

Date: 11<sup>th</sup> June, 2020

To,  
The Department of Corporate Services  
Bombay Stock Exchange Limited  
Floor 25, P. J. Tower,  
Dalal Street,  
Mumbai – 400 001

**Sub: Submission of Secretarial Compliance Report for the year ended March 31, 2020**

Dear Sir,

In compliance with Regulation 24A of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and with SEBI Circular No.CIR/CFD/CMD1/27/2019 dated February 08, 2019, Please find enclosed copy of Annual Secretarial Compliance Report dated June 10, 2020 for the Financial Year 2019-20 issued by Virendra G Bhatt, Company Secretary in practice.

Thanking You

Yours faithfully,

For Arihant Capital Markets Limited



**Mahesh Pancholi**  
(Company Secretary)  
M. No. F-7143



# **Virendra Bhatt**

**Company Secretary**

**Office:**

**Office No. 03, A Wing, 9th Floor,**

**Pinnacle Corporate Park**

**BKC CST Link Rd., MMRDA Area,**

**Bandra Kurla Complex,**

**Bandra East, Mumbai- 400 051**

**Tel.: 022 - 2652 9367 / 68**

**Mobile No.: +91 98200 48670**

**Email: bhattvirendra1945@yahoo.co.in**

## **SECRETARIAL COMPLIANCE REPORT OF ARIHANT CAPITAL MARKETS LIMITED FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

### **1. I, Virendra G. Bhatt, Practicing Company Secretary, have examined:**

- (a) all the documents and records made available to me and explanation provided by **Arihant Capital Markets Limited** ("the listed entity") arising from the compliances of specific Regulations listed under Clause 2 of this report;
- (b) the filings/ submissions made by the Listed Entity to the Stock Exchanges in connection with the above;
- (c) website of the listed entity; and
- (d) all other documents, filings or submission on the basis of which this certification is given,

### **for the financial year ended 31<sup>st</sup> March, 2020 ("Review Period") in respect of compliance with the provisions of:**

- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

### **2. The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -**

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - (Not Applicable during the review period);
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – (Not Applicable during the review period);
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – (Not Applicable during the review period);
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008– (Not Applicable during the review period);
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – (Not Applicable during the review period);
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - (Not Applicable during the review period);

**and based on the above examination, I hereby report that, during the Review Period:**

- (a) The Listed Entity has prima facie complied with the applicable provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of the matters specified below:

<b>Sr. No.</b>	<b>Compliance Requirement (Regulations/ circulars / guidelines including specific clause)</b>	<b>Deviations</b>	<b>Observations/ Remarks of the Practicing Company Secretary</b>
1.	Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No.: CIR/CFD/CMD/4/2015 dated 09 <sup>th</sup> September, 2015	Partially Complied	During the review period, the Company has filed outcome of Board Meetings under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 without mentioning the time of commencement and conclusion of the Board Meeting.
2.	Intimation of Closure of Trading window under Schedule B to the SEBI (Prohibition of Insider Trading) Regulations, 2015	Delayed Submission	During the review period, the Company has delayed in filing intimation of Closure of trading window required to be made by the Compliance Officer of the Company for the quarter ended 31 <sup>st</sup> March, 2019.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) I further report that during the period under review, as per the information provided by the Company, prima facie there were no instances of transaction by the designated persons in the securities of the Company during the closure of window.
- (d) The following are the details of actions taken against the listed entity/ its promoters/ directors either by SEBI by Stock Exchanges (including under the Standard Operating Procedures Issued by SEBI through various circulars) under the aforesaid Acts / Regulations and circulars/ guidelines issued thereunder:

<b>Sr. No.</b>	<b>Action taken by</b>	<b>Details of violation</b>	<b>Details of action taken E.g. fines, warning letter, debarment, etc.</b>	<b>Observations/ remarks of the Practicing Company Secretary, if any.</b>
1.	The Securities Exchange Board of India	Violation of provisions of clause 12(e) of the Annexure to SEBI Circular No.: MIRSD/SE/Cir-19/2009 dated 03 <sup>rd</sup> December, 2009 and also Circular No.: SMD/SED/CIR/93/23321 dated 18 <sup>th</sup> November, 1993 which specifies the norms for regulation of transactions between clients and brokers.	The SEBI has imposed penalty of Rs. 1,00,000/- under the provisions of Section 15 HB of the SEBI Act and Rs. 5,00,000/- under the provisions of Section 23D of SCRA.	The Company had filed an appeal before Securities Appellate Tribunal ('SAT') for review of penalty levied by SEBI.  Final hearing on the said matter is not yet finalized by SAT.

- (e) The listed entity has taken the following actions to comply with the observations made in previous reports:

<b>Sr. No.</b>	<b>Observations of the Practicing Company Secretary in the previous reports</b>	<b>Observations made in the secretarial compliance report for the year ended 31<sup>st</sup> March, 2019</b>	<b>Actions taken by the listed entity, if any</b>	<b>Comments of the Practicing Company Secretary on the actions taken by the listed entity</b>
1.	None	N.A.	Not required	N.A.

- (f) The Listed entity has prima facie complied with points 6(A) and 6(B) as mentioned in SEBI Circular No.: CIR/CFD/CMD1/114/2019 dated 18<sup>th</sup> October, 2019 and that they have incorporated all the terms and conditions in the respective appointment letter/supplemental letter issued to the Statutory Auditors.

(g) Due to COVID - 19 and continuous lockdown, we are unable to verify the partial information physically, therefore we rely on the information provided by the Company in electronic mode.

**Place: Mumbai**

**Date: 10<sup>th</sup> June, 2020**

**Virendra G. Bhatt**

**ACS No.: 1157**

**COP No.: 124**

**UDIN: A001157B000330464**