

**ORDER PASSED BY THE DELISTING COMMITTEE OF BSE LTD. IN THE MATTER OF ATLANTA DEVCON LIMITED FOR COMPULSORY DELISTING UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2009, SECURITIES CONTRACTS (REGULATION) ACT, 1956 r/w SECURITIES CONTRACTS (REGULATION) RULES, 1957 AND RULES, BYE-LAWS AND REGULATIONS OF BSE LTD.**

1. This Order is passed under Regulation 22 of Chapter V under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (as amended from time to time) ("**Delisting Regulations**") r/w Section 21A of the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**") and the Rules, Bye-Laws and Regulations of BSE Ltd. ("**Exchange**") in the matter of compulsory delisting of equity shares of Atlanta Devcon Limited ("**Company**") from the Exchange.
2. At the meeting held on October 20, 2023 the Delisting Committee of the Exchange ("**Delisting Committee**") perused the records, considered the facts and the relevant provisions of law, including the circulars issued by the Securities and Exchange Board of India ("**SEBI**"). The Delisting Committee unanimously decided to direct the Company to complete the requirements for revocation of suspension including payment of outstanding dues within the stipulated timelines, failing which, the securities of the Company ought to be compulsorily delisted from the platform of the Exchange. In this regard, the Delisting Committee proceeds to furnish the reasons for its decision.

**3. The relevant facts are as follows:**

- a. The trading in the securities of the Company was suspended w.e.f. January 02, 2020 in terms of and in accordance with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018 on account of non-compliance for two consecutive quarters i.e., June 2019 and September 2019 with Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”). The said suspension was notified on the Exchange’s website *vide* notice no. 20191211-38 dated December 11, 2019.
- b. The trading in the securities of the Company continued to remain suspended for more than six (6) months and the Company failed to take all the steps necessary to enable revocation of suspension in the trading of securities prescribed by the Exchange. Hence, the shareholders / investors are deprived of the facility for dealing in the securities of the Company.
- c. An email dated February 20, 2020 enclosing the letter dated February 20, 2020 (“**advisory letter**”) was sent by the Exchange to the Company on its email id : info@seaxglobal.net; atlantadevcon@yahoo.com; stating inter-alia, that the Exchange had informed the Company about its non-compliance with the provisions of Regulation 18(1) of LODR Regulations, the quantum of fines payable and the further action that would be initiated pursuant to SEBI circular dated May 03, 2018, if the Company failed to comply with the obligations and pay the fines. The said email further stated that as the Company had failed to

comply with its obligations and to pay the fines, the trading in the scrip was shifted to “Z” group w.e.f. November 26, 2019 and that the trading in the securities has been suspended w.e.f January 2, 2020. The provisions of SEBI circular dated May 03, 2018 dealing with the consequences of non-compliances and failure to pay the fine within 6 months from the date of the suspension were notified in the said email. This included initiation of the process of compulsory delisting under the SCRA, SCRR and Delisting Regulations. The Company was accordingly advised to comply with the obligations and pay the fines for completing the process for revocation of suspension.

- d. By an email dated October 28, 2020, addressed to the Company, the Exchange inter alia informed that the Company had failed to take steps necessary for revocation of suspension and afforded the Company a last and final opportunity to complete the formalities for revocation of suspension within one (1) month, and listed the pending compliances. The Company was informed that suspension of trading in the securities of a company for more than 6 months would attract the relevant provisions of law for compulsory delisting.
- e. Pertinently, the Company did not complete all the formalities for revocation of suspension in the trading of its securities. Therefore, a Show Cause Notice dated December 10, 2020 was issued to the Company by the Exchange (“SCN”) at its last known registered address available with the Exchange and as available on the website of Ministry of Corporate Affairs (MCA) as well as the Company’s email ID, calling upon the Company to show cause within 15 days from the date

of the SCN as to why the securities of the Company should not be compulsorily delisted from the platform of the Exchange in terms of Chapter V of the Delisting Regulations. Further, the Company was also informed that if it wished to avail an opportunity of personal hearing before the Delisting Committee, then such request be included in its representation to the SCN. The Company was also directed to submit its representation to the SCN.

- f. The promoters were also informed about the SCN issued to the company along with consequences of compulsory delisting vide Exchange email dated on March 16, 2021; at the Email ID:- [dpstatement@yahoo.com](mailto:dpstatement@yahoo.com).
- g. Further, vide email dated September 22, 2021 the Exchange had once again advised the company to complete the formalities for revocation of suspension which would inter-alia include redressal of investor complaints, payment of outstanding dues if any, completion of pending compliances, as per SEBI Listing Regulations, 2015 within one (1) month from the date of the email. The Exchange had further informed that it will initiate the process for Compulsory Delisting as per the provisions of SEBI (Delisting of Equity Shares) Regulations, 2009 (Delisting Regulations).
- h. The Exchange vide email dated October 25, 2021 provided details of pending fees/fines payable by the Company. Further, the company was once again advised to complete the formalities for revocation of suspension within one (1) month from the date of the email. It was further mentioned that Company's inaction/ failure to comply with the requirements within the stipulated time

would be placed before the Delisting Committee. In case, the Company wished availing an opportunity of personal hearing, the same be informed to the Exchange by addressing such request on email id:- bse.delistscn@bseindia.com.

- i. The Exchange *vide* email dated March 11, 2022 enclosing letter of even date informed the Company about granting of an opportunity of personal hearing to the Company before the Delisting Committee.
- j. Subsequently, the Exchange *vide* email dated March 24, 2022 had informed the promoters/promoter group of the company about Exchange email dated March 11, 2022 regarding granting of an opportunity of personal hearing to the Company before the Delisting Committee.
- k. However, the Company did not submit its representation in response to the Exchange's email dated March 11, 2022.
- l. The Exchange *vide* email dated April 18, 2022 provided an opportunity of personal hearing to the Company to represent before Request Review Committee in the meeting held on April 21, 2022.
- m. Pursuant to the above and in terms of the Delisting Regulations, Initial Public Notices ("IPN") were published in one English national daily viz., The Financial Express (all editions) dated June 24, 2023 and one regional language newspaper viz. Navshakti (in Marathi) dated June 24, 2023 inter alia, informing about the proposal for compulsory delisting of the equity shares of the Company and inviting representations from any concerned person desirous of making any representation to the Exchange, within 15 working days of the notice, at the

specified email id bse.delistscn@bseindia.com. The IPNs were also disseminated on the Exchange's website. Link of the IPN was sent to the company and its promoters through email on June 26, 2023.

- n. In response to the IPN issued by the Exchange, the Exchange did not receive any representation. Nor did the Company initiate any steps for revocation of suspension in the trading of equity shares of the Company.
- o. Status update on company's compliances was placed before the Request Review Committee in its meeting held on August 21, 2023. The Committee noted that sufficient time was given to the Company to comply and complete the formalities for revocation of suspension and the same were not complied with. In view thereof the Committee decided that company may be granted personal hearing before the Delisting Committee.
- p. A letter dated September 21, 2023 was sent by the Exchange to the Company granting an opportunity of personal hearing to the Company, to make the submission/representation before Delisting Committee of the Exchange (meeting through video conferencing). An email was also sent by the Exchange to the Company and its promoters on July 4, 2023 on the email ids: 'info@seaxglobal.net'; 'atlantadevcon@yahoo.com'; 'RAJJHALA17772@GMAIL.COM'.
- q. The notices were published in one English national newspaper viz., The Financial Express (all editions) dated September 23, 2023, one Hindi national newspaper viz., Business Standard (all editions) and one vernacular newspaper viz.

Navshakti (in Marathi) dated September 23, 2023, inter alia, granting the Company a last and final opportunity to inform the Exchange whether it wanted to avail a personal hearing before Delisting Committee of the Exchange. Further, it was also stated that if no response was received from the Company within the stipulated timelines and in the prescribed mode, it would be presumed that the Company has waived the opportunity of being heard and the Delisting Committee shall be constrained to decide the matter, on an ex-parte basis and the Exchange shall proceed with the process for compulsory delisting. Further, it was specified that the Company may address a communication at the specified email id: [bse.delistscn@bseindia.com](mailto:bse.delistscn@bseindia.com) by September 27, 2023. The said notices were also disseminated on the Exchange's website.

- r. The email dated September 25, 2023 was also sent to the company and promoter/promoter group, informing the company about publication of aforesaid public notice dated September 23, 2023 in newspapers.
  - s. In reply to Exchange communication, the company vide emails dated September 26, 2023 and September 25, 2023 requested to allow company to attend Delisting Committee Meeting personally.
4. In response to company email on attending the personal hearing physically, the Exchange vide email dated October 10, 2023 informed the company time when the company should be present for the meeting. The Company was further requested to submit the letter of authority on company letterhead authorizing persons along with

documents in support of authorization to represent the company before the Delisting Committee in its meeting scheduled on October 20, 2023.

5. The company vide email dated October 16, 2023 and October 12, 2023 requested the Company to submit the documents requested in Exchange email dated October 10, 2023.
6. The Exchange vide email dated October 17, 2023 requested the company to be present on the given address for attending the Delisting Committee Meeting.
7. The Company vide email dated October 19, 2023 submitted its authority letter and copy of Board resolution authorising Mr. Ashok Koyani to represent before the Delisting Committee.
8. The matter of compulsory delisting of the Company was placed before the Delisting Committee on October 20, 2023.
9. At the threshold, the Delisting Committee observed that at the time of passing of this decision, SEBI Delisting Regulations, 2009 had been repealed by SEBI (Delisting of Equity Shares) Regulation, 2021 ("**SEBI Delisting Regulations, 2021**"). The Committee also noted that Regulation 44 of SEBI Delisting Regulations, 2021 provides a saving clause as follows:

*"44.(1) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, stand repealed from the date on which these regulations come into force.*

*(2) Notwithstanding such repeal,—*



*(a) anything done or any action taken or purported to have been done or taken including in-principle approval given by the recognised stock exchanges, relaxation or exemption granted by the Board, fee collected, any adjudication, enquiry or investigation commenced or show cause notice issued under the repealed regulations prior to such repeal, shall be deemed to have been done or taken under the corresponding provisions of these regulations;*

*(b) the previous operation of the repealed regulations or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under the repealed regulations, any penalty, forfeiture or punishment incurred in respect of any contravention or offence committed against the repealed regulations, or any investigation, proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid, shall remain unaffected as if the repealed regulations had never been repealed;"*

10. Thus, considering the aforesaid facts and in particular the fact that the SCN was issued on December 10, 2020 i.e. prior to SEBI Delisting Regulations, 2021, the Committee is of the considered view that the present proceeding will be governed by SEBI (Delisting of Equity Shares) Regulations, 2009. It is clarified that this is restricted to the adjudication of the present SCN for delisting of securities of the Company.

11. On October 20, 2023 Mr. Ashok Koyani (Authorised representative of the Company) appeared before the Delisting Committee. Mr. Koyani submitted the following:

- i. The Company is ready to comply with the pending compliances within 1 month.
  - ii. The Company is ready to pay outstanding dues in six months.
12. Rule 21 of SCRR prescribes various grounds for compulsorily delisting the equity shares of a listed company by the Exchange, one of which is continuation of suspension in the trading of the securities for a period of more than 6 (six) months.
13. The SCN, *inter alia*, states that the Company has failed to take steps to enable revocation of suspension in the trading of its securities and that the trading in securities had been suspended for more than 6 (six) months.
14. These facts have not been controverted.
15. Based on the aforesaid facts, the Delisting Committee observed that:
  - a. It is an admitted position that the trading in securities of the Company has remained suspended for a period of more than 6 (six) months in terms of Rule 21 of SCRR.
  - b. The Company is non-compliant with the following critical regulations of SEBI LODR, Regulations.
    - i. Regulation 31:- Shareholding pattern report
    - ii. Information on the Reconciliation of Share Capital Audit Report.
  - c. It is established that the Company has not complied with all the requirements for revocation of suspension in trading of securities of the Company at the Exchange. Hence, the suspension in the trading of securities of the Company at the Exchange continues as on date thereby depriving the shareholders of the Company the

facility of dealing in its securities. The public shareholding of the Company as per the last filing with the Exchange is 88.85%.

- d. The aforesaid facts indicate negligent conduct and lack of interest on the part of the Company in complying with its obligations and revoking the suspension in the trading of securities which happened in the year 2019.
- e. In terms of the requirements of Delisting Regulations, IPN was published in one English national daily viz., The Financial Express (all editions) dated June 24, 2023 and one regional language newspaper viz. Navshakti (in Marathi) dated June 24, 2023, inter alia, informing about the proposal for compulsory delisting of the equity shares of the Company. However, no representation was received by the Exchange.
- f. While the grounds for compulsory delisting are made out in light of the above facts, the Delisting Committee, as a last opportunity, considers it appropriate to grant the Company's request that time be granted to the Company to comply with requirements for revocation of suspension in the trading of securities of the Company in terms of the following order to which the Company has agreed:-

#### **ORDER**

16. As per the request of and with the consent of the Company and in exercise of powers vested with the Delisting Committee under Regulation 32 (2) of the Delisting Regulations, the following Order is passed:

- a) The Company shall comply with the following:-

- i. Complete the pending compliances and formalities for revocation of suspension including payment of processing fees, Annual Listing Fees, SEBI SOP fines and Re-instatement fees within 3 months from the date of receipt of this Order by the Company.
- b) In case, the Company fails to comply with the aforesaid directions, then the securities of the Company shall automatically stand compulsorily delisted from the platform of the Exchange, in terms of Regulation 22 of Chapter V under the Delisting Regulations r/w Section 21A of the SCRA and the Rules, Bye-Laws and Regulations of the Exchange.
- c) The securities of the Company will stand compulsorily delisted with effect from the date mentioned in the notice issued by the Exchange on its website informing the market participants about the compulsory delisting of the securities of the Company.

Date: January 5, 2024

Sd/-  
Chairman

Sd/-  
Member

Sd/-  
Member

Sd/-  
Member



Sd/-  
Member