

**Before the Delisting Committee (“Committee”)  
of  
National Stock Exchange of India Limited  
B Wing, Fifth Floor, Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Held on February 23, 2021**

**In the matter of the Company M/s High Ground Enterprise Limited**

**Members present:**

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

**Also Present:**

Mr. Vikram Limaye	- M D & CEO, NSEIL through Video Conferencing
Dr. Dinesh Kumar Soni	- Senior Vice President - Regulatory
Mr. Suresh Nair	- Vice President – Enforcement
Mr. Avishkar Naik	- HOD – Listing Compliance
Mr. Dushyant Patadiya	- Manager – Enforcement
Ms. Shubhi Kapoor	- Deputy Manager– Enforcement

**1. Background**

- 1.1 The trading in equity shares of M/s High Ground Enterprise Limited (HIGHGROUND) (hereinafter referred to as the “Company”) is suspended with effect from November 04, 2019, due to non-compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”).
- 1.2 An amount of Rs. 5,71,120/- being fine for non-compliance with requirements under Listing Regulations as on February 11, 2021, and Rs. 3,88,598/- towards listing fees, including interest as on February 18, 2021, is still pending.

**2. Show Cause Notice, Public Announcement, and responses**

- 2.1 The Exchange issued a Show cause notice (hereinafter referred to as the “SCN”) vide ref. no. NSE/23DLC/SC/05 dated August 28, 2020.
- 2.2 Further, in terms of Regulation 22(3) of Delisting Regulations, 2009, a public notice dated August 27, 2020, was also issued intimating the proposed delisting of the equity share from the Exchange platform. The said Public Notice invited

representations from any person aggrieved by the proposed delisting of the equity shares of the Company.

- 2.3 The Exchange has informed the Directors of the Company as well as the Promoters about the proposed delisting vide Exchange letters dated August 31, 2020, and September 04, 2020, respectively.
- 2.4 In response to the above show cause notice, the Exchange did not receive any response from the Company.
- 2.5 Further, the Exchange has also not received any response to the Exchange letters dated August 31, 2020, and September 04, 2020 from the Directors and Promoters.

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

- 3.1 The matter was placed before the Delisting Committee on previous two occasions viz September 24, 2020 and December 16, 2020. The Company did not respond to the SCN and Notices for hearing. The Committee, in the interest of the protection of investors and in the interest of equity and justice granted sufficient opportunity to the Company to get the suspension revoked and make the payment towards outstanding listing fees and fines when the same were placed before the Committee on the previous two occasions.
- 3.2 The Company was once again given an opportunity of personal hearing vide letter dated February 15, 2021 issued by the Exchange, to appear before the Committee on February 23, 2021. The Committee finds that the Company did not respond to the current notice of personal hearing notice nor has filed any response to the SCN dated August 28, 2020 despite being given sufficient opportunity.

### **4. Committee's Findings and Decision:**

- 4.1 The trading in the equity shares of the Company is suspended since November 04, 2019 for non-compliance with the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 .
- 4.2 The current non-compliances pertain to non-submission of Investor Grievance (Regulation 13 (3) of LODR), non-submission of Corporate Governance Report (Regulation 27(2)(a) of LODR), non-submission of Shareholding Pattern (Regulation 31 of LODR), non-submission of Financial Results (Regulation 33 of LODR), non-submission of Annual Report (Regulation 34 of LODR). The Company has also not paid the outstanding listing fees.
- 4.3 Despite a lapse of more than 18 months from the date of suspension, no efforts have been taken by the Company to ensure compliance with the LODR Regulations.
- 4.4 The provisions of Regulations 22 (1) under Chapter V of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 provide for delisting

of equity shares on any ground as prescribed under Section 21A of the Securities Contracts (Regulation) Act, 1956. The provisions of Rule 21 of the Securities Contracts (Regulation) Rules, 1957 provide for the various grounds due to which the shares of the Company can be delisted.

- 4.5 The provisions under the said SCRA Act, 1956, SCR Rules, 1957, and the Delisting Regulations also require that no order shall be made under the Delisting Regulations, 2009 unless the concerned Company has been given a reasonable opportunity of being heard.
- 4.6 A SCN dated August 28, 2020, was issued to the Company to explain as to why the equity shares of the Company should not be delisted. The Company did not respond to the SCN despite being granted sufficient opportunities.
- 4.7 The Company neither responded to the personal hearing letters dated September 04, 2020, December 08, 2020, and February 15, 2021, nor did any representative remain present before the Delisting Committee in any of its meetings held on September 24, 2020, December 16, 2020, and February 23, 2021.
- 4.8 The Exchange has issued a public notice as required under Regulation 22 (3) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 in two newspapers viz Business Standard and Navshakti. The Committee finds that no representations or objections were received in response to the said public notice dated August 27, 2020.
- 4.9 The Committee finds that the persons whose names appear as Directors of the Company, as per the records available with the Exchange and verified from the Registrar of Companies, were also given an opportunity to submit their explanation by Exchange's email dated August 31, 2020. The Exchange did not receive any response from any of the Directors.
- 4.10 The Company has not responded to the SCN, or the personal hearing opportunities given to it, nor have any its Directors responded to the Notices. The Committee finds that the Company and its Directors have failed to demonstrate that any serious efforts were being taken to ensure compliances required under SEBI (LODR) Regulations, 2015 read with erstwhile Listing Agreement and Listing Regulations to revive the trading of its equity shares and be continuously listed on the Exchange Platform. The Committee finds that sufficient opportunity has been granted to the Company to comply with the regulatory requirements.
- 4.11 The Committee observes that upon delisting of a Company, the Regulation 23 of SEBI (Delisting of Equity Shares) Regulations, 2009 casts a responsibility on the promoter of the Company to acquire delisted equity shares from the public shareholders within three months of the date of delisting from the recognised Stock Exchange. The value of such delisted shares, which is required to be acquired by the promoter, is to be determined by an independent valuer. The Committee is therefore of the view that delisting of the Company will help the investors in taking an informed decision and any further delay in delisting the Company, when no substantial efforts could be seen to be taken by the Company, will prejudice the interest of the investors.
- 4.12 The Committee also further observes that Regulation 24 of SEBI (Delisting of Equity Shares) Regulations, 2009 provides 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 are given in compliance with sub-regulation (3) of regulation 23 of the SEBI (Delisting of Equity Shares) Regulations, 2009. The said Regulation 24 also provides that where a company has been compulsorily delisted under this Chapter, 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. The Committee is therefore of the view, upon delisting of the Company, the consequences of delisting that follow by virtue of the provisions of Regulation 24 of the SEBI (Delisting of Equity Shares) Regulations, 2009 will be in the larger interest of the investors/shareholders.

**Decision:**

- 4.13 In view of the above of the findings, after taking into consideration the fact and circumstances as set out above, the Committee is of the opinion that that there are no justifiable grounds for not withdrawing the dealing in securities issued by the Company from the Exchange Platform and that no purpose would be achieved in continuing the Company as a listed entity.
- 4.14 Accordingly, the Committee directs that dealings in the securities of M/s High Ground Enterprise Limited be withdrawn in terms of Regulation 22 (1) of SEBI (Delisting of Equity Shares) Regulation, 2009 read with Rule 21 (b) of the Securities Contract Regulation Rules, 1957.
- 4.15 The matter was discussed in the Delisting Committee meeting held on February 23, 2021, through video conferencing, and at this stage, it is neither possible to sign a copy of this order nor a certified copy of the order can be issued by Exchange. Therefore, an electronic copy of this order which is sent from the Exchange's mail id shall be treated as a signed copy for all purposes.

Sd/- Sunita Sharma (Chairperson)	Sd/- Mona Bhide (Committee Member)	Sd/- K Narasimha Murthy (Committee Member)	Sd/- Ashok Dhare (Committee Member)	Sd/- Priya Subbaraman (Committee Member)
--	--	--	---	--

Date: June 26, 2021