

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5264  
ANSWERED ON:28.04.2000  
COMPANIES SUSPENDED BY VARIOUS STOCK EXCHANGES  
SADASHIVRAO DADOBA MANDLIK

**Will the Minister of FINANCE be pleased to state:**

- (a) the names of the companies suspended by various stock exchanges during the months from November 1,1999 to January 31, 2000;
- (b) the reasons therefor;
- (c) whether it is the only penalty which can be imposed by the Government;
- (d) the number of small investors affected thereafter alongwith money involved therein;
- (e) the steps taken/being taken by the Government to safeguard the interests of small investors;
- (f) whether any instructions have been issued such Companies to revoke the suspension;
- (g) if so, the details thereof company-wise;
- (h) if not the reasons therefor; and
- (i) the time by which the said companies are likely to be listed?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR) :

(a) and (b) The names of companies suspended by various stock exchanges alongwith reasons therefor during 1st November, 1999 to 31st January, 2000 are given in the enclosed statement.

(c) to (e) The stock exchanges can suspend trading of scrips of a company for any violation of listing agreement by the company or in cases of withdrawal of dealings by the company, amalgamation, liquidation etc. Delisting of securities is the other alternative which can be imposed by stock exchanges. The listing agreement contains some clauses which the companies undertake to comply with. Some of these stipulations relate to dissemination of information to the market and corporate discipline. In absence of this information, investment decisions to be taken by investors in scrips of such companies may not be prudent. The suspension of trading of scrips may not leave an exit route for existing investors. However, fresh investors are protected from investing in these scrips.

(f) to (i) The Securities and Exchange Board of India (SEBI) has intimated that suspensions are revoked if companies comply with listing requirements.