

**S.A.E. & Associates LLP**  
**COMPANY SECRETARIES**  
#4, "Aishwarya", 12B/177, Kumaran Colony  
6<sup>th</sup> Street, Vadapalani, Chennai-600 026  
T-91-44-42048235, T-91-44-42048335

**Secretarial compliance report**

**Intellect Design Arena Limited for the financial year ended 31<sup>st</sup> March 2020**

*[pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/CMD1/27/2019, dt 8<sup>th</sup> February 2019]*

To

**Intellect Design Arena Limited** (CIN: L72900TN2011PLC080183)  
No.244 ANNA SALAI CHENNAI- 600 006.

We, S.A.E & Associates LLP, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by Intellect Design Arena Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), where its equity shares are listed ("the stock exchanges"),
- (c) website of the listed entity (www.intellectdesign.com),
- (d) other relevant documents/filings which have been relied upon to make this certification,

**for the 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");

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; (LODR)
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018) **(there were no events requiring compliance 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 **(there were no events requiring compliance during Review Period)**;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;



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- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(there were no events requiring compliance during the Review Period);**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(there were no events requiring compliance 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 (SEBI DP Regulations)

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

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, **save** in respect of matters specified below:-

S. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	SEBI (Prohibition of Insider Trading) Regulations, 2015	<i>There have been Instances of violations of the Company's code of conduct to regulate, monitor and reporting trading by certain designated persons.</i>	<i>The Company is in the process of taking suitable action against the Designated Persons.</i>
2	SEBI (Prohibition of Insider Trading) Regulations, 2015	<i>The Company is in the process of putting in place the software for implementing certain amendments brought in by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.</i>	<i>The Company has taken note of the amendments and is in the process of implementing the said amendments.</i>
3	SEBI Circular SEBI/HO/CFD/DCR1/CIR/P/2018/85, dated 28 <sup>th</sup> May 2018, on "System driven disclosures in the Securities Market"	<i>The information with respect to subsequent changes in directors / employees have not been provided to the</i>	<i>The Company has complied with the requirement as on date of this Report.</i>



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S. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
		<i>depositories within two working days, as specified in Annexure A, clause 4 in PIT regulations in the said circular.</i>	
4	SEBI Circular CIR/CFD/CMD/4/2015, dated 9 <sup>th</sup> Sep 2015 on continuous disclosure requirements under regulation 30 of SEBI (LODR) Regulations, 2015	<i>The disclosure requirements with respect to sale or disposal of subsidiary of the listed entity as specified in clause 1.4 of the said Circular.</i>	<i>The Company, on 13<sup>th</sup> June 2019, made a disclosure to the stock exchanges on the sale / divestments of its wholly owned subsidiary, which did not contain the required information as specified in the SEBI Circular. However, in response to the query raised by NSE vide mail dated 18<sup>th</sup> July 2019, the required details were furnished by the Company.</i>
5	Regulation 39(3) of SEBI (LODR) Regulations, 2015 As per regulation 39(3), the Company is required to intimate the stock exchange the issue of duplicate share certificate.	<i>The Company has issued a duplicate share certificate on 17th July 2019. The intimation with respect to issue of duplicate share certificate is missed.</i>	<i>Though Company has intimated to the stock exchange, the loss of share certificate, the intimation with respect to issue of duplicate share certificate is missed.</i>
6	Regulation 30 read with Schedule III of SEBI LODR  Intimation of material event to the stock exchange	<i>There was a revision in credit rating for banking facility availed by the Company on 29th June 2019. As per regulation 30 read with Schedule III revision in ratings is considered as material event and has to be intimated to the stock exchange within 24 hours</i>	<i>The intimation of revision in credit rating on 29<sup>th</sup> June 2019 to stock exchange has been made on 13<sup>th</sup> September 2019.</i>



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S. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
		<i>of the event. The Company has intimated this revision in rating to the stock exchange with a delay on 13th September 2019.</i>	

- (b) Compliance with SEBI Circular No. CIR/CFD/CMD1/114/2019, dated October 18, 2019: There is no instance of resignation of the statutory auditor during the period under review. Hence commenting on the compliance with para 6(A) and 6(B) does not arise.
- (c) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (d) No action was taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or 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.
- (e) The listed entity has taken the following actions to comply with the observations made in the previous reports:

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	<i>There have been four instances of trading during the trading window closure period and one another instance where the traded value of the shares was in excess of Rs.10 Lakhs but the same was not reported to the Company.</i>	31 <sup>st</sup> March 2019	a. The Audit Committee, after consulting with the Board, reviewed and sought explanation from each employee. b. The Audit committee, after review, levied	The Company has taken action on the said designated persons.  The Company has also intimated to the stock exchanges about the steps taken by them on <b>21<sup>st</sup> November 2019</b> , in the specified format and in compliance with the <b>SEBI</b>

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<b>S. 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</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>
	<i>Company is in the process of taking action against the said employees.</i>		penalties for the said violations.  The Company thereafter collected the penalties and the same was intimated to stock exchanges.	<b>Circular SEBI/HO/ISD/CIR/P/2019/82, dated 19<sup>th</sup> July 2019.</b>

**Place: Chennai**  
**Date: 29<sup>th</sup> June 2020**

**For S.A.E & Associates LLP**  
**Company Secretaries**



**Adit N Bhuva,**  
**Partner**  
**ACS: 29660; CP.No. 10999**  
**UDIN: A029660B00039325**