

ORDER PASSED BY THE DELISTING COMMITTEE OF BSE LTD. IN THE MATTER OF GAMMON INDIA LTD. 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 Gammon India Ltd. ("**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. February 23, 2018 in terms of and in accordance with SEBI Circular no. CIR/CFD/CMD/12/2015 dated November 30, 2015 on account of non-compliance for two consecutive quarters i.e., June 2017 and September 2017 with Regulation 33 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. 20180201-30 dated February 1, 2018.
- 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. By a letter dated March 19, 2019 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 fifteen (15) days 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.

- d. 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.
- e. The Company *vide* email dated December 29, 2020 replied to the SCN and interalia stated the following:

“...we like to inform that the company is making its sincere and best efforts to comply with the provisions of SEBI (LODR), Regulations 2015. However alongwith various reasons the company has informed the stock exchange from time to time, the Company is still struggling with limited staff and also retention of existing staff is a challenge during the current financial crisis which the company is currently dealing with.

Please be further informed that currently the company’s lenders hold 63% of the equity shares and small shareholders hold about 25% whereas the promoter an the

promoter group holds about 11.54% of the shareholding. Delisting of the shares will only inflict hardship on the lenders who hold the majority stake and other small shareholders.

We sincerely request you to grant us an opportunity of personal hearing so that we can explain you the difficulties of the company and request you not to take any harsh action with regard to compulsory delisting” ...”

- f. The company vide various emails between February 2021 and March 2021 coordinated with other departments for listing fees related issues.
- g. Subsequently, the Exchange vide email dated February 19, 2021 informed the Company that the Delisting Committee of the Exchange in its Meeting held on February 13, 2021 considered the representation submitted by the Company in reply to the SCN dated December 10, 2020 issued by the Exchange and decided to grant time of two months from the date of this communication i.e. on or before April 20, 2021 to complete the formalities for revocation of suspension. The Company was informed that if the Company fails to complete the formalities within two months from the date of the communication i.e. on or before April 20, 2021, the Exchange will proceed with the compulsory delisting of the company as per provisions mentioned under SEBI (Delisting of Equity shares) Regulations, 2009.
- h. In response to Exchange email dated February 19, 2021, the company vide email dated February 22, 2021 responded thereby making some submissions.

- i. The Exchange vide email dated March 13, 2021 requested the Company to make an application for revocation of suspension. Link of application and checklist for revocation of suspension was provided to the company in the email.
- j. Vide email dated March 15, 2021 the company requested for pending amount which the company has to pay towards Listing fees, penalties etc.
- k. The Exchange email dated March 23, 2021 provided the company details of fines levied for non-compliance/late compliance with Regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- l. The company vide email dated April 6, 2021 requested the Exchange for procedure to apply for the waiver of penalties etc.
- m. Further, vide Exchange email dated April 8, 2021 the Company was once again advised 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. It was further informed that no extension of time would be granted to the Company to complete the formalities for revocation of suspension and the Exchange would initiate the process for Compulsory Delisting as per the provisions of SEBI (Delisting of Equity Shares) Regulations, 2009 (Delisting Regulations).
- n. The company vide email dated April 26, 2021 requested the Exchange to guide on downloading the invoice for the FY 2021-2022.

- o. The Exchange *vide* email dated November 25, 2021, informed the Company about revision in processing fees and reinstatement fees for revocation of suspension in trading of securities of the Company w.e.f. January 01, 2022.
- p. Pursuant to the above and in terms of the Delisting Regulations, Initial Public Notices (“IPNs”) were published in one English national daily viz., The Financial Express (all editions) dated May 9, 2022 and one regional language newspaper viz. Navshakti (in Marathi) dated May 9, 2022 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.
- q. In response to the IPNs 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.
- r. The company vide various email till the month of June 2022 co-ordinated with other departments for listing fees related issues.
- s. The Exchange *vide* email dated June 23, 2022 enclosing letter dated June 22, 2022 informed the Company about granting of an opportunity of personal hearing to the Company before the Delisting Committee.
- t. The Company vide email dated June 27, 2022 provided details of company officials who would be appearing before the Delisting Committee.

- u. The company vide various emails till upto November 2022 co-ordinated with other departments for listing fees related issues.
 - v. The Exchange vide email dated November 24, 2022 provided outstanding Annual Listing fees to the company.
 - w. The company vide email dated November 24, 2022 requested to provide invoices for the outstanding amount and stated that the company is under Corporate Debt Restructuring (CDR) and hence the lenders will not clear any payments without a bill.
 - x. The company vide email dated January 3, 2023 provided details of remittance of Annual Listing fees for various years and requested to know the procedure to unfreeze the demat account of the Promoter.
 - y. Vide different emails in the month of January 2023 the company requested for a revert on its emails.
 - z. The company vide email dated January 30, 2023 requested to know the procedure/formalities for revocation of suspension.
4. The company vide emails dated February 1, 2023, February 4, 2023 requested for a revert on the emails.
5. The company vide email dated February 9, 2023 requested for confirmation whether the payment of Annual Listing fees is received. The company further requested for checklist for revocation of suspension. The company vide emails dated February 16, 2023, February 23, 2023, March 1, 2023, March 9, 2023, March 14, 2023 and March 20, 2023 sent follow up emails on its earlier emails.

6. The Exchange vide email dated September 8, 2023 provided the company an opportunity of personal hearing before the Request Review Committee of the Exchange at its meeting scheduled on September 14, 2023.
7. The company vide email dated September 11, 2023 provided details of company officials who would be present at the Request Review Committee meeting.
8. Vide Exchange email dated September 13, 2023 the company was provided with format of letter of authority alongwith copy of Board resolution to be submitted authorizing persons to represent on behalf of the company before the Request Review Committee Meeting at its meeting on September 14, 2023.
9. The Exchange vide email dated September 13, 2023 provided details to the company to join the meeting through Webex.
10. The Company vide email dated September 14, 2023 submitted the required authorisation letter.
11. The Company appeared before the Request Review Committee of the Exchange in its meeting held on September 14, 2023 and submitted its representation.
12. The Committee after considering the facts of the case and the submissions made by the company during the personal hearing, decided that the company should be placed before the Delisting Committee for its consideration.
13. The company vide email dated September 18, 2023 submitted its written representation in the matter.
14. 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: gammon@gammonindia.com; investors@gammonindia.com; niki.shingade@gammonindia.com; NIKHITAESTATEDEVELOPERS@YAHOO.IN; DEVYANIESTATE@GMAIL.COM; abhijitrajan05@gmail.com; elloraorganics@yahoo.in; PACIFIC_ENERGY@YAHOO.COM; ar@gammonindia.com.

15. 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 by September 27, 2023. The said notices were also disseminated on the Exchange's website.

16. 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.

17. In response to Exchange email dated September 21 2023, the Company vide email dated September 27, 2023 replied and stated that it had already submitted the required documents in a separate email.

18. Vide another email of September 27, 2023 the company stated the following:-

“Please note the company officials will be present for the personal hearing before the delisting committee of BSE on 20th October, 2023 as per the LOA Attached. Also attached is the roadmap of GIL for way forward.”

19. The Company vide letter dated September 27, 2023 submitted its representation to be placed before the Delisting committee which interalia stated the following:-

- *“The Company was a profit-making company but it slipped into a stressed asset Company and had to adopt Corporate Debt Restructuring and SDR route for revival of its business. The Corporate Debt restructure was not successful as envisaged cash flow was not available in time.*
- *Out of the total as approved by the Court, Gammon could address 75% of the total debt by hiving off its business.*
- *Deloitte Touche Tohmatsu India LLP was appointed as process advisors on December 10, 2019 for resolution of Gammon India Ltd. under RBI framework.*
- *Gammon’s Resolution plan was approved by IDBI Bank, Bank of Baroda, Canara Bank, ICICI Bank, Central Bank and Karnataka Bank and DBS bank which was around 60% of the total outstanding debt.*
- *Due to delay in approval of resolution plan by other Bankers, the fund through which Everstone (Investor) intended to invest was closed.*

- *First Asian Infraventures Pvt. Ltd. has shown keen interest in taking over the management of Gammon and has given their binding offer.*
- *The Consortium of Lenders at their meeting held on 5th March, 2022 had accepted the offer and were willing to take up the matter of the resolution plan of the Company with their higher management.*
- *On acceptance of Resolution plan, First Asian Infraventures Pvt. Ltd. will take over the control of the management of Gammon India. They will invest Rs. 50 Cr. in the business to meet the immediate working capital.*
- *40% of the consortium of lenders including the Lead Bank has accorded its sanction for the Resolution plan. Company is in process to obtain approval from other lenders which may take approximately 2 months' time.*
- *Due to its NPA status, the bank accounts are freezed and the cash flow is controlled by the Bank.*
- *The company is working on proposals to repay the Lenders and revive the Company."*

20. The matter of compulsory delisting of the Company was placed before the Delisting Committee on October 20, 2023.

21. 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;”

22. 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.

23. On October 20, 2023 Ms. Niki Shingade – Company Secretary, Mr. Sandeep Seth – Executive Director and Mr. Ajit Desai – Chief Executive Officer, appeared (through video conference) on behalf of the Company appeared before the Delisting Committee. The company representatives however submitted the following:

- i. The Company have made compliances till March 2023.*
- ii. The Company is not able to pay to Stock Exchanges and Depositories due to financial difficulties. BENPOS have also been blocked, hence unable to make compliances from June quarter 2023 onwards.*
- iii. Entire cash flow of the Company is being controlled by the banks.*
- iv. Majority of businesses have been hived off in last 6 months.*
- v. No cash flow coming out of any projects. All cash flows are diverted to banks from last 6 months towards their outstanding dues.*
- vi. The Company has requested the banks to release certain money to pay for the statutory compliances and payments.*
- vii. OTS proposal is being discussed with bankers. Lenders have executed inter creditor agreement in 2019.*
- viii. Union Bank had invoked the CIRP process in NCLT which was subsequently withdrawn.*
- ix. Majority shareholding (62%) are bankers and (11%) pledged with banks indirectly.*

- x. 16 banks are involved in the consortium.
- xi. The Company requires one year time to comply.

24. 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.

25. 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.

26. These facts have not been controverted.

27. 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. Regulation 33- Quarterly Results
 - iii. Regulation 34(1)- Annual Report
 - iv. 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 88.46%.

- 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 2018.
- e. In terms of the requirements of Delisting Regulations, IPNs were published in one English national daily viz., The Financial Express (all editions) dated May 9, 2022 and one regional language newspaper viz. Navshakti (in Marathi) dated May 9, 2022 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

28. As per the request of and with the consent of the Company and in exercise of powers vested with the Delisting Committee under Regulation 22 (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 and Re-

instatement fees within 4 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