

**Before the Delisting Committee ("Committee")
Of
National Stock Exchange of India Limited
Conference Room, Ground Floor, Ground Floor, A-Wing.
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Held on December 29, 2022**

In the matter of the Company: M/s. Powerful Technologies Limited

Committee Members Present:

Through Video Conferencing:

| | |
|--------------------------|--------------------|
| Mr Bishnu Charan Patnaik | - Chairman |
| Ms. Mona Bhide | - Committee Member |
| Mr. K Narasimha Murthy | - Committee Member |

In Person:

| | |
|----------------------|--------------------|
| Mr. Ashok Dhere | -Committee Member |
| Mr. Santosh Kumar | - Committee Member |
| Ms. Priya Subbaraman | - Committee Member |

Also Present:

Through Video Conferencing:

| | |
|-------------------------|---------------------------|
| Mr. Ashishkumar Chauhan | - Managing Director & CEO |
|-------------------------|---------------------------|

In Person:

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| Mr. Suresh Nair | -Vice President and Head, Enforcement |
| Mr. Sanjayu Nair | -Vice President, Legal |
| Mr. Lokesh Bhandari | -Chief Manager, Listing Compliance |
| Mr. Saksham Kaushik | -Chief Manager (Legal), Regulatory Support |
| Mr. Yogesh Deshmukh | - Senior Manager, Listing Compliance |
| Mr. Aman Bhatnagar | - Manager (Legal), Regulatory Support |
| Mr. Sandeep Dhamal | - Manager, Listing Compliance |
| Mr. Ravi Shekhar Rai | - Manager, Regulatory Operations |
| Ms. Mittali Christachary | - Manager, Enforcement |
| Mr. Mandar Desai | - Deputy Manager, Listing Compliance |

1. Background

- 1.1 The equity shares of **M/s. Powerful Technologies Limited (POWERFUL)** (hereinafter referred to as the “Company”) is listed on the National Stock Exchange of India Limited (hereinafter referred to as the “Exchange”) with effect from August 28, 2018. The trading in equity shares of the Company is suspended w.e.f May 24, 2021, due to non-compliance with Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (hereinafter referred to as the “Depository Regulations”) for two consecutive quarters’ i.e., September 2020 and December 2020.
- 1.2 The Company is also non-compliant with Regulation 31, Regulation 33 and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”).
- 1.3 An amount of Rs. 16,01,260/- towards SOP fines (including GST) for non-compliance of the requirements under Listing Regulations including fine for non-compliance with Regulation 76 of the Depository Regulations as on December 09, 2022, and Rs. 1,33,783/- towards Annual listing fees (including interest) as on November 23, 2022, 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/DELIST/175 dated December 20, 2021, to the Company seeking an explanation why the equity shares of the Company listed on the Exchange should not be compulsorily delisted for the observed non-compliances.
- 2.2 In terms of Regulation 32(3) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (hereinafter referred to as “Delisting Regulations”), the Exchange issued a Public Notice dated December 21, 2021, 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.
- 2.3 The Exchange vide email dated December 23, 2021, had informed the Directors and Promoters of the Company about the proposed compulsory delisting of the Company.
- 2.4 The Exchange neither received any response from the Company to the SCN, nor any response from the Directors and Promoters of the Company to the Exchange’s email dated December 23, 2021.

2.5 The Exchange has also not received 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 previously placed before the Delisting Committee of the Exchange in its meetings held on February 09, 2022, April 12, 2022, and June 09, 2022.

3.2 In the Delisting Committee meeting dated February 09, 2022:

- a. The Committee was apprised that the equity shares of M/s. Powerful Technologies Limited were listed on the Exchange with effect from August 28, 2018. The trading in the Company's equity shares is suspended with effect from May 24, 2021, on failure to comply with the requirements of Regulation 76 of the Depository Regulations.
- b. The Committee noted that the Exchange had issued the following notices and letters to the Company:
 - i. The Exchange letter dated April 22, 2021, intimating the Company of suspension of trading of its securities with effect from May 24, 2021.
 - ii. SCN dated December 20, 2021, seeking an explanation why the equity shares listed on the Exchange should not be compulsorily delisted for the observed non-compliances.
 - iii. The Public Notice dated December 21, 2021, as per Regulation 32(3) of Delisting Regulations, inviting representations from any person aggrieved by the proposed compulsory delisting of the Company.
 - iv. The Exchange email dated December 23, 2021, informing the Directors and Promoters of the Company about the proposed delisting of the Company.
- c. The Committee noted that the Exchange did not receive any response to the above notices and letters.
- d. The Committee observed that the Company is in non-compliance with the following Regulations:
 - i. Shareholding Pattern - Regulation 31 of Listing Regulations;
 - ii. Financial Results - Regulation 33 of Listing Regulations;
 - iii. Annual Report - Regulation 34 of Listing Regulations;
 - iv. Reconciliation of share capital audit - Regulation 76 of Depository Regulations.

- e. The Committee also noted that fine towards non-compliance with the Listing Regulations and Depository Regulations, and Annual Listing fees, including interests, were still due and payable to the Exchange.
- f. The Committee, in the interest of equity and justice, decided to grant an additional opportunity to the Company to respond to the Exchange SCN, comply with the requisite regulatory requirements and pay all outstanding fees and fines due and payable to the Exchange.
- g. The Committee further directed that the matter be placed in the subsequent meeting for its decision.
- h. The Exchange vide its email dated February 22, 2022, and reminder email dated March 15, 2022, communicated the Committee's decision to the Company.

3.3 In the Delisting Committee meeting dated April 12, 2022:

- a. The Committee noted that the Company has failed to respond to the SCN. Further, no response has been received to the Exchange emails dated February 22, 2022, and March 15, 2022.
- b. The Committee further noted that the Company has also not complied with any of the non-compliance that were noted by this Committee in the previous Delisting Committee meeting held on February 09, 2022.
- c. The Committee noted that fine for non-compliance of requirements under the Listing Regulations and Depository Regulations, and Annual Listing fees, including interest, were still due and payable to the Exchange.
- d. The Committee, in the interest of equity and justice, granted additional time to the Company to respond to the SCN, comply with the regulatory requirements, and pay all outstanding fees and fines due and payable to the Exchange, failing which the Committee shall proceed based on the available records.
- e. Further, since the Company is non-responsive, the Committee directed that the decision of the Committee be conveyed to the Company by registered post/speed post, in addition to the email communication.
- f. The matter was directed to be placed in a subsequent meeting of the Committee for its decision.
- g. The Exchange vide email and physical letter dated April 27, 2022, sent through registered post vide consignment no. RM106243243IN at the last known address available with the Exchange and reminder email dated May 23, 2022, communicated the Committee's decision to the Company. However, the letter sent through registered post to the Company returned undelivered with the remarks as 'No such person in the address,' and the email returned undelivered.

3.4 In the Delisting Committee meeting dated June 09, 2022:

- a. The Exchange brought it to the attention of the Committee that repeated reminders has been sent to the Company through emails and physical letter, however no response has been received by the Exchange to the said emails and letter despite serving at the last known address available with the Exchange.
- b. The Committee noted that the Company has also not complied with any of the non-compliance that were noted by this Committee in the previous Delisting Committee meetings held on February 09, 2022, and April 12, 2022.
- a. The Committee further noted that fine for non-compliance of requirements under the Listing Regulations and Depository Regulations and Annual listing fees, including interest, were still due and payable to the Exchange by the Company.
- b. The Committee, in the interest of equity and justice, granted one more opportunity to the Company as a final opportunity to comply with all the regulatory requirements and make payment of all its outstanding dues, failing which the Committee shall proceed based on the available records.
- c. The Committee also directed the Company to submit its plan of action indicating what efforts have been taken/proposed to be taken by the Company for its revival.
- d. The Committee further directed that the matter be placed in the subsequent meeting of the Committee for its decision.
- e. The Exchange vide email and physical letter dated June 20, 2022 sent through registered post vide consignment no. RM044909024IN and RM044909015IN at the last known addresses available with the Exchange and reminder emails dated September 22, 2022 and November 10, 2022, communicated the Committee's decision to the Company. However, the letter sent through registered post to the Company returned undelivered with the remarks as 'No such person in the address,' and the email returned undelivered.

4. Present Proceedings before the Committee on December 29, 2022, Committee's Findings and Decision**Committee's Findings**

- 4.1** The trading in equity shares of the Company is suspended w.e.f May 24, 2021, due to non-compliance with Regulation 76 of Depository Regulations for two consecutive quarters i.e. September 2020 and December 2020.
- 4.2** In addition, the Company continues to be non-compliant with the following requisite requirements of the Listing Regulations and Depository Regulations:

| Sr. No | Details of Non – Compliance | Regulation |
|--------|---------------------------------------|--|
| 1. | Statement of Investor Grievance | Regulation 13 (3) of the Listing Regulations |
| 2. | Shareholding Pattern | Regulation 31 of the Listing Regulations |
| 3. | Financial Results | Regulation 33 of the Listing Regulations |
| 4. | Annual Report | Regulation 34 of the Listing Regulations |
| 5. | Reconciliation of share capital audit | Regulation 76 of the Depository Regulations |

- 4.3** The Committee noted that the Company has not taken any steps to comply with the above-mentioned requirements of the Listing Regulations and Depository Regulations.
- 4.4** The Company has also not paid the outstanding Annual listing fees and fines of the Exchange.
- 4.5** Regulation 32(1) of the Delisting Regulations provides for the delisting of equity shares of the Company on any ground prescribed in the rules made under Section 21A of the Securities Contracts (Regulation) Act, 1956 ("SCRA") (42 of 1956).
- 4.6** Rule 21 of the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), provides for various grounds for delisting of the equity shares of the Company, which are as under:
- the Company has incurred losses during the preceding three consecutive years, and it has a negative net worth;*
 - trading in the securities of the Company has remained suspended for more than six months;*
 - the securities of the Company have remained infrequently traded during the preceding three years;*
 - 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;*
 - 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*

f. 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.

4.7 The Provisions of "SCRA" and "SCRR" provide that the securities of a company shall not be delisted unless the Company concerned has been given a reasonable opportunity of being heard. The Delisting Regulations also prescribe that no order shall be made unless the Company concerned has been given a reasonable opportunity of being heard. In this context, it is observed that the Company has been given ample opportunities as follows:

- a. SCN dated December 20, 2021, to explain why the Company's equity shares should not be delisted. The SCN was served at the last known address available with the Exchange and verified from the website of the Registrar of Companies. The Exchange has not received any response to the said SCN from the Company.
- b. The Exchange issued a Public Notice dated December 21, 2021, as prescribed under Regulation 32(3) of the Delisting Regulations in one English Newspaper, viz. Business Standard, one Hindi national newspaper viz Amar Ujala and one vernacular newspaper of the region where the stock exchange is located viz. Navshakti. The said Public Notice is also published on the website of the Exchange under the header Home > Regulations > Delisting of Companies > Public Notices. There are no representations or objections received in response to the Public Notice.
- c. The Exchange vide email dated December 23, 2021, informed the persons whose names appear as Directors and Promoters of the Company in the records available with the Exchange about the proposed Compulsory Delisting of the Company. The Exchange did not receive any response to the said email.
- d. The Delisting Committee, in its meetings dated February 09, 2022, April 12, 2022, and June 09, 2022, granted additional opportunities to the Company to submit its response to the SCN, comply with the requisite requirements of the Listing Regulations and Depository Regulations, to pay outstanding dues and fines of the Exchange and further demonstrate the plan of action for restoration of the trading in its Equity Shares.
- e. The Exchange, vide its emails dated February 22, 2022, and physical letters dated April 27, 2022, and June 20, 2022 served at the last known addresses available with the Exchange, communicated the decisions of the Delisting Committee to the Company. Additionally, the Exchange vide emails dated March 15, 2022, May 23, 2022, September 22, 2022, and November 10, 2022, had also sent reminders to the Company. However, the letters sent through registered post to the Company returned

undelivered with the remarks as 'No such person in the address,' and the emails returned undelivered.

- f. Thereafter, in the interest of equity and justice, the Exchange vide its email and physical letter dated December 21, 2022, served at the last known addresses available with the Exchange through Registered post, granted another opportunity to the Company for a personal hearing before the Committee for its meeting on December 29, 2022. However, the letter sent through registered post to the Company returned undelivered with the remarks as 'Addressee cannot be located,' and the email returned undelivered.

4.8 The Company has been suspended for the past 19 months. There is no plan of action to revive the trading of the Company's equity shares on the Exchange. The Company, its Directors and Promoters have failed to respond to the Show Cause Notice and other Exchange communications for proposed delisting despite being given a number of opportunities by serving them electronically and physically at the last known addresses available with the Exchange to demonstrate any efforts to ensure compliances with the Listing Regulations and Depository Regulations read with the erstwhile Listing Agreement.

4.9 The Committee, therefore, finds that reasonable and sufficient opportunities have been granted to the Company to comply with the Listing Regulations and Depository Regulations. The Committee noted though several emails were sent by the Exchange to the Company seeking a response to the SCN, the Company did not provide any response. The Exchange also issued email to the Directors and Promoters of the Company; however, no response was received from them as well. The Company has been non-responsive to all the communications made by the Exchange. It is apparent from this conduct of the Company and its Promoters and Directors that they are not interested in reviving the operations of the Company. Therefore, the Committee noted that no purpose would be achieved even if any further opportunity is granted to the Company.

4.10 Regulation 33 of the Delisting Regulations 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 is determined by the independent valuer. Therefore, the Committee is of the view that delisting the Company's equity shares will enable the investors to make an informed decision. Further, any delay in the delisting of the equity shares of the Company, when no concrete steps are taken by the Company for revocation of the suspension, will prejudice the interest of the investors.

4.11 Regulation 34(1) of the Delisting Regulations provides that where a company has been compulsorily delisted, the Company, its whole-time directors, its promoters, and the companies which are promoted by any of them shall not

directly or indirectly access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting. Further, Regulation 34(2)(b) of the Delisting Regulations provide that the promoters and whole-time directors of the compulsorily delisted Company shall also not be eligible to become directors of any listed company till the exit option to the public shareholders is given in compliance with Regulation 33(3) of the Delisting Regulations. Therefore, the Committee is of the view that upon delisting of the Company, the consequences of delisting that follow by virtue of the provisions of Regulation 34 of the Delisting Regulations will be in the larger interest of the investors/shareholders.

DECISION

4.12 Considering the facts and circumstances mentioned above, the Committee directs that the equity shares of M/s. Powerful Technologies Limited (POWERFUL) 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:

4.13 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.

4.14 The proceedings of the Delisting Committee meeting held on December 29, 2022, were through video conferencing. At this stage, it is neither possible to sign a copy of this order nor Exchange can issue a certified copy of the order. Therefore, an electronic copy of this order sent from the Exchange's email id shall be treated as a signed copy for all purposes.

Sd/-
Mr. Bishnu Charan Patnaik
(Chairman)

Sd/-
Ms. Mona Bhide
(Committee Member)

Sd/-
Mr. K Narasimha Murthy
(Committee Member)

Sd/-
Mr. Ashok Dhere
(Committee Member)

Sd/-
Mr. Santosh Kumar
(Committee Member)

Sd/-
Ms. Priya Subbaraman
(Committee Member)

Date: February 02,2023