

ORDER PASSED BY THE DELISTING COMMITTEE OF BSE LTD. IN THE MATTER OF INNOVATION SOFTWARE EXPORTS 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 Innovation Software Exports 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. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018, w.e.f. July 18, 2019 on account of non-compliance for two consecutive quarters i.e December 2018 and March 2019 with Regulation 76 – Reconciliation of Share Capital Audit Report of SEBI (Depositories and Participants) Regulations, 2018 (“**DP Regulations**”). The suspension was notified on the Exchange’s website vide notice no. 20190626-41 dated June 26, 2019.
- 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. A letter dated September 23, 2019 (“**advisory letter**”) was sent by the Exchange to the Company on its email id : kbcchennai@gmail.com; stating inter-alia, that the Exchange had informed the Company about its non-compliance with the provisions of Regulation 76 of DP Regulations, the quantum of fines payable and the further action that would be initiated pursuant to SEBI circular dated May 03, 2018, if the Company failed to comply with the obligations and pay the fines. The said email further stated that as the Company had failed to comply with its obligations and to pay the fines, the trading in the scrip was shifted to “Z” group w.e.f. June 11, 2019 and that the trading in the securities had been suspended

w.e.f July 18, 2019. The provisions of SEBI circular dated May 3, 2018 dealing with the consequences of non-compliances and failure to pay the fine within 6 months from the date of the suspension were notified in the said email. This included initiation of the process of compulsory delisting under the SCRA, SCRR and Delisting Regulations. The Company was accordingly advised to comply with the obligations and pay the fines for completing the process for revocation of suspension.

- e. The Company vide email dated November 28, 2019 had stated the following:

“...We understand from the notice dated 26.06.2019 by BSE that, our company Equity Shares are suspended from trading in BSE Main Board due to Non-Compliance and Non - Payment of Annual Listing Fees. Since there is no business operation in the company, the company couldn't pay the Annual Listing Fees. In this regard, the management has decided to make the necessary arrangement towards completing the compliances and pending payments. We kindly request your kind office to share the necessary check list for pending compliance and outstanding amounts payable by the company to BSE and SEBI. We also place our sincere request that, if BSE could waive the penalties if any...”

- f. The Company vide email dated December 5, 2019 had stated the following:

“...We understand from the notice dated 26.06.2019 by BSE that, our company Equity Shares are suspended from trading in BSE Main Board due to Non-Compliance and Non - Payment of Annual Listing Fees. Since there is no business operation in the company, the company couldn't pay the Annual Listing Fees.

In this regard, the management has decided to make the necessary arrangement towards completing the compliances and pending payments. We kindly request your kind office to share the necessary check list for pending compliance and outstanding amounts payable by the company to BSE and SEBI. We also place our sincere request that, if BSE could waive the penalties if any..."

- g. The Exchange vide email dated December 5, 2019, had inter-alia provided the details of pending compliances and outstanding dues to the Company.
- h. By an email dated January 27, 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 three (3) months and listed the pending compliances. The Company was informed that if the Company fails to complete the revocation formalities within three months from the date of the email, the Exchange would initiate the procedure for compulsory delisting as per provisions of SEBI Delisting Regulations, 2009.
- i. 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.
- j. 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.

- k. An email attaching the said SCN was also sent to the Company on December 10, 2020.
- l. The Company vide email dated April 8, 2021 had stated the following:
".....Please update below email id of the company Innovation Software Export Limited" in your records for future correspondence and access of listing & other update:

Innovationsoftware92@gmail.com

Further request you to please share the pending listing fee & other charges due for payment from our end...."
- m. The Exchange vide email dated November 25, 2021, informed the Company about revision in processing fees and reinstatement fees for revocation of suspension in trading of securities of the Company w.e.f. January 01, 2022.
- n. The Exchange vide email dated March 10, 2022 enclosing letter of even date informed the Company about granting of an opportunity of personal hearing to the Company before the Delisting Committee.
- o. The Company vide email dated March 16, 2022 had stated the following:

“....This is regarding your mail for personal hearing to be granted before the Delisting Committee of the Exchange for Innovation Software Exports Limited.

We hereby confirm our presence before the committee as and when required for the purpose mentioned above.

Also confirm the cause of action against the company so that we can rectify the same to comply with the requisite requirements....”

- p. 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.
- q. 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 and its promoters through email on April 11, 2023.
- r. The Company vide email dated April 13, 2023 had stated the following:

“.....This is regarding Initial Public Notice (IPN) issued on April 10, 2023 which has been published in the newspaper [i.e in Financial Express (English) & Navshakti

(Marathi)] on April 10, 2023 for proposed delisting of our company Innovation Software Exports Limited.

This is brought to your kind attention that the company has not received any notice on the company register mail id.

Also please confirm the cause of action against the company so that we can rectify the same to comply with the requisite requirements.

Before taking any further action, please give us an opportunity of being heard so that we can save our company from compulsory delisting.....”

- s. The Exchange vide email dated May 15, 2023 granted an opportunity of personal hearing before the Request Review Committee of the Exchange scheduled on May 19, 2023, wherein the Company had an opportunity to make representation for revoking the suspension in the trading of the securities.
- t. However, the Company neither submitted its representation in response to the Exchange’s email dated May 15, 2023, nor appeared before the Request Review Committee of the Exchange.
- u. Status update on company’s compliances was placed before the Request Review Committee in its meeting held on May 15, 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 and considering that the Company failed to avail opportunity of personal hearing, the Committee decided that company may be granted personal hearing before the Delisting Committee.

- v. The Exchange vide email dated June 5, 2023 had provided the details of pending compliances and outstanding dues.
- w. Subsequently, the Exchange vide email dated June 27, 2023 had requested the Company to apply for revocation of suspension of the Company through Listing Centre. The Exchange had also requested the Company to give clarifications / replies on the letterhead of the Company. Further, the Exchange had requested the Company to submit the documents for difference in capital, if any through BCRMS (Listing Centre).
- x. 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 on July 4, 2023 on the email id innovationsoftware92@gmail.com.
- y. 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 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 July 10, 2023. The said notices were also disseminated on the Exchange's website.

z. The email dated July 6, 2023 was also sent to the Company, informing the Company about publication of aforesaid public notice dated July 5, 2023 and July 6, 2023 in newspaper.

aa. The Company vide email dated July 8, 2023 had stated the following:

"...This is confirm that we will be present on the date and time stipulated in the notice of the meeting..."

bb. The Exchange vide email dated July 10, 2023 had sought the names alongwith contact details of persons who would be attending personal hearing before the Delisting Committee at its meeting scheduled on August 8, 2023. The Exchange had also requested the Company to submit its detailed written representation to be submitted before the Delisting Committee.

cc. The Company vide email dated July 15, 2023 had informed that Ms. Tamanna Praween, will attend the personal hearing before the Delisting Committee. Further the Company by enclosing the letter (without date) had stated the following:

"....The COVID-19 pandemic had significantly affected the business of our company, we were in a position to close the business the company, and we have faced

financial losses due to reduced sales and temporary closures of business due to lockdown.

Now the financial position of company improving slightly, but still we are not in a position to pay the entire penalty that is levied on us by the BSE. We request you, please waive off our penalty and we assure you that we shall comply all the compliance that is applicable on the company as soon as possible.

Also we request you, please give us an opportunity and remove our company name from the compulsory delisting list of companies.....”

dd. The Exchange vide email dated July 19, 2023 had informed the Company to submit the request for waiver of SEBI SOP fines on email id:- bse.soplodr@bseindia.com and requested the Company to specify the grounds on which the waiver is sought.

ee. The Company vide email dated July 27, 2023 had submitted the following:

“....We hereby submit our request for waiver of SEBI SOP fines. Kindly consider the same and waive off the penalty levied on the company...”

ff. The Company vide email dated July 27, 2023 had also enclosed the letter (without any date), wherein the following was stated:

“....This is with reference to your mail with Subject Line Pending Compliance/ Formalities - Innovation Software Exports Ltd, As per the received mail the total amount of SOP fine that is levied on the Company is Rs. 49,96,120/- due to various non compliance made by company.

Please note that, the COVID-19 pandemic had significantly affected the business of our company, we were in a position to close the business the company, and we

have faced huge financial losses due to reduced sales and temporary closures of business due to lockdown. Due to Financial crunches, the company was not in a position to pay the fee of NSDL and RTA as well.

Now the financial position of company is improving slightly, but still we are not in a position to pay the entire penalty/ Fine that is levied on us by the BSE.

We request you, please waive off the penalty that is levied on the company and we assure you that we shall ensure all the compliance that is applicable on the company as soon as possible....”

- gg. The Exchange vide email dated July 28, 2023 had provided the details for processing the Company application for waiver of fines. The Exchange had also provided the bank details for payment of processing fees towards application for waiver of SEBI SOP fines. Further, the Exchange had link of the Exchange website where details are available with respect to the processing of waiver applications by the Exchanges.
- hh. The Exchange vide email dated August 2, 2023 provided details to the company to join the meeting through Webex.
- ii. The matter of compulsory delisting of the Company was placed before the Delisting Committee in its meeting held on August 8, 2023. The Committee noted the request received (telephonically) from the company for adjournment of the hearing. Accordingly, the Committee had granted the adjournment.
- jj. Subsequently, the Company vide email dated August 10, 2023 had stated the following:

“.....Due to some unavoidable family issues, we were unable to attend the hearing, kindly grant us another date for the same....”

- kk. 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: innovationsoftware92@gmail.com.
- ll. 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.

mm. 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.

nn. The Company vide email dated September 27, 2023 had stated the following:

“...We confirm that we will present on the given date and time for personal hearing,

The name of person and contact details of person who will attend the personal hearing before the Delisting Committee is as follows:

Name: Tamanna Praween...”

oo. The Company vide email dated September 27, 2023 had also provided the letter (without any date) wherein the Company had stated the following:

“...The COVID-19 pandemic had significantly affected the business of our company, we were in a position to close the business the company, and we have faced financial losses due to reduced sales and temporary closures of business due to lockdown.

Now the financial position of company improving slightly, but still we are not in a position to pay the entire penalty that is levied on us by the BSE. We request you, please waive off our penalty and we assure you that we shall comply all the compliance that is applicable on the company as soon as possible.

Also we request you, please give us an opportunity and remove our company name from the compulsory delisting list of companies...”

- pp. The Exchange vide email dated October 10, 2023 requested the Company to submit the letter of authority on company letterhead authorizing persons along with documents in support of authorization to represent the company before the Delisting Committee in its meeting scheduled on October 20, 2023.
- qq. Subsequently, the Exchange vide email dated October 12, 2023 and October 16, 2023 had again requested the Company to submit the aforesaid details at the earliest.
- rr. The Exchange vide email dated October 16, 2023 provided details to the company to join the meeting through Webex.
- ss. Further, the Exchange vide email dated October 18, 2023 had again requested the Company to submit the aforesaid details at the earliest.
- tt. The Exchange vide email dated October 19, 2023 had requested the Company to provide the contact details where the company can be contacted; as the number provided by the Company was not contactable.
- uu. The matter of compulsory delisting of the Company was placed before the Delisting Committee in its meeting held on October 20, 2023. The Committee noted the Exchange was not able to reach the Company officials as the contact number was switched off. Accordingly, the Committee adjourned the matter.
- vv. 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:
innovationsoftware92@gmail.com.

- ww. Despite the aforesaid, no response was received by the Exchange on or before December 18, 2023 from the Company on the email id specified by the Exchange.
4. As stated above, the matter of compulsory delisting of the Company was placed before the Delisting Committee in its meeting held on January 5, 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 100%.
- 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. The aforesaid facts indicate negligent conduct and lack of interest on the part of the Company in complying with its obligations.
- d. 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, apart from the representation stated above, no other representation was received by the Exchange.

- e. Moreover, there is no response from the Company, or any persons concerned for availing the opportunity of personal hearing before the Committee.
- 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 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