

**Before the Delisting Committee ("Committee")  
of  
National Stock Exchange of India Limited  
A Wing, 2<sup>nd</sup> Floor, Conference Room - 1,  
Bandra Kurla Complex, Bandra (East),  
Mumbai- 400051  
Held on March 23, 2026**

**In the matter of the Company: M/s. Varanium Cloud Limited (CLOUD)**

**Committee Members' Present:**

**Through Video Conferencing:**

Justice (Retired) Mrs. Abhilasha Kumari - Chairperson  
Prof. (Dr.) Mamata Biswal - Committee Member

**In person:**

Mr. Ashok Dhere - Committee Member  
Mr. Santosh Kumar - Committee Member

**1. Background**

- 1.1 The Equity Shares of **Varanium Cloud Limited (CLOUD)** (hereinafter referred to as the "Company") is listed on the SME platform of National Stock Exchange of India Limited (hereinafter referred to as the "Exchange") with effect from September 27, 2022. The trading in equity shares of the Company is suspended w.e.f. February 13, 2025, due to failure to comply with the requirements of Regulation 31 of SEBI (Submission of Shareholding Pattern) of SEBI LODR, 2015 for two consecutive quarters i.e., March 31, 2024, and September 30, 2024.
- 1.2 As on March 20, 2026, the Company is non-compliant with various provisions of SEBI LODR Regulations, 2015 i.e. submission of Statement of Investor Grievances {Regulation 13(3)} from quarter ended September 2024 to December 2025, Financial Results (Regulation 33) from the half year ended March 2024 to September 2025, Shareholding Pattern (Regulation 31) for half year ended March

2024 to September 2025, Annual Report (Regulation 34) from the F.Y. 2023-24 and F.Y. 2024-25 and Reconciliation of share capital audit (Regulation 76 of SEBI Depositories and Participants Regulations 2018) for quarter ended June 2024 to December 2025.

- 1.3 The amount of Rs. 35,26,000/- (Rupees Thirty Five lacs Twenty Six Thousand) towards SOP fines (including GST) levied as per SEBI SOP Circular no. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 (“Master Circular”) issued on July 11, 2023 and last updated on January 30, 2026 and Rs. 1,02,000/- (Rupees One Lac Two Thousand) towards Annual listing fees (including interest) as on February 02, 2026, is still due and payable by the Company to the Exchange.

## **2. Show Cause Notice, Public Announcement, and Responses**

- 2.1 The Exchange issued a Show Cause Notice (hereinafter referred to as “SCN”) vide ref. no. NSE/LIST/C/2025/0975 dated September 12, 2025, to the Company seeking an explanation as to why the Equity Shares of the Company listed on the Exchange should not be compulsorily delisted for the observed non-compliances. However, the Exchange did not receive any response from CLOUD on Show Cause Notice.
- 2.2 In terms of Regulation 32(3) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, the Exchange issued a Public Notice dated October 29, 2025, intimating the proposed delisting of the Equity Shares of the Company on the Exchange. The said Public Notice also invited representations from any person who may be aggrieved by the proposed delisting of the Company's Equity Shares.

Further, the Exchange did not receive any representation and/or objections in response to the Public Notice.

## **3. Reference to Previous Delisting Committee Meetings**

- 3.1 The matter pertaining to the Company was placed before the Delisting Committee of the Exchange in its meeting held on December 18, 2025.

### 3.2 In the Delisting Committee Meeting dated December 18, 2025:

- a. The Committee noted that the Exchange had served a Show-cause notice (SCN) vide its email dated September 12, 2025, on the email ids available as per Exchange records. Also, a copy of the same was served at the last known address of the Company available with the Exchange (registered office) and as verified from the website of the Ministry of Corporate Affairs.

However, the Exchange did not receive any response from CLOUD on show-cause notice (SCN).

- b. The Committee observed that the company continues to be non-compliant with respect to the submission of Statement of Investor Grievances {Regulation 13(3)} from quarter ended September 2024 to September 2025, Financial Results (Regulation 33 SEBI LODR Regulations, 2015) from the half year ended March 2024 to September 2025, Shareholding Pattern (Regulation 31) for half year ended March 2024 to September 2025, Annual Report (Regulation 34) from the F.Y. 2023-24 and F.Y. 2024-25 and Reconciliation of share capital audit (Regulation 76 of SEBI Depositories and Participants Regulations 2018) for quarter ended June 2024 to September 2025.
- c. The Committee further noted that SOP fines for non-compliance of requirements under the Listing Regulations and Depository Regulations amounting to Rs 35,26,000/- (Rupees Thirty Five Lacs Twenty Six Thousand) and Annual listing fees, including interest, amounting to INR 93,000/- (Rupees Ninety Three Thousand) as on November 12, 2025 were still due and payable to the Exchange by the Company.
- d. The Committee was further informed of the below department's observations of CLOUD:
- Detailed Investigation report was submitted to SEBI on March 22, 2024 for observations on financial statement, suspicious transactions and utilization of IPO proceeds. Basis which SEBI has passed Interim order dated May 10, 2024 against CLOUD.

- An Interim Order dated May 2024, and confirmatory Order dated October 2024 was passed by SEBI for misutilization of IPO proceeds and manipulation of Financial Statements etc.
- As per the directions issued in the SEBI order, the Company and its promoter Mr. Harshawardhan Hanmant Sabale were restrained from accessing the securities market and further Mr. Harshawardhan Hanmant Sabale has also been restrained from holding directorship/KMP position in any listed company or its subsidiary.
- On January 15, 2025, Exchange conducted surprise site visit to verify the existence of the Company at its registered office (Sawantwadi). During its site visit, it was observed that the Company does not exist at the given address. The Exchange had issued Show Cause Notice for the aforesaid observation on February 03, 2025. A detailed report with the findings was submitted by the Exchange to SEBI in February 2025.
- On October 23, 2025, SEBI issued a final order against Merchant Banker citing repeated and serious regulatory breaches. Merchant Banker was barred from accessing the securities market for two years and fined INR 20 lakh.
- Search by Directorate of Enforcement (ED) – Press release stated that it has conducted search operations on October 29, 2025 at multiple locations in connection with ongoing investigations against M/s Varanium Cloud Ltd., its promoter Harshavardhan Sabale and other associated entities.

Varanium Cloud Ltd. and its associated companies raised about Rs. 40 Crore through their September 2022 IPO, claiming it would be used to set up edge data centers and digital learning centers in smaller towns. The company projected itself as a fast-growing technology firm in the fields of digital media, blockchain, and EdTech, and even invoked the names of prominent business groups and media outlets to promote the IPO, thereby gaining public trust. However, the promised projects were never executed, and the funds were diverted through false transactions and circular movements to inflate turnover and market value. Subsequent trading patterns showed artificial price escalation followed by heavy offloading of shares, consistent with a “pump and dump” scheme, where the stocks of the company were deliberately inflated

through misleading claims and later dumped at high prices, duping the public and causing losses to genuine investors.

- e. Mr. Fahim Shaikh, erstwhile Executive Director, Mr. Kalpesh Anil Acharekar, erstwhile Non-executive Director and Mr. Vinayak Vasant Jadhav, erstwhile Executive Director, represented before the Committee.

The gist of the representations made by the above representatives at the meeting are as below:

- Mr. Harshawardhan Sabale, Promoter of the Company, has absconded due to financial fraud allegations against him.
  - The entire Varanium Group has ceased operations, and both rented offices are now under the custody of their respective property owners due to unpaid rent for several months.
  - Due to absence of Promoter, the Economic Offences Wing (EOW), Mumbai, summoned and questioned the above representatives along with Mr. Mukundan Raghavan (IT Head & CFO) and Mr. Arvind Singh (Mr. Sabale's driver) regarding his whereabouts.
  - The above representatives have resigned from the office w.e.f. October 01, 2024.
  - The representatives have lodged a police complaint against Mr. Harshawardhan Sabale, Promoter of the Company regarding the potential misuse of digital signatures as he had full access to them before absconding.
  - The representatives have received three legal notices from the Income Tax Department regarding non-payment of TDS for AY 2022-23 and FY 2021-22, to which responses were submitted.
  - The representatives were not granted any decision-making authority within the Company beyond signing board resolutions and fulfilling the statutory requirement of directors. They had no involvement in or knowledge of the financial frauds committed by Mr. Sabale.
- f. The Committee also heard the representations of Ms. Rinku Valanju and Ms. Hiral Shah (Authorised representatives for First Overseas Capital Limited), Merchant Banker of the Company.

The gist of the representations made by the above representatives at the meeting are as below:

- The representatives informed that IPO of the Company was done during the Year 2022 and the Company was introduced to Merchant Banker by Mr. Jinesh Narottamdas Mehta (Managing Director of Athos Capital Advisors Private Limited) and major role in handling of IPO was done by him with respect to IPO documentation, pre-IPO fund raising, valuation of IPO and co-ordination. Further, the Merchant Banker had outsourced the assignments to Mr. Mehta in past also, to which the Committee informed that conduct of Merchant Banker is in violation of Code of Conduct of for Merchant Banker as per SEBI Merchant Bankers Regulations, 1992.
- Further, the representatives stated that SEBI had carried out investigations regarding misutilisation of funds and had issued Show Cause Notice in the matter of the Company against the Company, Merchant Banker, Mr. Jinesh Mehta along with 9 other parties.

g. In view of the above representations, the Committee discussed and directed:

- Attendees of the meeting (Erstwhile Directors) to submit a letter to the Exchange disclosing all the facts and representations made before the committee.
- The Exchange to call the Statutory Auditor, Company Secretary of the Company and Merchant Banker for personal hearing in the next meeting.
- The Company to submit all pending compliances and make payment of outstanding dues to the Exchange by January 31, 2026.
- The Merchant Banker to submit detailed representations to the Exchange.

#### 4. Proceedings before Delisting Committee Meeting dated March 23, 2026:

##### 4.1 The Committee noted that:

- a. The Company continues to be non-compliant with the submission of :
  - Statement of Investor Grievances {Regulation 13(3) of SEBI LODR Regulations, 2015} from quarter ended September 2024 to December 2025.
  - Financial Results (Regulation 33 of SEBI LODR Regulations, 2015) from the half year ended March 2024 to September 2025.
  - Shareholding Pattern (Regulation 31 of SEBI LODR Regulations, 2015) for half year ended March 2024 to September 2025.
  - Annual Report (Regulation 34 of SEBI LODR Regulations, 2015) from the F.Y. 2023-24 and F.Y. 2024-25
  - Reconciliation of share capital audit (Regulation 76 of SEBI Depositories and Participants Regulations 2018) for quarter ended June 2024 to December 2025.
- b. SOP fines for non-compliance of requirements under the Listing Regulations and Depository Regulations amounting to Rs 35,26,000/- (Rupees Thirty Five Lacs Twenty Six Thousand) and Annual listing fees, including interest, amounting to INR 1,02,000/- (Rupees One Lac Two Thousand) as on February 02, 2026, were still due and payable to the Exchange by the Company.
- c. The communication for opportunity of personal hearing was sent to the Company vide Exchange email dated March 12, 2026, on the email ids available as per Exchange records and a physical notice through courier at the last known address of the company available with the Exchange (registered office) and as verified from the website of the Ministry of Corporate Affairs.
- d. The Committee was also apprised about the detailed Investigation report submission by the Exchange to SEBI, an interim order & confirmatory order issued by SEBI against the company, and Mr. Harshawardhan Hanmant Sabale, Show cause notice issuance by the Exchange as the Company was not found at its registered office (Sawantwadi) during the surprise site visit, search operations conducted by Directorate of Enforcement (ED).

4.2 Mr. Fahim Shaikh, erstwhile Executive Director, Mr. Kalpesh Anil Acharekar, erstwhile Non-executive Director, Mr. Vinayak Vasant Jadhav, erstwhile Executive Director, Mr. Hitesh Kumar, Partner of Statutory Auditor (A.K. Kocchar & Associates) and Mr. Jinesh Mehta, Managing Director of Athos Capital Advisors Private Limited represented before the Committee.

The gist of the representations made by the above representatives at the meeting are as below:

- Mr. Jinesh Mehta, informed Committee that at the time of introducing the Company to Merchant Banker i.e. First Overseas Capital Limited, the Company was not satisfying the eligibility criteria for SME listing and he was involved in co-ordination for Initial Public Offer of the Company. Post listing of the Company, Mr. Jinesh Mehta was not associated and is not in contact with Mr. Harshawardhan Hanmant Sabale, Promoter of the Company. Further, he informed that Mr. Harshawardhan Hanmant Sabale was a Chartered Accountant and employee of McKenzie Consultancy having a background from IT sector.
- Mr. Hitesh Kumar, Partner of Statutory Auditor (A.K. Kocchar & Associates) informed the Exchange that A.K. Kocchar & Associates were Statutory Auditor of Indage group of Companies and was introduced to the Company by Mr. Ranjit Sham Chougule, Managing Director of Indage group of Companies.

Their firm had done Audit of the Company till F.Y. 2022-23, thereafter, the audit was not completed due to non-furnishment of the requisite documents. The firm had tried reaching the Company on phone as well as via email, however, they were unreachable. Further, he had informed that, they also have outstanding dues of approx INR 15 Lacs from the Company.

4.3 In view of the above, the Committee finds that the Company has failed to: (a) comply with the requirements SEBI LODR (b) pay the outstanding dues.

4.4 In view of the above representations and deliberations and considering the action taken by other regulators, the Committee noted that any further opportunity to the company shall not be in the interest of the Investors.

4.5 Rule 21 of the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), provides for various grounds for delisting the equity shares of the Company, which are as under:

- i. the Company has incurred losses during the preceding three consecutive years, and it has a negative net worth.*
- ii. trading in the securities of the Company has remained suspended for more than six months.*
- iii. the securities of the Company have remained infrequently traded during the preceding three years.*
- iv. the Company or any of its promoters or any of its Director has been convicted for failure to comply with any of the provisions of the Act or the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996 (22 of 1996) or rules, regulations, agreements made thereunder, as the case may be and awarded a penalty of not less than rupees one crore or imprisonment of not less than three years;*
- v. the addresses of the Company or any of its promoter or any of its directors are not known, or false addresses have been furnished, or the Company has changed its registered office in contravention of the provisions of the Companies Act, 1956 (1 of 1956); or*
- vi. shareholding of the Company held by the public has come below the minimum level applicable to the Company as per the listing agreement under the Act. The Company has failed to raise public holding to the required level within the time specified by the recognized Stock Exchange.*

4.6 Regulation 33 of the SEBI (Delisting of equity shares) Regulations, 2021 casts a responsibility on the Promoter of the Company to acquire the delisted Equity Shares from the public shareholders within three months of the date of delisting from the recognized Stock Exchange. The value of such delisted equity shares shall be determined by an empanelled independent valuer.

## **DECISION**

Considering the facts and circumstances mentioned above, the Committee directed that the Equity Shares of M/S Varanium Cloud Limited (CLOUD) be compulsorily delisted from the Exchange in terms of Regulation 32(1) of SEBI (Delisting of Equity Shares) Regulations, 2021 read with Rule 21(b) of Securities Contracts (Regulation) Rules, 1957.

As a result, the following consequences upon the Compulsory Delisting of Equity Shares shall follow:

**Consequences of compulsory delisting:**

Regulation 34 of Delisting Regulations states as under:

1. Where a company has been compulsorily delisted under this Chapter, the company, its whole-time directors, person(s) responsible for ensuring compliance with the securities laws, its promoters and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing of any equity shares or act as an intermediary in the securities market for a period of ten years from the date of such delisting.
2. In case of a company whose fair value is positive -
  - a. such a company and the depositories shall not effect transfer, by way of sale, pledge, etc., of any of the equity shares held by the promoters / promoter group and the corporate benefits like dividend, rights, bonus shares, split, etc. shall be frozen for all the equity shares held by the promoters/ promoter group, till the promoters of such company provide an exit option to the public shareholders in compliance with sub-regulation (4) of regulation 33 of these regulations, as certified by the relevant recognized Stock Exchange
  - b. the promoters, whole-time directors and person(s) responsible for ensuring compliance with the securities laws, of the compulsorily delisted company shall also not be eligible to become directors of any listed company till the exit option as mentioned in clause (a) is provided.

_____ Sd/-	_____ Sd/-	_____ Sd/-	_____ Sd/-
Justice (Retired) Abhilasha Kumari (Chairperson)	Prof. (Dr.) Mamata Biswal (Committee Member)	Mr. Ashok Dhere (Committee Member)	Mr. Santosh Kumar (Committee Member)

Date: March 23, 2026