

ORDER PASSED BY THE DELISTING COMMITTEE OF BSE LTD. IN THE MATTER OF CHOKHANI INTERNATIONAL LTD. FOR COMPULSORY DELISTING UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021, 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 passed under Regulation 32 of Chapter V under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (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 Ltd. ("**Exchange**") in the matter of compulsory delisting of equity shares of Chokhani International Ltd. ("**Company**") from the Exchange.
2. At the meeting held on January 5, 2024, the Delisting Committee of the Exchange ("**Delisting Committee**") perused the records, considered the facts and the relevant provisions of law, including the circulars issued by the Securities and Exchange Board of India ("**SEBI**"). The Delisting Committee unanimously decided to direct the Company to complete the requirements for revocation of suspension in trading in the securities of the Company and make payment of outstanding dues within the stipulated timelines, failing which, the securities of the Company ought to be compulsorily delisted from the platform of the Exchange. In this regard, the Delisting Committee proceeds to furnish the reasons for its decision.

3. The relevant facts are as follows:

- a. The trading in the securities of the Company was suspended w.e.f. September 6, 1999 on account of non-compliance with clauses of erstwhile Listing Agreement.
- b. The trading in the securities of the Company continued to remain suspended for more than six (6) months and the Company failed to take all the steps necessary to enable revocation of suspension in the trading of securities prescribed by the Exchange. Hence, the shareholders / investors are deprived of the facility for dealing in the securities of the Company.
- c. Pertinently, the Company did not complete all the formalities for revocation of suspension in the trading of its securities. Therefore, a Show Cause Notice dated June 28, 2022 was issued to the Company by the Exchange (“SCN”) at its last known registered address available with the Exchange and as available on the website of Ministry of Corporate Affairs (MCA) as well as the Company’s email ID, calling upon the Company to show cause within 15 working days from the date of the SCN as to why the securities of the Company should not be compulsorily delisted from the platform of the Exchange in terms of Chapter V of the Delisting Regulations. Further, the Company was also informed that if it wished to avail an opportunity of personal hearing before the Delisting Committee, then such request be included in its representation to the SCN. The Company was also directed to submit its representation to the SCN.

d. In response, the Company vide email dated July 11, 2022 enclosing the letter dated had stated the following:

“.....We are in receipt of BSE Limited's Communication letter dated 28th July, 2022 in which BSE Ltd. have requested us to revoke the suspension of Trading of securities of the Company.

In this regard, it is humbly submitted that we perused the aforesaid letter in which you have advised the Company to comply with all the requirements of revocation of suspension in the trading of securities and payment of Annual Listing Fees and reinstatement fees.

At the outset, it is humbly submitted that Company is not in Operation and having negative net worth. Moreover Company is in litigation. Please see the below extract from the Audited financials of the Last three years of the Company:

	Rs. In Lakhs		
<i>Year</i>	<i>2018-19</i>	<i>2019-20</i>	<i>2020-21</i>
<i>Share Capital</i>	<i>3277.42</i>	<i>3277.42</i>	<i>3277.42</i>
<i>Reserves</i>	<i>(5773.25)</i>	<i>(5773.03)</i>	<i>(5773.04)</i>
<i>Net Worth</i>	<i>(2495.83)</i>	<i>(2495.61)</i>	<i>(2495.62)</i>

Further, as far as pending Compliances with certain provisions of SEBI (LODR) Regulations, 2015 is concerned, it is humbly submitted that the Company is very much desirous of making good all the said non-compliance and to this effect it undertakes to comply with the said requirements except payment of fees and

the Compliances where financial transaction involved due to the reason as explained in para below.

Hon'ble Debt Recovery Tribunal No. 2, Chennai had issued recovery certificate on 29th June, 2018 to recover outstanding dues of Rs. 111.01 Crores and also issued demand Notice on 9th August, 2018 directing that Company shall not be competent to mortgage, charge, lease or otherwise deal with any property belonging to the Company except with the permission of the Recovery Officer and directing for personal appearance. In response, the Company as well as Managing Director of the Company has filed an Affidavit stating the facts and figures of the assets and liabilities of the Company as well as Managing Director. Simultaneously the Company had filed a petition before the Recovery Officer, Hon'ble Debt Recovery Tribunal No. 2, Chennai to permit the Company to meet and spend certain statutory, administrative and salary expenses but the Recovery Officer DRT 2, Chennai vide its order dated 26th March 2019, dismiss the said petition. Therefore, the Company is not in a position to spend any statutory, administrative and other necessary regulatory expenses. Therefore, the Company is not able to pay Listing Fees to BSE. Please see the enclosed copy of petition filed and order of Recovery officer as annexure A and Annexure B respectively.

Thus Company is unable to comply those compliances where financials involved due to the order passed by the recovery officer as explained in above para.

Company is directed to submit the following details through listing centre of the exchange. Company will submit it and we are also submitting the said details as under :

*i) CIN No. of the Company : **L51109DL1980PLC010428***

*ii) PAN of the promoters and promoter group : **As per annexure C***

*iii) Address of the promoter and promoter Group : **As per Annexure C***

*iv) DIN of the Whole Time Director : **There is no Whole Time Director appointed in the Company.***

*v) PAN of the Compliance Officer /Person responsible for compliance with securities law : **There is no Compliance officer appointed.***

In view of the above, Company is unable to pay any kind of fees as per the DRT order received. Thus you are requested to kindly waive off the revocation fees.

- e. The trading in the securities of the Company continued to remain suspended for more than six (6) months and the Company failed to take all the steps necessary to enable revocation of suspension in the trading of securities prescribed by the Exchange.
- f. Pursuant to the above and in terms of the Delisting Regulations, Initial Public Notices (“IPN”) were published in one English national newspaper viz., The Financial Express (all editions) dated April 10, 2023, one Hindi national newspaper viz., Business Standard (all editions) dated April 10, 2023 and one vernacular newspaper viz., Navshakti (in Marathi) dated April 10, 2023, inter alia, informing about the proposal for compulsory delisting of the equity shares

of the Company and inviting representations from any person/s concerned desirous of making any representation to the Exchange, within 15 working days of the notice, at the specified email id bse.delistscn@bseindia.com. The IPN were also disseminated on the Exchange's website. Link of the IPN was sent to the company and its promoters through email on April 11, 2023.

- g. In response to the IPN issued by the Exchange, the Exchange did not receive any representation. Nor did the Company initiate any steps for revocation of suspension in the trading of equity shares of the Company.
- h. Status update on company's compliances was placed before the Request Review Committee in its meeting held on June 23, 2023. The Committee after considering the facts of the case noted that sufficient time was given to the Company to comply and complete the formalities for revocation of suspension, the same were not complied with. In view thereof the Committee decided that the case may be placed before consideration of the Delisting Committee.
- i. A letter dated July 4, 2023 was sent by the Exchange to the Company granting an opportunity of personal hearing to the Company, to make the submission/representation before Delisting Committee of the Exchange (meeting through video conferencing). An email was also sent by the Exchange to the Company and its promoters on July 4, 2023 on the email ids:
secretarial@cilsd.in; chokhani@nda.vsnl.net.in; secretarial@cilsd.in;
knb@chokhani.in; KNB@CHOKHANI.IN; msc@chokhani.in;
secretarial@chokhani.in; secretarial@chokhani.in.

- j. The notices were published in one English national newspaper viz., The Financial Express (all editions) dated July 5, 2023, one vernacular newspaper viz. Navshakti (in Marathi) dated July 5, 2023 and one Hindi national newspaper viz., Business Standard (all editions) dated July 6, 2023, inter alia, granting the Company a last and final opportunity to inform the Exchange whether it wanted to avail a personal hearing before Delisting Committee of the Exchange. Further it was also stated that if no response was received from the Company within the stipulated timelines and in the prescribed mode, it would be presumed that the Company has waived the opportunity of being heard and the Delisting Committee shall be constrained to decide the matter, on an ex-parte basis and the Exchange shall proceed with the process for compulsory delisting. Further, it was specified that the Company may address a communication at the specified email id: bse.delistscn@bseindia.com by July 10, 2023. The said notices were also disseminated on the Exchange's website.
- k. The email dated July 6, 2023 was also sent to the company and promoter/promoter group, informing the company about publication of aforesaid public notice dated July 5, 2023 and July 6, 2023 in newspaper.
- l. The Company *vide* email dated July 8, 2023 had stated the following:
"...We confirm our attendance for the meeting scheduled to be held on 8th august 2023 (Virtually)..."
- m. The Exchange *vide* email dated July 10, 2023 requested the Company to provide names alongwith contact details of persons who would be attending personal

hearing before the Delisting Committee at its meeting scheduled on August 8, 2023. Further, the Exchange had informed the Company to submit its detailed written representation to be submitted before the Delisting Committee.

- n. The Company vide email dated July 11, 2023 had stated the following:
“...Details of persons will be provided soon. Request to pls. provide time of a day or two...”
- o. The Company vide email dated July 13, 2023 had provided the contact details of Mr. Hashmat Nabi (Advocate - H. N. & Associates, Advocate & Legal Consultants) and Mr. Chetan Goel (Authorised Representative) who will appear on behalf of the company in the meeting to be held virtually on 8th august 2023.
- p. The Exchange vide email dated July 27, 2023 had requested the Company to submit the letter of authority alongwith copy of Board resolution, for authorizing company representative to represent the company before the Delisting Committee meeting scheduled on August 8, 2023.
- q. The Company vide email dated July 27, 2023 had stated that aforesaid details would be shared in a day or two.
- r. The Company vide email dated July 31, 2023 had submitted the authorisation letter for Mr. Hashmat Nabi and Mr. Chetan Goel.
- s. The Company vide email dated August 2, 2023 had stated the following:
“...Due to some urgency, our advocate will not be able to appear on the said date.
It is our humble request to please provide another date.

We are extremely sorry for your inconvenience....

- t. The matter of the Company was placed before the Delisting Committee in its meeting held on August 8, 2023. The Committee noted the request received from the company for adjournment of the hearing. Accordingly, the Committee had granted the adjournment.
- u. A letter dated September 21, 2023 was sent by the Exchange to the Company granting an opportunity of personal hearing to the Company, to make the submission/representation before Delisting Committee of the Exchange (meeting through video conferencing). An email was also sent by the Exchange to the Company on September 21, 2023 on the email ids: secretarial@cilsd.in; chokhani@nda.vsnl.net.in; secretarial@cilsd.in; secretarial@cilsd.in; knb@chokhani.in; msc@chokhani.in; secretarial@chokhani.in.
- v. The notices were published in one English national newspaper viz., The Financial Express (all editions) dated September 23, 2023, one vernacular newspaper viz. Navshakti (in Marathi) dated September 23, 2023 and one Hindi national newspaper viz., Business Standard (all editions) dated September 23, 2023, inter alia, granting the Company a last and final opportunity to inform the Exchange whether it wanted to avail a personal hearing before the Delisting Committee of the Exchange. Further it was also stated that if no response was received from the Company within the stipulated timelines and in the prescribed mode, it would be presumed that the Company has waived the opportunity of being heard and the Delisting Committee shall be constrained to

decide the matter, on an ex-parte basis and the Exchange shall proceed with the process for compulsory delisting. Further, it was specified that the Company may address a communication at the specified email id: bse.delistscn@bseindia.com by September 27, 2023. The said notices were also disseminated on the Exchange's website.

- w. The email dated September 25, 2023 was also sent to the Company, informing the Company about publication of aforesaid public notice dated September 23, 2023 in newspaper.
- x. The Company vide email dated October 19, 2023 had stated the following:

"...Pls. send the link for virtual hearing tom. 20th October 2023..."

- y. Subsequently the Company vide email dated October 19, 2023 enclosing the letter dated October 18, 2023 had inter-alia stated the following:

The Company had filed a petition before the Recovery Officer, Hon'ble Debt Recovery Tribunal No. 2, Chennai to permit the Company to meet and spend certain statutory, administrative and salary expenses but the Recovery Officer DRT 2, Chennai vide its order dated March 26, 2019, dismiss the said petition. Therefore, the Company is not in a position to spend any statutory, administrative and other necessary regulatory expenses.

In view of the above, the company is not in a position to comply with the statutory mandates as required under the above-mentioned regulations 2015.

That in view of the above, the Company prayed that the present forum may pass an appropriate order after considering the above-mentioned submissions.

- z. The Exchange vide email dated October 19, 2023 had informed the Company that, the Exchange did not receive company response confirming its presence for personal hearing within the cutoff date and time given in Exchange letter (dated September 21, 2023) and public notice (dated September 23, 2023), hence the matter will not be taken up for personal hearing before the Delisting Committee on October 20, 2023.
- aa. The matter of the Company was placed before the Delisting Committee in its meeting held on October 20, 2023. The Committee noted the Company had responded, seeking opportunity of personal hearing, post the cut-off date for confirming attendance before the Committee for a personal hearing. Accordingly, the Committee had adjourned the matter.
- bb. A letter dated December 13, 2023 was sent by the Exchange to the Company granting an opportunity of personal hearing to the Company, to make the submission/representation before Delisting Committee of the Exchange (meeting through video conferencing). An email was also sent by the Exchange to the Company on December 13, 2023 on the email ids: secretarial@cilsd.in; chokhani@nda.vsnl.net.in; secretarial@cilsd.in; secretarial@cilsd.in; knb@chokhani.in; msc@chokhani.in; secretarial@chokhani.in; msc@chokhani.in.
- cc. The Company vide email dated December 15, 2023 had stated the following:

“...We confirm that we will appear on the scheduled date and time along with our advocate Mr. Hashmat Nabi...”

- dd. The Company vide email dated December 15, 2023 had again submitted the Company letter dated October 18, 2023 (details of which are stated above).
 - ee. The Company vide email dated December 19, 2023 had given the name of Mr. Hashmat Nabi (Advocate) and Mr. Chetan Goel (Authorised Representative) to represent before the Delisting Committee.
 - ff. The Exchange vide email dated January 4, 2024 provided details to the company to join the meeting through Webex.
4. The matter of compulsory delisting of the Company was placed before the Delisting Committee on January 5, 2024.
5. On January 5, 2024, Mr. Hashmat Nabi (Advocate) appeared before the Delisting Committee. It was admitted that the Company had failed to comply with requirements on the aforesaid. Mr. Hashmat Nabi, however inter-alia, submitted the following:
- a. The show cause notice issued to the company contained financial implications.
 - b. In view of the ongoing proceedings in DRT and freeze on bank accounts, the company had written recovery officer to lift the freeze to enable payment for statutory administrative and other regulatory expenses.
 - c. As the said request was not acceded to by the Recovery Officer the company would be unable to complete compliances and pay outstanding dues.

6. 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 6 (six) months.
7. The SCN, *inter alia*, states that the Company has failed to take steps to enable revocation of suspension in the trading of its securities and that the trading in securities had been suspended for more than 6 (six) months.
8. These facts have not been controverted.
9. Based on the aforesaid facts, the Delisting Committee observed that:
 - a. It is an admitted position that the trading in securities of the Company has remained suspended for a period of more than 6 (six) months in terms of Rule 21 of SCRR.
 - b. The Company is non-compliant with the following critical regulations of SEBI LODR, Regulations.
 - i. Regulation 27(2):- Corporate Governance report
 - ii. Regulation 31:- Shareholding Pattern
 - iii. Regulation 33:- Quarterly Results
 - iv. Regulation 34:- Annual Report
 - v. Information on the Reconciliation of Share Capital Audit Report.
 - c. It is established that the Company has not complied with all the requirements for revocation of suspension in trading of securities of the Company at the Exchange. Hence, the suspension in the trading of securities of the Company at the Exchange

continues as on date thereby depriving the shareholders of the Company the facility of dealing in its securities. The public shareholding of the Company as per the last filing with the Exchange is 62.75%.

- d. The aforesaid facts indicate negligent conduct and lack of interest on the part of the Company in complying with its obligations and revoking the suspension in the trading of securities which happened in the year 1999.
- e. In terms of the requirements of the Delisting Regulations, IPN were published in one English national newspaper viz., The Financial Express (all editions) dated April 10, 2023, one Hindi national newspaper viz. Business Standard (all editions) dated April 10, 2023 and one vernacular newspaper viz. Navshakti (in Marathi) dated April 10, 2023, *inter alia*, informing about the proposal for compulsory delisting of the equity shares of the Company. However, the representations were received from the Company as stated above and representation submitted by the company during the meeting of Delisting Committee meeting held on January 5, 2024.
- f. The aforesaid findings establish the grounds for compulsory delisting of the securities of the company in terms of Rule 21 of SCRR read with Regulation 32 (4) of Delisting Regulations. Thus, the ground for compulsory delisting under Section 21A of SCRA read with Rule 21 of SCRR is established.

ORDER

10. In exercise of powers vested with the Committee under Regulation 32 (2) of the Delisting Regulations, all listed equity shares of the Company are hereby compulsorily delisted from the platform of the Exchange.

11. 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 the compulsory delisting of the securities of the Company.

Date: April 25, 2024

Sd/-
Chairman

Sd/-
Member

Sd/-
Member

Sd/-
Member

Sd/-
Member

Sd/-
Member