

**Before the Delisting Committee ("Committee")
of the
National Stock Exchange of India Limited
Conference Room, A-Wing, Ground Floor,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
held on June 09, 2022**

In the matter of the Company Austral Coke & Projects Limited ("AUSTRAL")

Members Present:

Ms. Sunita Sharma	- Chairperson
Ms. Mona Bhide	- Committee Member
Mr. K Narasimha Murthy	- Committee Member
Mr. Ashok Dhere	- Committee Member
Ms. Priya Subbaraman	- Committee Member

Also Present:

Dr. Dinesh Kumar Soni	- Senior Vice President, Regulatory
Mr. Suresh Nair	- Vice President and Head, Enforcement
Mr. Avishkar Naik	- Vice President and Head, Listing Compliance
Mr. Lokesh Bhandari	- Chief Manager, Listing Compliance
Mr. Rajendra Bhosale	- Senior Manager, Listing Compliance
Mr. Aman Bhatnagar	- Manager, (Legal) Regulatory Support
Ms. Mittali Christachary	- Manager, Enforcement
Ms. Ankita Gupta	- Manager, Listing Compliance

1. Background

- 1.1** The equity shares of Austral Coke & Projects Limited ("**AUSTRAL**"/ "**Company**") are listed on the National Stock Exchange of India Limited ("Exchange") with effect from September 04, 2008. The trading in the equity shares of the Company has been suspended w.e.f. January 17, 2018, due to non-compliance with erstwhile Regulation 55A of Securities Exchange Board of India (Depositories and Participants) Regulations, 1996, i.e., Reconciliation of Share Capital Audit Report.
- 1.2** Further, an amount of Rs. **10,26,119/-** (including GST) levied towards non-compliance of Standard Operating Procedure ("**SOP**") against Regulation 31, 33, and 35 from March 2014 onwards with the Securities Exchange Board of India

(Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") and Securities Exchange Board of India (Depositories and Participants) Regulations 1996 and an amount of Rs. **34,15,648.60/-** (including interest) towards Annual Listing fees is due and payable by the Company, to the Exchange, as on June 01, 2022.

2. Show Cause Notice, Public Announcement, and Responses

Subsequent to the suspension of trading of equity shares of the Company, the Exchange had written several letters/ reminders to the Company for complying with Listing Regulations. Since the Company failed to comply, the Exchange proceeded to initiate the process of compulsory delisting of the Company in terms of Rule 21 of SEBI (Delisting of Equity Shares) Regulations, 2009.

- 2.1** The Exchange issued a show-cause notice bearing reference no. NSE/LIST/95831 dated November 25, 2019, to the Company seeking an explanation as to why its equity shares listed on the Exchange should not be compulsorily delisted for the observed non-compliances as mentioned in the show-cause notice.
- 2.2** Thereafter, in terms of Regulation 22(3) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the Exchange published a public notice of the proposed delisting of the Company's equity shares in two newspapers, namely Business Standard and Navshakti, on November 26, 2019. The said public notice also invited representations from any person who may be aggrieved by the proposed delisting of the Company's equity shares from the Exchange platform.
- 2.3** The Exchange did not receive any representation or objections in response to the public notice dated November 26, 2019.
- 2.4** The Exchange, vide its letter dated March 05, 2020, informed the Company along with the Directors/Promoters of the Company about the proposed compulsory delisting of the Company's equity shares on the grounds as prescribed under Rule 21 of the Securities Contracts (Regulation) Rules, 1957.
- 2.5** The Exchange neither received any response from the Company to the show-cause notice dated November 25, 2019 nor received a response from the Directors and Promoters of the Company to the letter dated March 05, 2020.

3. Reference to previous Delisting Committee ("Committee") Meetings

3.1 December 12, 2019

3.1.1 The matter pertaining to the Company was first placed before the Delisting Committee in its meeting held on December 12, 2019, wherein the Committee took note of the following:

- i) the Exchange had issued the following:
 - a. Show cause notice to the Company for withdrawal of admission to dealing (Compulsory Delisting) on November 25, 2019,
 - b. Public notice on November 26, 2019, as per Regulation 22(3) of Delisting Regulations, 2009, inviting any person who may be aggrieved by the proposed delisting of the Company to make representation.
- ii) The Ministry of Corporate Affairs (“MCA”), vide its letter dated June 09, 2017, shared a list of companies that are suspected to be Shell Company. SEBI had *interalia* directed the Exchange to examine the same. The Exchange, for this purpose, had constituted a Committee of review of suspected shell companies, and the said Committee of review of suspected shell companies had advised the Exchange to carry out the Forensic audit of the financial records of the Company.
- iii) The Committee of review of suspected shell companies is in the process of concluding the proceedings.
- iv) The Company has not submitted any response to the Exchange in response to the show cause notice dated November 25, 2019.

3.1.2 The Committee, therefore, decided to grant a final opportunity of being heard to the Company and to submit its final response to the Exchange in writing. The Committee directed that the matter be placed in the subsequent delisting committee meeting.

3.2 March 24, 2020

3.2.1 The Committee was informed that the Company was given an opportunity of personal hearing to appear before the Committee on March 24, 2020, vide Exchange letter dated March 05, 2020. The Company neither responded to the personal hearing notice nor remained present for a personal hearing before the Committee.

3.2.2 The Committee noted that the Company is being examined for the suspected shell Company, and proceedings before the Committee of review of suspected shell companies of the Exchange is still underway. The Committee, therefore, decided that the delisting of the Company be kept in abeyance till the conclusion of the said proceedings and directed that the matter be posted on the conclusion of the proceedings initiated by the Exchange after giving due notice to the Company.

3.3 September 24, 2020, December 16, 2020, February 23, 2021, May 25, 2021, July 20, 2021, September 16, 2021, and November 25, 2021

- 3.3.1 The Committee, in the abovementioned meetings, noted that the proceedings of the Committee of review of suspected shell companies is still in progress and, therefore, kept the matter in abeyance.
- 3.3.2 The Committee, in its meeting held on November 25, 2021, directed that the matter be placed before the next Delisting Committee for a decision in the matter.

3.4 February 09, 2022**3.4.1** The Committee took note of the following:

- a. The Committee of review of suspected shell companies noted that an interim order was passed on September 09, 2020, directing Company to submit a certificate from a forensic auditor for compliance/closure of observations within three months. The Company failed to submit the certificate to the Exchange within the due date. Further, there were sufficient reminders issued to the Company. However, the Company has been non-cooperative during the process of review of a suspected shell company.

The Committee of review of suspected shell companies noted that the securities of the Company were suspended since January 2018 on account of non-compliance with Listing Regulations and Securities Exchange Board of India (Depositories and Participants) Regulations, 1996. The Demat accounts of Promoter and Directors were frozen for debits as per directions received from SEBI in the matter of shell companies.

In view of the above, the Committee of review of suspected shell companies decided to close the proceedings of suspected shell Company in the matter of the Company Austral Coke & Projects Limited (AUSTRAL).

- b. The Delisting Committee noted that due to the non-cooperative behavior of the Company, the Committee of review of suspected shell companies decided to close the proceedings.
- c. The Company is non-compliant with many of the provisions of Listing Regulations.
- d. An amount of Rs.9,32,899/- against the SOP fine for non-compliance with Listing Regulations requirements is pending as of February 02, 2022.
- e. An amount of Rs. 29,05,862.68/- (including interest) against ALF from FY 2016-2017 to FY 2021-2022 is pending as of January 28, 2022.

- 3.4.2 The Company was given an opportunity of personal hearing vide Exchange email dated February 02, 2022, to appear before the Committee on February 09, 2022. Mr. Ramesh Mishra (Practicing Company Secretary) and Mr. Rishi Raj Agarwal (Ex-Promoter) represented the Company before the Committee.
- 3.4.3 The Company made the following oral submission before the Committee:
- a. The Company was declared as a Shell Company in the year 2017. Promoters moved to SAT to restore the position of the Company.
 - b. ARC is taking over the properties, bank accounts of the Company are declared as NPA, and they only have the revenue of Rs.6,00,000/- through lease rentals. Because of this, payments to the respective authorities are also due. Hence, the Company requests to allow two years of time for restructuring.
- 3.4.4 The Committee sought clarification from Mr. Rishi Raj with respect to his current position and capacity in which he is representing the Company and also requested to confirm the details of the current promoters of the Company. Mr. Rishi Raj submitted that Anarcon Resources & Projects Limited and two body corporates are the current promoters of the Company; however, neither Mr. Rishi Raj nor Mr. Ramesh Mishra had the details of the ultimate beneficial shareholders.
- 3.4.5 The Committee also sought clarification as to whether Mr. Rishi Raj Agarwal is a part of the Management, to which Mr. Ramesh Mishra orally confirmed that, as on date, Mr. Rishi Raj is not part of the Management. The Committee observed that Mr. Rishi Raj Agarwal is neither a promoter nor has any controlling interest and is also not authorised by the Company to represent the Company before the Committee.
- 3.4.6 The Committee further noted that till date, the Company has not filed any response to the Show Cause Notice and has never appeared either before the Committee of review of suspected shell companies of the Exchange or before the Delisting Committee prior to this meeting. The Committee, therefore, agreed that they could not rely on submissions that are made without any authority.
- 3.4.7 The Committee also noted that on further inquiry, Mr. Ramesh Mishra disassociated himself from Mr. Rishi Raj and did not reply correctly to the points raised by the Committee pursuant to the interest of small shareholders.
- 3.4.8 The Committee also noted that neither the Managing Directors/Executive Directors nor any authorized person appeared before the Committee.

3.4.9 The Committee took note and found that the representatives of the Company, Mr. Ramesh Mishra and Mr. Rishi Raj, failed to provide a clear substantive response/solution to the points raised by the Committee. The Committee also noted that the proceedings before the Committee of review of suspected shell companies have been concluded. Therefore, in the interest of investors/ shareholders, the Committee was left with no option other than passing an order to delist the Company. Accordingly, the Committee decided to delist the Company.

As per the Ministry of Corporate Affairs, Mr. Anil Kumar Singh and Mr. Nishant Kumar Tiwary are the directors of the Company, and Mr. Faruk is an additional director of the Company.

3.5 April 12, 2022

3.5.1 The Committee noted that the orders upon conclusion of the proceedings before the Committee of review of suspected shell companies are under finalization and will be issued in due course.

3.5.2 As the orders of the Exchange/Committee are subject to appeal before the Hon'ble SAT in terms of Section 23L(1) of Securities Contracts (Regulation) Act, 1956 and the Company has a right to file the appeal within 45 days from the date of the order in terms of Section 23L(2) of Securities Contracts (Regulation) Act, 1956; thus the delisting committee decided to continue the instructions given in the previous Delisting committee meeting held on February 09, 2022, and keep the order in abeyance till the completion of the proceedings before the Committee of review of suspected shell companies. Thereafter the same be placed before the Delisting Committee for its decision.

4. Present Proceedings before the Committee on June 09, 2022, Committee Findings and Decision:

The Committee noted that

- the order dated April 18, 2022, pursuant to the conclusion of the proceedings before the Committee of review of suspected shell companies, was issued to the Company.
- The orders of the Exchange/Committee are subject to appeal before the Hon'ble SAT in terms of Section 23L(1) of Securities Contracts (Regulation) Act, 1956, and the Company has a right to file the appeal within 45 days from the date of the order in terms of Section 23L(2) of Securities Contracts (Regulation) Act, 1956. However, it is observed that till June 05, 2022, the Company has not filed any appeal.

- Since the time limit of 45 days for filing an appeal before the Hon'ble SAT in terms of Section 23L (1) of Securities Contracts (Regulation) Act, 1956, from the date of issuance of notice elapsed on June 02, 2022, it is decided by the delisting committee to conclude the matter by passing of the final order to delist the Company.

4.1 The Committee finds that Regulation 22(1) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 provides for the delisting of equity shares of the Company on any ground as prescribed in the rules made under Section 21A of the Securities Contracts (Regulation) Act, 1956 ("SCRA"). Rule 21 of the Securities Contracts (Regulation) Rules, 1957 ("SCRR") provides for the various grounds for delisting of equity shares of the Company, which are as under:

- a. The Company has incurred losses during the preceding three consecutive years, and it has a negative net worth.
- b. Trading in the securities of the Company has remained suspended for a period of more than six months.
- c. The securities of the Company have remained infrequently traded during the preceding three years.
- d. The Company or any of its promoters or any of its directors has been convicted for failure to comply with any of the provisions of the Act or the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996 (22 of 1996) or rules, regulations, agreements made thereunder, as the case may be, and awarded a penalty of not less than rupees one crore or imprisonment of not less than three years.
- e. the addresses of the Company or any of its promoter or any of its directors are not known, or false addresses have been furnished, or the Company has changed its registered office in contravention of the provisions of the Companies Act, 1956 (1 of 1956); or
- f. shareholding of the Company held by the public has come below the minimum level applicable to the Company as per the listing agreement under the Act, and the Company has failed to raise public holding to the required level within the time specified by the recognized stock exchange."

4.2 The Committee noted that the equity shares of the Company are suspended with effect from January 17, 2018. Show Cause Notice and Public Notice were issued to the Company and public, respectively, in terms of Regulation 22 Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. The Committee has given the Company reasonable opportunities; however, there was no clear response/solution provided by any of the representatives of the Company. In the interest of shareholders, the Committee is left with no other option other than passing an order to delist the Company.

5. Decision

5.1 Considering the facts and circumstances mentioned above, the Committee directs that the equity shares of the Company, i.e., Austral Coke & Projects Limited, be compulsorily delisted from the Exchange in terms of Regulation 22(1) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 read with Rule 21(b) of Securities Contracts (Regulation) Rules, 1957.

5.2 Consequences of compulsory delisting:

Regulation 34 of SEBI (Delisting of Equity Shares) Regulations, 2021 states as under:

(1) Where a company has been compulsorily delisted under this Chapter, the Company, its whole-time directors, person(s) responsible for ensuring compliance with the securities laws, its promoters, and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing of any equity shares or act as an intermediary in the securities market for a period of ten years from the date of such delisting.

(2) In the case of a company whose fair value is positive –

(a) such a company and the depositories shall not affect transfer, by way of sale, pledge, etc., of any of the equity shares held by the promoters / promoter group and the corporate benefits like dividend, rights, bonus shares, split, etc. shall be frozen for all the equity shares held by the promoters/ promoter group, till the promoters of such Company provide an exit option to the public shareholders in compliance with sub-regulation (4) of regulation 33 of these regulations, as certified by the relevant recognized stock exchange;

(b) the promoters, whole-time directors, and person(s) responsible for ensuring compliance with the securities laws, of the compulsorily delisted Company shall

also not be eligible to become directors of any listed company till the exit option as mentioned in clause (a) is provided.

- 5.3** Further, it may be noted that the proceedings for compulsory delisting against the Company were initiated under erstwhile SEBI (Delisting of Equity Shares) Regulations, 2009, which stands repealed by SEBI (Delisting of Equity Shares) Regulations, 2021. As per Section 44 of SEBI (Delisting of Equity Shares) Regulations, 2021, any proceeding initiated under SEBI (Delisting of Equity Shares) Regulations, 2009 shall be deemed to have been done or taken under the corresponding provisions of SEBI (Delisting of Equity Shares) Regulations, 2021, and therefore the current proceedings of compulsory delisting be considered valid proceedings.
- 5.4** The proceedings of the Delisting Committee meeting held on June 09, 2022, were through video conferencing. At this stage, it is impossible to sign a copy of this order; therefore, an electronic copy of this order sent from the Exchange's email id shall be treated as a signed copy for all purposes.

Sd/-

Ms. Mona Bhide
(Committee Member)

Sd/-

Mr. Ashok Dhere
(Committee Member)

Sd/-

Mr. K Narsimha Murthy
(Committee Member)

Sd/-

Ms. Priya Subbaraman
(Committee Member)

Date: November 03, 2022.