

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 4783
TO BE ANSWERED ON FRIDAY, MARCH 23, 2018/CHAITRA 2, 1940 (SAKA)

VIOLATION OF NSE RULES

QUESTION

4783. SHRI CHANDRAKANT KHAIRE:

Will the Minister of FINANCE be pleased to state:

- (a) whether the purchase of shares of Essar steel company was closed against/in violation of the rules of National Stock Exchange;
- (b) if so, the details thereof; and
- (c) the details of efforts made by the Government to compensate the loss to investors?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a) and (b): Securities and Exchange Board of India (SEBI), the regulator for the securities market in India, has informed that the purchase of shares of Essar Steel company was not closed against / in violation of the rules of National Stock Exchange. However, the trading in the equity shares of the Company was suspended with effect from December 14, 2007, on account of voluntary delisting of equity shares of the Company as per SEBI (Delisting of Securities) Guidelines 2003.

(c) : As per SEBI (Delisting of Securities) Guidelines 2003, the delisting process includes book building process to compensate investors and investors are given six months even after delisting to tender shares and receive compensation at price determined in book building process.
