

ORDER PASSED BY THE DELISTING COMMITTEE OF BSE LTD. IN THE MATTER OF DIAMOND INFOSYSTEMS 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 Diamond Infosystems Ltd. (“**Company**”) from the Exchange.
2. At the meeting held on January 05, 2024 the Committee perused the record, considered the facts and the relevant provisions of law, including the circulars issued by SEBI. The Committee unanimously decided that the Company ought to be delisted from the platform of the Exchange for reasons to be separately recorded. Accordingly, the Committee proceeds to furnish the reasons for its decision.
3. The relevant facts are as follows:
 - a. The trading in the equity shares of the Company was suspended by the Exchange, pursuant to the provisions of SEBI Circular No. CIR/CFD/CMD/12/2015 dated

November 30, 2015 w.e.f. November 26, 2018 on account of non-compliance for two consecutive quarters i.e. March 2018 and June 2018 with regulation 33 – Financial Results of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”). The suspension was notified on the Exchange’s website vide notice no. 20181102-37 dated November 2, 2018.

- b. The Company has not taken all the steps necessary to enable revocation of suspension in the trading of securities by the Exchange and consequentially, the suspension in the trading of securities continues till date.
- c. As the Company has failed to take requisite steps for enabling revocation of the suspension in the trading of securities by the Exchange, the shareholders / investors are deprived of the facility for dealing in the securities of the Company.
- d. By an email dated September 15, 2020 addressed to the Company, the Exchange inter alia informed that the Company had failed to take steps necessary for revocation of suspension and afforded the Company an opportunity to complete the formalities for revocation of suspension within one (1) month and listed the pending compliances. The Company was informed that if the Company fails to complete the revocation formalities within one month from the date of the email, the Exchange would initiate the procedure for compulsory delisting as per provisions of SEBI Delisting Regulations, 2009.
- e. In spite of the aforesaid communications from the Exchange providing adequate time and multiple opportunities to the Company for enabling revocation of

suspension in the trading of the securities of the Company, the Company failed to take adequate steps for revocation of suspension.

- f. Therefore, under the aforesaid regulatory framework, a Show Cause Notice (“SCN”) dated December 10, 2020 was issued to the Company at its last known registered address available with the Exchange and as available on the website of Ministry of Corporate Affairs (www.mca.gov.in), calling upon the Company to show cause 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. The Company was also informed that if it wished to avail an opportunity of personal hearing before the Delisting Committee of the Exchange (“Committee”), it should include such request in its response to the SCN.
- g. An email attaching the said SCN was also sent to the Company on December 10, 2020.
- h. The Exchange vide email dated March 10, 2022 enclosing letter dated March 10, 2022 informed the Company about grant of an opportunity of personal hearing to the Company before the Delisting Committee.
- i. The company vide email dated March 16, 2022 stated the following:-
- “We have received your notice dated March 10, 2022 we are interested in appearing through Personal hearing on 17th March 2022 will request you to send us the link. Since this is the first notice we have received will be obliged if a copy of earlier correspondence is provided to us So that we can go through the same before the meeting.”*

- j. The company vide email dated March 17, 2022 stated the following:-
“Kindly update with link if we are to appear today.”
- k. The Exchange vide email dated March 28, 2022 responded on company email informing that March 17, 2022 (as mentioned in Exchange letter) was only the cut-off date to confirm its attendance for the meeting. Further, the link wrt the meeting would be provided to the company once the date of meeting has been finalised.
- l. In spite of the aforesaid communications from the Exchange providing adequate time and multiple opportunities to the Company for enabling revocation of suspension in the trading of the securities of the Company, the Company failed to take adequate steps for revocation of suspension.
- m. 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 April 10, 2023 and one regional language 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 concerned person 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 IPNs were also disseminated on the Exchange’s website. Link of the IPN was sent to the Company through email on April 11, 2023.
- n. The company vide email dated July 11, 2023 responded and stated the following:-

“This is to confirm that we will be available on 8/8/23 through video conferencing as per your communication dated 4/7/23 vide letter LIST/COMP/AS/530801/292/2023-24.”

- o. The Exchange vide email dated July 12, 2023 responded to the company requesting it 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, company was requested to submit its detailed written representation to be submitted before the Delisting Committee.
- p. The Exchange vide email dated August 02, 2023 informed the company that its matter would be placed in subsequent meeting of the Delisting Committee, the date of which would be separately informed.
- q. 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 and its promoters on September 21, 2023 on the email ids: 'fatima@dicabs.com'; 'cs@dicabs.com'; 'shares@dicabs.com'; 'shares@dicabs.com'; 'nikhil.patel@diinsy.com'; 'nishant.javlekar@dicabs.com'; 'sumit@eislessen.com'; 'nikhil.patel@diinsy.com'.
- r. 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.

- s. The email dated September 25, 2023 was also sent to the Company and promoter/promoter group, informing the Company about publication of aforesaid public notice dated September 23, 2023 in newspaper.
- t. In response to Exchange letter dated September 21, 2023, the company vide email dated October 06, 2023 inter alia stated the following:-

"...We are in a process of rebuilding the company and complete the revocation process to get relisted at BSE.

Further, hereby confirm that we will appear for the meeting before the Delisting Committee. Request to share the link for joining the meeting..."

- u. The Delisting Committee at its meeting held on October 20, 2023 noted that the company has responded seeking opportunity of personal hearing post the cut-off date for confirming attendance before the Committee for a personal hearing.
 - v. The Committee decided that one more opportunity of personal hearing may be granted to the company before the Delisting Committee.
 - w. 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).
 - x. In response to Exchange email dated December 13, 2023, the company vide email December 18, 2023 stated the following:-

*“Please take note of our confirmation to be present on 5th Jan 2024 between 11:30 AM to 1:30 pm wide video conferencing facility as requested by you.

Please provide the link for the hearing vide reverse e-mail.”*
 - y. The company vide email dated January 02, 2024 requested for link for personal hearing scheduled before the Delisting Committee on January 05, 2024.
 - z. The Exchange vide email dated January 4, 2024 provided details to the company to join the meeting through Webex.
4. As stated above, the matter of compulsory delisting of the Company was placed before the Delisting Committee in its meeting held on January 05, 2024.

5. At the threshold, the Delisting Committee observed that at the time of passing of this decision, SEBI Delisting Regulations, 2009 had 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 a 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;”

6. Thus, considering the aforesaid facts and in particular the fact that the SCN was issued on December 10, 2020 i.e. prior to SEBI Delisting Regulations, 2021, the Committee is of the considered view that the present proceeding will be governed by SEBI (Delisting of Equity Shares) Regulations, 2009. It is clarified that this is restricted to the adjudication of the present SCN for delisting of securities of the Company.
7. 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.
8. The SCN, inter alia, states that the Company has failed to take steps to enable revocation of suspension in the trading of its equity shares and that the trading in equity shares had been suspended for more than 6 months.
9. These facts have not been controverted.
10. 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. It is established 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 the facility of dealing in its securities. The public shareholding of the Company as per the last filing with the Exchange is 72.75%.
 - b. The aforesaid facts indicate negligent conduct and lack of interest on the part of the Company in complying with its obligations.

- c. In terms of the requirements of Delisting Regulations, IPN was published in one English national daily viz., The Financial Express (all editions) dated April 10, 2023 and one regional language 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, no representation was received by the Exchange.
- d. Moreover, there is no response from the Company, or any persons concerned for availing the opportunity of personal hearing before the Committee.
- e. 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 22 (4) of Delisting Regulations. Thus, the ground for compulsory delisting under Section 21A of SCRA read with Rule 21 of SCRR is established.

ORDER

11. 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.
12. 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