

**Before the Delisting Committee ("Committee")  
of  
National Stock Exchange of India Limited  
Conference Room, Ground Floor, Ground Floor, A-Wing.  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Held on June 09, 2023**

**In the matter of the Company: M/s. Autolite (India) Limited**

**Committee Members Present:**

**In person:**

Mr. S Ravindran	-Chairperson
Mr. Ashok Dhere	-Committee Member
Ms. Priya Subbaraman	- Committee Member

**Through Video Conferencing:**

Ms. Mona Bhide	- Committee Member
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**Also Present:**

**In person:**

Mr. Ashishkumar Chauhan	-Managing Director and CEO
Mr. Dinesh Soni	-Senior Vice President- Regulatory
Mr. Shailesh Adukia	-Vice President, Enforcement
Mr. Avishkar Naik	-Head, Listing Compliance

**1. Background**

- 1.1** The equity shares of **M/s. Autolite (India) Limited (AUTOLITIND)** (hereinafter referred to as the "Company") is listed on the National Stock Exchange of India Limited (hereinafter referred to as the "Exchange") with effect from May 31, 1995. The trading in equity shares of the Company is suspended w.e.f March 15, 2021, due to non-compliance with Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") for two consecutive quarters' i.e., June 2020 and September 2020.
- 1.2** The Company is also non-compliant with Regulation 27, Regulation 31, and Regulation 34 of the Listing Regulations and Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (hereinafter referred to as the "Depository Regulations").

**1.3** The amount of Rs. 21,24,000/- towards fines (including GST) levied as per SEBI SOP Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, for non-compliance of the requirements under Listing Regulations including fine for non-compliance with Regulation 76 of the Depository Regulations as on June 01, 2023, and Rs. 13,32,663 /- towards Annual listing fees (including interest) as on May 29, 2023, is still due and payable by the Company to the Exchange.

## **2. Show Cause Notice, Public Announcement, and Responses**

**2.1** The Exchange issued a Show Cause Notice (hereinafter referred to as "SCN") vide ref. no. NSE/LIST/DELIST/171 dated October 19, 2021, to the Company seeking an explanation as to why the equity shares of the Company listed on the Exchange should not be compulsorily delisted for the observed non-compliances.

**2.2** In terms of Regulation 32(3) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (hereinafter referred to as "Delisting Regulations"), the Exchange issued a Public Notice dated October 26, 2021, intimating the proposed delisting of the equity shares of the Company on the Exchange. The said Public Notice also invited representations from any person who may be aggrieved by the proposed delisting of the Company's equity shares.

**2.3** In response to the Exchange's SCN, the Company vide an email dated October 28, 2021, requested the Exchange the following:

- Reconcile the arrears of Listing fees.
- Waive the SOP fines for non-compliance of the Listing Regulations stating that the circumstances were beyond the control of the Company.
- Drop the Show cause notice of Delisting and further grant extension of three months to comply with the pending non-compliances of the Exchange.

**2.4** Further, the Exchange has also not received any representation and/or objections in response to the Public Notice.

## **3. Reference to Previous Delisting Committee Meetings**

**3.1** The matter pertaining to the Company was previously placed before the Delisting Committee of the Exchange in its meetings held on November 25, 2021, April 12, 2022, June 09, 2022, December 29, 2022, and February 20, 2023

### **3.2 In the Delisting Committee meeting dated November 25, 2021:**

- a. The Committee noted that the Exchange served a show cause notice on the Company vide email dated October 19, 2021, and the response of the Company to the said show cause notice, vide email dated October 27, 2021.
- b. The Committee further noted that the Company is in non-compliance with the following Regulations:

- i. Shareholding Pattern - Regulation 31 of the Listing Regulations
  - ii. Financial Results - Regulation 33 of the Listing Regulations
  - iii. Annual Report - Regulation 34 of the Listing Regulations
  - iv. Reconciliation of share capital audit - Regulation 76 of the Depository Regulations
- c. The Committee noted that the Company had sought additional time to comply with the pending non-compliances of the Listing Regulations, and the same was granted with direction to place it in the subsequent delisting committee meeting.
- d. The Exchange vide an email dated December 16, 2021, communicated the Committee's decision to the Company.

### **3.3 The Responses of the Company and other Exchange Communications:**

- a. The Company vide an email dated December 20, 2021, requested the Exchange to clarify on the arrears of listing fee dues and assured to comply the pending non-compliances on top priority.
- b. The Exchange vide an email dated January 28, 2022, provided details of the outstanding Annual Listing fees as requested by the Company.
- c. The Exchange vide an email dated March 22, 2022, sought update in the matter.
- d. In response to the Exchange's email dated March 22, 2022, the company vide an email dated March 22, 2022, submitted details of the payment made for the outstanding Annual Listing fees and further requested for waiver of interest and GST amount.

### **3.4 In the Delisting Committee meeting dated April 12, 2022:**

- a. The Committee noted that in response to the reminder email dated March 25, 2022, of the Exchange, the Company vide an email dated April 01, 2022, sought additional time of one month to complete all the pending regulatory requirements.
- b. The Committee further noted that the Company has also not complied with any of the non-compliance that were noted by this Committee in the previous Delisting Committee meeting held on November 25, 2021.
- c. The Committee noted that fine for non-compliance of requirements under the Listing Regulations and Depository Regulations, and Annual Listing fees, including interest, were still due and payable to the Exchange.
- d. The Committee, in the interest of equity and justice, granted additional time of one month to the Company to comply with the regulatory requirements, and pay all outstanding fees and fines due and payable to the Exchange, failing which the Committee shall proceed based on the available records.
- e. The matter was directed to be placed in a subsequent meeting of the Committee for its decision.

- f. The Exchange vide email dated April 20, 2022 communicated the Committee's decision to the Company.

### **3.5 In the Delisting Committee meeting dated June 09, 2022:**

- a. The Committee was apprised that the Exchange vide an email dated April 20, 2022, and reminder emails dated May 23, 2022, and May 31, 2022, had communicated the Company to comply with the pending regulatory requirements and pay the outstanding dues.
- b. The Committee noted that in response to the aforesaid reminder emails sent by the Exchange, the Company vide an email dated June 06, 2022, stated the following:
- The Company has started complying with the pending non-compliances and is in the process of revival of its business.
  - The banks accounts of the Company has been suspended due to NPA status.
  - The Company requested additional time of two months to complete the pending non-compliances and file waiver for the outstanding dues.
- c. The Committee noted that the Company continues to be non-compliant with the Regulatory requirements that were noted by this Committee in the previous Delisting Committee meetings held on November 25, 2021, and April 12, 2022.
- d. Further, the Committee noted that the Company is also non-complaint with the submission of Corporate Governance Report (Regulation 27 of the Listing Regulations).
- e. The Committee further noted that the fine for non-compliance of requirements under the Listing Regulations and Depository Regulations and Annual listing fees, including interest, were still due and payable to the Exchange by the Company.
- f. The Committee, in the interest of equity and justice, granted one more opportunity to the Company as a final opportunity to comply with all the regulatory requirements and make payment of all its outstanding dues, failing which the Committee shall proceed based on the available records.
- g. The Committee further directed that the matter be placed in the subsequent meeting of the Committee for its decision.
- h. The Exchange vide an email dated June 16, 2022, communicated the Committee's decision to the Company.

### **3.6 The Response of the Company vide an email dated June 16, 2022:**

The Company acknowledged the receipt of the Exchange's email dated June 16, 2022, and stated the following:

- The Company has made submissions under Regulation 31, 7(3), 40(10) of the Listing Regulations and Regulation 76 of the Depository Regulations for the last three quarters.
- Further, the Company is holding Board meeting to consider and approve financial results for quarter / Nine months ended December 31, 2020.
- The Company stated that it has also paid Annual Listing Fee for year 2021-22 on June 9, 2022, but the same is not reflected in neaps portal of the Exchange.
- Further, the Company is coordinating with the statutory auditors to expediate the work of statutory audit and quarterly review of financial statements and is expecting to complete the same at the earliest.

### **3.7 In the Delisting Committee meeting dated December 29, 2022:**

- a. The Committee was apprised that the Exchange vide an email dated June 16, 2022, and reminder emails dated August 10, 2022, September 13, 2022, and September 22, 2022, had communicated the Company to comply with the pending regulatory requirements and pay the outstanding dues.
- b. The Committee noted that in response to the aforesaid reminder emails sent by the Exchange, the Company vide an email dated September 30, 2022, again requested an additional time of two months to complete the pending non-compliances.
- c. The Committee noted that the Company was granted an opportunity for a Personal hearing before the Committee vide the Exchange's email and physical letter dated December 21, 2022.
- d. In response to the aforesaid email and letter of the Exchange, the Company vide an email dated December 23, 2022, and December 27, 2022, submitted that the Company's directors are not available for the scheduled meeting and sought adjournment.
- e. The Committee noted that the Company continues to be non-compliant with the Regulatory requirements that were noted by this Committee in the previous Delisting Committee meetings held on November 25, 2021, April 12, 2022, and June 09, 2022.
- f. The Committee further noted that the fine for non-compliance of requirements under the Listing Regulations and Depository Regulations and Annual listing fees, including interest, were still due and payable to the Exchange by the Company.
- g. However, the Committee, in the interest of equity and justice, acceded to the adjournment request of the Company and granted an additional opportunity of personal hearing as sought, failing which the Committee shall proceed based on the available records.

- h. The Committee further directed that the matter be placed in the subsequent meeting of the Committee for its decision.
- i. The Exchange vide an email dated January 03, 2023, communicated the Committee's decision to the Company and further requested to submit a detailed business plan of the Company on or before January 24, 2023.

### **3.8 In the Delisting Committee meeting dated February 20, 2023**

- a. The Committee was apprised that the trading in equity shares of the Company is suspended w.e.f. March 15, 2021, due to non-compliance with Regulation 33 of Listing Regulations for two consecutive quarters i.e., June 2020 and September 2020.
- b. The Committee noted that the Company continues to be non-compliant with the Regulatory requirements that were noted by this Committee in the previous Delisting Committee meetings held on November 25, 2021, April 12, 2022, June 09, 2022, and December 29, 2022.
- c. The Committee further noted that the fine for non-compliance of requirements under the Listing Regulations and Depository Regulations and Annual listing fees, including interest, were still due and payable to the Exchange by the Company.
- d. The Committee noted that the Company was granted an additional opportunity for a Personal hearing before the Committee vide Exchange's email and physical letter dated February 03, 2023. Further, reminder emails dated February 06, 2023, February 10, 2023, and February 14, 2023, were also sent by the Exchange for granting opportunity for personal hearing. However, the Company neither responded to the said emails sent by the Exchange nor appeared before the Committee.
- e. The Committee further noted that the Exchange vide an email dated February 10, 2023, requested M/s. Madhukar Garg & Co., the last known Statutory Auditor of the Company to provide report of fraud, if any, under section 143 (12) of the Companies Act, 2013. As a response to the said email, CA Manish Suri, Partner of M/s. Madhukar Garg & Co vide an email dated February 14, 2023, submitted that the Union Bank of India has declared the account of the Company as NPA w.e.f. March 31, 2021, and is taking further action against the Company. The case has also been filed before Hon'ble NCLT by Union Bank of India and the latest hearing was on February 08, 2023.



- f. The Committee took note that the Company has failed to: (a) comply with the SEBI Listing Compliances (b) pay the outstanding dues (c) respond to the opportunity given for personal hearing before the Committee.
- g. The Committee noted that sufficient opportunities has been granted to the Company and any further opportunity shall not be in the interest of the Investors. Hence, the Committee concluded the proceedings on the basis of the available records and decided to delist the company.

#### **4. Present Proceedings before the Committee on June 09, 2023, Committee's Findings and Decision**

##### **Committee's Findings**

##### **4.1 The Committee noted that:**

- The Exchange observed that the Promoters/members of promoter group and whole-time directors were required to be separately informed about the consequences of the Compulsory delisting of the company in accordance with Schedule III of the SEBI (Delisting of Equity shares) Regulations, 2021. Accordingly, before issuing the order, the Exchange vide its email and letter dated March 02, 2023, sent the letters to the Promoters, member of promoter group and whole-time directors of the company informing about the proposed delisting of the company.
- The Committee noted that the promoter vide its letter dated March 11, 2023, sought additional fifteen days' time to furnish reply on behalf of the promoters in response to the letter. However, till date no reply has been received either from the promoters, directors or from the company.

##### **4.2 The trading in equity shares of the Company is suspended since March 15, 2021, due to non-compliance with Regulation 33 of Listing Regulations for two consecutive quarters i.e., June 2020 and September 2020.**

##### **4.3 The current non-compliances of the Company pertains to the following requirements of the Listing Regulations and Depository Regulations:**

Sr. No	Details of Non –Compliance	Regulation
1.	Corporate Governance Report	Regulation 27 of the Listing Regulations.
2.	Shareholding Pattern	Regulation 31 of the Listing Regulations
3.	Financial Results	Regulation 33 of the Listing Regulations
4.	Annual Report	Regulation 34 of the Listing Regulations
5.	Reconciliation of share capital audit	Regulation 76 of the Depository Regulations

- 4.4** The Committee noted that the Company has not taken any steps to comply with the above-mentioned requirements of the Listing Regulations and Depository Regulations.
- 4.5** The Company has also not paid the outstanding Annual listing fees and fines of the Exchange.
- 4.6** The Committee, after deliberating and considering all the decisions passed in previous Delisting Committee Meetings and considering that no response has been received either from the company or the promoters/promoter group or whole-time directors, directed for the passing final order to delist the Company.
- 4.7** Regulation 32(1) of the Delisting Regulations provides for the delisting of equity shares of the Company on any ground prescribed in the rules made under Section 21A of the Securities Contracts (Regulation) Act, 1956 ("SCRA") (42 of 1956).
- 4.8** Rule 21 of the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), provides for various grounds for delisting of the equity shares of the Company, which are as under:
- the Company has incurred losses during the preceding three consecutive years, and it has a negative net worth;*
  - trading in the securities of the Company has remained suspended for more than six months;*
  - the securities of the Company have remained infrequently traded during the preceding three years;*
  - the Company or any of its promoters or any of its director 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. The Company has failed to raise public holding to the required level within the time specified by the recognized stock exchange.*

**4.9** The Provisions of "SCRA" and "SCRR" provide that the securities of a company shall not be delisted unless the Company concerned has been given a reasonable opportunity of being heard. The Delisting Regulations also prescribe that no order shall be made unless the Company concerned has been given a reasonable opportunity of being heard. In this context, it is observed that the Company has been given ample opportunities as follows:

- a. SCN dated October 19, 2021, to explain why the Company's equity shares should not be delisted.
- b. The Exchange issued a Public Notice dated October 26, 2021, as prescribed under Regulation 32(3) of the Delisting Regulations in one English Newspaper, viz. Business Standard, one Hindi national newspaper viz Amar Ujala and one vernacular newspaper of the region where the stock exchange is located viz. Navshakti. The said Public Notice is also published on the website of the Exchange under the header Home > Regulations > Delisting of Companies > Public Notices. There are no representations or objections received in response to the Public Notice.
- c. The Delisting Committee, in its meetings dated November 25, 2021, April 12, 2022, and June 09, 2022, granted additional opportunities to the Company to submit its response to the SCN, comply with the requisite requirements of the Listing Regulations and Depository Regulations, to pay outstanding dues and fines of the Exchange and further demonstrate the plan of action for restoration of the trading in its Equity Shares.
- d. The Exchange, vide emails dated December 16, 2021, April 20, 2022, June 16, 2022, and January 03, 2023, communicated the decisions of the Committee's meeting to the Company. Additionally, the Exchange vide emails dated March 22, 2022, March 25, 2022, May 23, 2022, May 31, 2022, August 10, 2022, September 13, 2022, and September 22, 2022, had also sent reminders to the Company to comply with the directions given by the Committee.
- e. The Exchange vide an email and letter dated December 21, 2022, granted opportunity for personal hearing before the Committee in its meeting dated December 29, 2022. However, the Company sought adjournment from the said meeting citing reason of non-availability of its directors.

- f. In the interest of equity and justice, the Exchange vide an email dated February 03, 2023, granted another opportunity for a Personal hearing before the Committee in its meeting dated February 20, 2023. Additionally, the Exchange vide emails dated February 06, 2023, February 10, 2023, and February 14, 2023, had also sent reminders to the Company to seek confirmation from the Company for personal hearing provided before the Committee in its meeting dated February 20, 2023. However, the Company neither responded to the said emails nor attended the meeting dated February 20, 2023.
- g. The Exchange vide email and physical letter dated March 02, 2023, served at the last known addresses available with the Exchange through Registered post informed the persons whose names appear as Directors and Promoters of the Company in the records available with the Exchange about the proposed delisting of the Company. The promoter vide its letter dated March 11, 2023, sought additional fifteen days' time to furnish reply on behalf of the promoters in response to the letter. However, thereafter no reply has been received either from the promoters, directors, or the company.

**4.10** The Committee has granted opportunities on several occasions to the Company to comply with regulatory requirements. The Committee notes that reasonable and sufficient opportunities of more than 2 years, 2 months has been granted to the Company to ensure compliances as required under Listing Regulations for continued listing on the Exchange Platform.

**4.11** The Committee does not find any substantive grounds for considering the continuation of the Company under the "suspended category" any longer since there is no concrete plan of action to revive the trading of the Company's equity shares on the Exchange.

**4.12** The Committee, therefore, finds that the Company and its directors have failed to demonstrate sufficient efforts that were being taken or proposed to be taken for either the revival of the operations of the Company or to ensure compliances required under the Listing Regulations and to be continuously listed on the Exchange Platform.

**4.13** Regulation 33 of the Delisting Regulations casts a responsibility on the Promoter of the Company to acquire the delisted equity shares from the public shareholders within three months of the date of delisting from the recognized stock exchange. The value of such delisted equity shares is determined by the independent valuer. Therefore, the Committee is of the view that delisting the Company's equity shares will enable the investors to make an informed decision. Further, any delay in the delisting of the equity shares of the Company, when no concrete steps are taken by the Company for revocation of the suspension, will prejudice the interest of the investors.

**4.14** Regulation 34(1) of the Delisting Regulations provides that where a company has been compulsorily delisted, the Company, its whole-time directors, its promoters, and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting. Further, Regulation 34(2)(b) of the Delisting Regulations provide that the promoters and whole-time directors of the compulsorily delisted Company shall also not be eligible to become directors of any listed Company till the exit option to the public shareholders is given in compliance with Regulation 33(3) of the Delisting Regulations. Therefore, the Committee is of the view that upon delisting of the Company, the consequences of delisting that follow by virtue of the provisions of Regulation 34 of the Delisting Regulations will be in the larger interest of the investors/shareholders.

## **DECISION**

**4.15** Considering the facts and circumstances mentioned above, the Committee directs that the equity shares of **M/s. Autolite (India) Limited (AUTOLITIND)** be compulsorily delisted from the Exchange in terms of Regulation 32(1) of SEBI (Delisting of Equity Shares) Regulations, 2021 read with Rule 21(b) of Securities Contracts (Regulation) Rules, 1957. As a result, the following consequences upon the compulsory delisting of equity shares shall follow:

### **4.16 Consequences of compulsory delisting:**

#### ***Regulation 34 of Delisting Regulations 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 case of a company whose fair value is positive –*

*(a) such a company and the depositories shall not effect 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.*

Sd/-  
Mr. Ashok Dhere  
(Committee Member)

Sd/-  
Ms. Mona Bhide  
(Committee Member)

Sd/-  
Mr. S. Ravindran  
(Chairperson)

Date: July 15, 2023