
> *1. The appellant, Digvijay Laxhamsinh Gaekwad (Danny Gaekwad) or their nominee/applicant before SEBI, as suggested by his counsel, shall deposit a sum of ₹600 crores in terms of the 2011 SEBI Regulations, in the form of cash and/or bank guarantee, on or before 12.02.2025. In case the amount is not deposited by the said date, the directions in the present order shall be automatically vacated without further reference to the Court.*
>
> *2. The public offer, which is to close today, will be continued till 12.02.2025. In case the appellant, Digvijay Laxhamsinh Gaekwad (Danny Gaekwad) or their nominee/applicant before SEBI, deposits ₹600 crores in terms of the 2011 SEBI Regulations, the offer will continue till the end of third day post the date of the order to be passed by SEBI on the application of the appellants.*

> *3. A party aggrieved by the order passed by SEBI would be entitled to take recourse to an appropriate remedy.”*

31. Appellant failed to deposit ₹600 Crores as directed by the Apex Court. He approached the Hon’ble Supreme Court of India again and by order dated 12.02.2025, the Apex Court directed thus:

> *“Without going into these controversies, we permit the applicant to deposit ₹600 crores by way of transfer to a bank account nominated by the RBI. To enable the applicant to deposit the money by 02.00 p.m. (Indian Standard Time) on 13.02.2025, we direct the RBI to permit such deposit by giving details of an appropriate bank account as well as the SWIFT number immediately, so as to enable the applicant to transfer the amount in terms of this order by 02.00 p.m. (IST) tomorrow, i.e., 13.02.2025.*
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> *We, however, clarify that except this modification to the above extent, the other terms and conditions mentioned in the order dated 07.02.2025 shall remain unaffected.”*

32. We may record that appellant did not comply with above order.

33. Mr. Sundaram’s main contention is, Burman Group has dispatched the ‘Letter of Offer’ on 18.01.2025 and an advertisement under Regulation 18(7) was given on 23.01.2025. Therefore, the timeline stipulated in the Regulations must be reckoned either from 18.01.2025 or at best from 23.01.2025. According to him, appellant approached the SEBI with his letter dated 24.01.2025 which ought to have been construed as a competing offer. He submitted that the appellant was called

upon to file an exemption application under Regulation 11 by the SEBI which the appellant filed.

34. In substance, Mr. Sundaram has urged two alternative propositions.

- To treat 18.01.2025, the date on which the Burman Group gave 'Letter of Offer' as the date of 'Detailed Public Statement' or
- To treat 23.01.2025, the date on which 'Letter of offer' was advertised as the date of 'Detailed Public Statement'.

35. According to Mr. Sundaram, the above interpretation is necessary because approval was required from RBI and other authorities. Unless all approvals are in place, the open offer cannot progress. In this back drop, he urged that a 'purposive interpretation' to Regulation 20(1) may be given holding the date of 'Detailed Public Statement' either as 18.01.2025 or 23.01.2025. We are not persuaded to accept this contention for more than one reason.

36. Firstly, the SAST Regulations are statutory Regulations laid before the Parliament of India. There is no challenge to the *vires* of the Regulations in the manner known to law.

37. Secondly, the appellant was conscious of the public announcement and the Detailed Public Statement made in October 2023. To a query made by us as to why appellant did not make his competitive offer within 15 working days from the

date of Detailed Public Statement, Mr. Sundaram submitted that the appellant was 'not interested' at that point of time. In his written submissions, appellant has stated thus:

> *"There was no delay by the Appellant for the reason that while in Sept 2023 (a) the public announcement itself was dependent on the approvals that had not been got and it was in doubt as to how long the process would go on, the Appellant was not interested in being involved in a long uncertain process; (b) in any event, even if the Appellant showed no interest in September 2023, when the open offer proceeded in present in 1 1/4 years later, the Appellant had a present and immediate interest.* ***Assuming without admitting that the Appellant was not interested in September 2023, the same does not bar the Appellant from showing an interest in January 2025****, and should, the Appellant be right in the submissions hereinabove, this could not stand in the way of this Hon'ble Tribunal granting appropriate relief / passing appropriate orders."*
>
> *(Emphasis Supplied)*

38. Taking over a company is governed by the SAST Regulations. Admittedly, appellant was not interested at the relevant point of time and even subsequently, he has not complied with the directions of the Hon'ble Supreme Court of India.

39. Thirdly, appellant has urged that he had time till 11.02.2025 to make his competitive offer. This is based on appellant's assumption that the 'Letter of Offer' made to the shareholders is the same as 'Detailed Public Statement' under Regulation 13(4). Such interpretation is not permissible because the language employed in the Regulations is unambiguous. Regulation 20(1) of SAST Regulations reads thus:

> *"Competing offers.*
>
> *20.(1) Upon a public announcement of an open offer for acquiring shares of a target company being made, any person, other than the acquirer who has made such public announcement, shall be entitled to make a public announcement of an open offer within fifteen working days of the date of the detailed public statement made by the acquirer who has made the first public announcement."*

40. The purpose of Regulation 20(1) is in consonance with Regulation 20(8) which mandates that the schedule of activities and tendering period for all competing offers shall be carried out with identical timelines. Further Regulation 18(4) provides that irrespective of the fact whether a competitive offer was made, an acquirer may make upward revision of his offer. If Regulation 20(1) is to be interpreted in the manner suggested by the appellant, it shall have serious adverse consequences and total uncertainty. It is relevant to note that Burman Group has deposited money in the escrow account in 2023 and obtained Regulatory approvals. If appellant's interpretation is to be accepted and his competitive offer is to be considered, it shall amount to gross discrimination *qua* the first offeror (Burman Group in this case) in as much as, appellant who is sitting on the fence marches over the first offeror without making his public offer within 15 days from first offeror's public statement. Thus, the interpretation sought by the appellant militates against equality and equal treatment to all bidders and such interpretation is impermissible in law.

41. Fourthly, if the Regulations are interpreted as sought by the appellant, he will have to be granted time to obtain RBI's approval and any other approvals as may be required. In such scenario, what should happen in case, appellant fails to obtain RBI's approval? That affects first offeror's rights adversely in terms of efforts, time and loss of opportunity.

42. Fifthly, appellant approached the Hon'ble Supreme Court of India but did not comply with its order by depositing ₹600 Crores. The order dated 07.02.2025 makes it clear that failure to deposit the amount would automatically vacate the directions.

43. Sixthly, though the direction to deposit ₹600 Crores was issued by the Apex Court on 07.02.2025, records disclose that appellant wrote to the RBI on 12.02.2025. It was argued by the learned Senior Advocate for private respondents that appellant does not even have a bank account in India even though he desires to acquire REL – a NBFC. Be that as it may, suffice to note that appellant has not approached the RBI immediately after the Apex Court passing the orders.

44. Seventhly, the exemption application of appellant dated 23.01.2025 is not covered by the provisions of Regulation 11(1), which read as under:

> *11.(1) The Board may for reasons recorded in writing, grant exemption from the obligation to make an open offer for acquiring shares under these regulations subject to such conditions as the Board deems fit to impose in the interests of investors in securities and the securities market.*

We note that the provisions under Regulation 11 are not general exemption provisions (such as Section 462 of the Companies Act, 2013) but limited to allowing an acquirer to dispense with the open offer requirement and do not provide for relaxation from other requirements including timelines in case of an ongoing open offer. Even the provisions of Regulation 11(2) are not relevant in the instant matter. Thus, the exemption sought by the appellant is not covered under Regulation 11.

45. Admitted position is, the public offer by Burman Group which was to close on 07.02.2025, continued till 12.02.2025 as per the direction of the Hon'ble Apex Court, subject to appellant depositing ₹600 Crore. Though time was further extended till 13.02.2025, appellant failed to make the deposit. Hence, the open offer by Burman group ended on 13.02.2025, consequently, all further proceedings would be rendered infructuous. It was argued by Mr. Sundaram that the decision of this Tribunal with regard to the correctness of appellant's exemption application shall have bearing on the validity of the proceedings. We have not accepted the prayer for purposive interpretation of the Regulations. The resultant position ensuing is, the appellant was required to make his competitive offer in 2023 within the stipulated timeline. Therefore, the question of granting exemption from adhering to prescribed timelines for various compliance activities required for an open offer at this point of time would not arise. Consequently, proceedings from and after closure of open offer on 13.02.2025 would be rendered unnecessary/infructuous.

46. Above all, it was argued by both Mr. Sancheti and Mr. Badhake that appellant still has an option to acquire the target company by following the SAST Regulations, if he so desires. To a pointed query made by us as to whether appellant can make a fresh open offer, Mr. Sundaram fairly conceded in the affirmative. Thus, appellant's option to takeover the target company is not closed and he can always choose to initiate the process, at any time.

47. In the light of above discussion, we are of the considered opinion that the appellant's application for exemption is devoid of merits. In the result, the appeal fails and it is accordingly ***dismissed***. Pending interlocutory application(s), if any, stand disposed of. No costs.

Justice P.S. Dinesh Kumar
Presiding Officer

Ms. Meera Swarup
Technical Member

Dr. Dheeraj Bhatnagar
Technical Member

19.08.2026
RHN

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