

Speed Post/Courier (Also by way of email)

LIST/COMP/MR/513448/221/2022-23

July 11, 2022

The Company Secretary/Compliance Officer

Ganesh Foundry & Casting Ltd

Village Sipahpur,

P.O-Bikhanpur Kothi, Darbhanga Road,

Muzaffarpur - 842001,

Bihar


Dear Sir/Madam,

Sub: Order passed by the Delisting Committee of BSE Ltd in the matter of Ganesh Foundry & Casting Ltd ("Company").

Please find attached herewith the order passed by the Delisting Committee of BSE Ltd ("Exchange") in terms of Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009 ("Regulations") the contents thereof are self-explanatory. The securities of the Company will be delisted with effect from July 13, 2022.

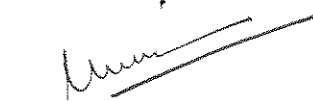
Further, we request you to kindly take note of the said order and take necessary steps including purchasing of securities from public shareholders as prescribed under the Regulations. The fair value of the Company as per the report of the Independent Valuer appointed by the Exchange is Rs. 8.13/-.

Yours faithfully,



Netra Sahani

Addl. General Manager



Manish Raval

Associate Manager

Encl: as above

**ORDER PASSED BY THE DELISTING COMMITTEE OF BSE LTD. IN THE MATTER OF GANESH
FOUNDRY & CASTINGS 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 being 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 Limited ("**Exchange**") in the matter of compulsory delisting of equity shares of Ganesh Foundry & Castings Ltd. ("**Company**") from the Exchange.

Background:

2. The relevant background facts are as follows:
 - 2.1 The trading in the equity shares of the Company was suspended by the Exchange w.e.f. December 8, 1997 as the Company was non-compliant with the provisions of the erstwhile Listing Agreement at the relevant time.
 - 2.2 The Company has not taken all the steps for revoking the suspension in the trading of securities and consequentially, the suspension in the trading of securities continues till date.

- 2.3 As the Company has failed to take requisite steps for revoking the suspension in the trading of securities, the shareholders / investors are deprived of the market to deal in the securities of the Company. It is also generally observed that while such suspended companies are under an obligation to make adequate and timely disclosures as mandated under the law from time to time, they make scanty or no public disclosures regarding their shareholding pattern, financial results, etc. thereby depriving the shareholders / investors of the necessary information about the Company and its functioning. Such lack of information also affects the decision-making ability of the shareholders / investors regarding their investments.
- 2.4 Hence, in order to encourage such suspended companies to complete compliances and other procedures for resumption of trading on the platform of the Exchange, in the interests of the investors, the Exchange had issued a Circular dated February 12, 2016, *inter alia*, detailing the process to be followed for revocation of suspension in the trading of securities and advising the suspended companies to comply with the requirements for revocation of suspension.
- 2.5 Accordingly, an email dated September 1, 2020 ("**Initial email**") was issued by the Exchange to the Company at its email ids monikagrathi1990@gmail.com & ashiayaplaza@bajoriagroup.net as available in the records of the Exchange, *inter alia*, requiring the Company to initiate the process of revocation of suspension and provided details of pending compliances to be completed by the Company. The Company was also informed that suspension of trading in

the securities of a company for more than 6 months attracts compulsory delisting in terms of the provisions of Section 21A of SCRA read with Rule 21 of SCRR.

- 2.6 The Company did not respond to the Exchange's email dated September 01, 2020
- 2.7 Thereafter, a reminder email dated October 6, 2020 was sent to the Company on email ids monikagrathi1990@gmail.com & ashiayaplaza@bajoriagroup.net informing the Company that the Company was yet to comply with the norms of revocation of suspension. Vide the said email, the Company was advised to complete the formalities of revocation of suspension by November 6, 2020 failing which Exchange would initiate the process for compulsory delisting against the Company as per the provisions of Delisting Regulations.
- 2.8 In spite of the aforesaid communications from the Exchange providing adequate time and multiple opportunities to the Company for revoking suspension in the trading of the securities of the Company, the Company failed to initiate steps for revocation of suspension. Further, the Company also did not respond to the aforementioned Exchange's reminder communication dated November 6, 2020.
- 2.9 Therefore, under the aforesaid regulatory framework, a Show Cause Notice ("SCN") dated December 21, 2020 was issued to the Company at its last known registered address available with the Exchange and as available with MCA, advising the Company to show cause within 15 days as to why the equity shares of the Company should not be compulsorily delisted from the

platform of the Exchange in terms of Chapter V of Delisting Regulations. Further, the Company was informed that in case it wishes to avail the opportunity of a personal hearing before the Delisting Committee of the Exchange ("**Delisting Committee**"), the Company is requested to include the request for personal hearing in its representation. An email enclosing the said SCN was sent to the Company on December 21, 2020.

- 2.10 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 February 20, 2021 and one regional language newspaper viz. Navshakti (in Marathi) dated February 20, 2021, inter alia, informing about the proposal for compulsory delisting of the equity shares of the Company. The IPN were also disseminated on the Exchange's website.

3. Personal hearings granted to the Company before the Committee:

- 3.1 Letter dated March 10, 2022 was sent to the Company granting the opportunity of personal hearing to the Company, to make the submission/representation before Delisting Committee of the Exchange (meeting through video conferencing). Email was also sent by the Exchange to the company on March 10, 2022 on the email id ashiayaplaza@bajoriagroup.net; ganeshudyog@yahoo.co.in; teamcompliance.bg@gmail.com
- 3.2 The Company vide email dated March 10, 2022 informed the Exchange that *"...We hereby confirm that we shall attend the personal hearing through video conferencing. Kindly share all the details with us to appear before you..."*

3.3 Subsequently the Company vide email dated March 15, 2022 informed the Exchange that *".....please note that we want to get our company, Ganesh Foundry & Castings Limited delisted from BSE. We do not intend to remain listed on the Exchange. Accordingly, BSE can proceed for delisting of our company. In view of the above, we do not see any reason for the hearing scheduled on 17th March."*

4. Committee's observations:

4.1. The proceeding was placed before the Delisting Committee on May 10, 2022.

4.2. At the threshold, the Delisting Committee observed that at the time of passing of this decision, SEBI Delisting Regulations, 2009 has 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 for 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,"

Thus, considering the facts observed above and Regulation 44 (2) (b) of SEBI Delisting Regulations, 2021, the Committee is of a considered opinion that the present proceeding can continue and be dealt in accordance with SEBI Delisting Regulations, 2009.

4.3. 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 six months.

4.4. The Committee noted the following submissions:

SCN, inter alia, states:

- a) The Company has failed to take steps for revoking the suspension in the trading of its equity shares.
- b) The trading in equity shares had been suspended for more than 6 months.

- c) Thus, the Company, *inter alia*, has made out ground for compulsory delisting under Section 21A of SCRA read with Rule 21 of SCRR.

4.5. Based on the aforesaid facts, the Committee observed that:

- a) It is an admitted position that the trading in equity shares of the Company has remained suspended for a period of more than six months in terms of Rule 21 of SCRR.
- b) That the Company has not complied with the requirements for revocation of suspension hence, the suspension in the trading of securities of the Company continues as on date thereby depriving the shareholders of the Company to deal in its securities.
- c) The trading in the securities of the Company being suspended by the Exchange on the platform of the Exchange does not obviate the Company from not complying with all the requirements for revocation of suspension including payment of required fees imposed by the Exchange.
- d) The aforesaid facts indicate negligent conduct and lack of interest on the part of the Company in completing the norms required for revocation of suspension of trading of its equity shares.
- e) Apart from the admitted ground made out for compulsory delisting in terms of Rule 21 of SCRR and considering Schedule III of the Delisting Regulations, the Committee also noted that the public shareholding of the Company as per the last filing with the Exchange is 25.30%.
- f) In terms of the requirements of Delisting Regulations, IPN was published in one English national daily viz., The Financial Express (all editions) dated February 20,

2021 and one regional language newspaper viz. Navshakti (in Marathi) dated February 20, 2021, inter alia, informing about the proposal for compulsory delisting of the equity shares of the Company. However, no representation was received by the Exchange in response thereto.

5. Conclusion:

5.1. The aforesaid findings establishes that the Company has failed to demonstrate that the grounds for compulsory delisting in terms of Rule 21 of SCRR read with Regulation 22 (4) of Delisting Regulations are not satisfied and hence, in exercise of powers vested with the Committee under Regulation 22 (2) of the Delisting Regulations, all listed equity shares of the Company are hereby compulsorily delisted from the platform of the Exchange.

5.2. 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 compulsory delisting of securities of the Company.

5.3. On account of compulsory delisting, 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 in terms of Regulation 24 of SEBI Delisting Regulations, 2009.

5.4. On account of compulsory delisting of all listed equity shares of the Company, in terms of Regulation 23(3), the promoters of the Company are liable to acquire delisted equity shares from the public shareholders by paying them value as determined by the Valuer appointed by the Exchange, if the fair value is positive.

5.5. The names and addresses of the Company and its promoters as available with the Exchange and the fair value determined by the Valuer appointed by the Exchange and consequences arising out of the non-fulfilment of requirement to buy back the equity shares from public shareholders as mentioned in Regulation 24 (2) of the Delisting Regulations be mentioned in a Public Notice to be issued in terms of Regulation 22 (6) (a) of the Delisting Regulations by the Exchange.

5.6. As advised by SEBI, the securities of the Company shall be moved to Dissemination Board for a period of 5 years.

Date: 07.07.2022

Sd/-
Chairman

Sd/-
Member

Sd/-
Member

Sd/-
Member

Sd/-
Member

Sd/-
Member

Sd/-
Member

Sd/-
Member

Sd/-
Member