

30th June, 2021

To,

National Stock Exchange Limited,
Manager_ Listing

022-26598237

Bombay Stock Exchange Limited,
General Manager- DCS

022-22723121

Dear Sir,

Sub: Annual Secretarial Compliance Report for the Financial Year ended March 31, 2021.

Please find enclosed herewith Annual Secretarial Compliance Report of the Company issued by V SURESH ASSOCIATES, Practicing Company Secretaries, for Financial Year ended March 31, 2021, pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated February 8, 2019.

Kindly take the aforementioned details on record and oblige.

Thanking you.

Yours Sincerely,

For **ARIHANT FOUNDATIONS & HOUSING LIMITED,**



KAMAL LUNAWATH
Managing Director
DIN: 00087324

Encl: As above



**SECRETARIAL COMPLIANCE REPORT OF ARIHANT FOUNDATIONS &
HOUSING LIMITED FOR THE YEAR ENDED 31.03.2021**

We, V Suresh Associates, Practising Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Arihant Foundations & Housing Limited ("the listed entity").
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,

for the year ended 31.03.2021, 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;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (no events during the audit 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; (no events during the audit period)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (no events during the audit period)
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (no events during the audit period)

J.R. Udgal



(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (no events during the audit period)

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder;

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, except in respect of matters specified below:

Sr.No	Compliance Requirement (Regulations/ Circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
1	Regulation 29(2)/29(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Delay in furnishing the prior intimation of meeting of Board of Directors meeting held on 15 th September 2020.	The Company has paid the fine to NSE & BSE on 22 nd October, 2020 & 26 th October 2020 respectively.
2	Regulation 17 (1) (c) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.	The Board comprised with 5 directors only from 27 th May 2020 to 29 th September 2020.	There was no compliance of provisions of Regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 from 27 th May 2020 to 29 th September 2020.
3	Regulation 25 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.	There was a vacancy in the office of Independent Director for more than of 3 months.	The Vacancy caused by the demise of Mr. Ravikant Choudhry, Independent Director filled by Mr. Prateek Khicha, Independent Director on 30 th September 2020, which is after expiry of 3 months.

J.R. Wdoyh



4	Regulation 24A of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/27/2019 dated 8 th February 2019.	The SEBI Annual Compliance Certificate not filed to the Stock Exchange for the Financial year 2019-2020.	The Company has not filed the SEBI Annual Compliance Certificate for the Financial Year 2019-2020.
5	The Audit Committee Chairman was not present at the last Annual General Meeting as required under Regulation 18(1)(d) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.	Audit Committee Chairman was not present at the Annual General Meeting.	The Audit Committee Chairman was not present at the last Annual General Meeting as required under Regulation 18(1)(d) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.
6	The Stakeholders Relationship Committee Chairman was not present at the last Annual General Meeting as required under Regulation 20 (3) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.	Stakeholders Relationship Committee Chairman was not present at the Annual General Meeting.	The Stakeholders Relationship Committee Chairman was not present at the last Annual General Meeting as required under Regulation 18(1)(d) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

The financial results and other financial information of 1 Subsidiary namely, North Town Estates Private Limited and a Joint Controller Entity, Arihant Unitech Realty Projects, have been prepared by the management but have not been audited as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

M/s. North Town Estates Private Limited became a material subsidiary from the Financial Year 2018-19. However, Regulations 24 and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not complied with.

(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.

J. R. Udayal



(c) The following are the details of actions 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:

Sr.No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Ltd (NSE)	Non-compliant/delayed complied with Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30 th June 2020.	The BSE & NSE imposed a fine of Rs.2,14,760/- (including GST) each for non-compliance of said regulation.	The Company states that the BSE has waived the fine for non-compliance of Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. But no documentary evidence to supporting this claim was made available to us.
2	Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Ltd (NSE)	Non-Compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31 st March 2020.	The BSE & NSE imposed a fine of Rs.23,600/- (including GST) each for non-compliance of said regulation.	The Company states that the BSE & NSE has waived the fine for non-compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015. But no documentary evidence to supporting this claim was made available to us.
3	Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Ltd (NSE)	Delay in furnishing prior intimation of meeting of Board of Directors as per the Provisions of Regulation 29(2)/29(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The BSE & NSE imposed a fine of Rs.11,800/- each (including GST) for non-compliance of the said regulations.	The Company has paid the fine to NSE & BSE on 22 nd October, 2020 & 26 th October 2020 respectively.

J.R. Udayal



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

Sr.No	Observations of the Practising 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 Practising Company Secretary on the actions taken by the listed entity.
1	The Audit Committee Chairman was not present at the last Annual General Meeting as required under Regulation 18(1)(d) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.	31.03.2020	The Audit Committee Chairman nominated Mr. Prateek Khicha, Independent Director to attend at the Annual General Meeting held for the financial year 2019-20.	Action taken as mentioned by the Company.
2	The Company has Non-submitted the Audited financial results within the period prescribed under regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 for the year ended 31.03.2020.	31.03.2020	Upon submission of the quick results by the company on 31 st July 2020, due to technical error, all the pages of quick results were not uploaded to the website. Only 10 pages out of the 16 page documents were uploaded, which included the documents stated above. Upon identification of the error, the company has voluntarily intimated the stock exchange. Further, upon seeking clarification form the exchange regarding the same, a reply was provided by the company to vide e-mail on 7 th September 2020 and as advised, the corrected financial statements were uploaded on the exchange portal on the same day. The document submitted to the exchange and the acknowledgment was received. Further, the error which occurred was inadvertent.	Action taken as mentioned by the Company.

J. R. Vaidya



3	The financial results and other financial information of 2 of the Subsidiaries namely, Escapade Real Estates Private Limited and North Town Estates Private Limited and a Joint Controller Entity, Arihant Unitech Realty Projects, have been prepared by the management but have not been audited as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	31.03.2020	Two subsidiaries namely North Town Estates Pvt Ltd and Escapade Real Estates Pvt Ltd and a joint controlled entity namely Arihant Unitech Realty Projects Limited could not conclude its statutory audit and adopt its annual audited financial statements ended on 31st March, 2020 due to COVID-19 driven lockdown situations. The management of respective subsidiaries and joint controlled entity confirmed that the audit was completed subsequently.	Action taken as mentioned by the Company.
4	M/s. North Town Estates Private Limited became a material subsidiary from the Financial Year 2018-19. However Regulations 24 and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not complied with.	31.03.2020	The Company is taking steps to ensure the conduct of Secretarial Audit for its material subsidiary.	Action taken as mentioned by the Company.
5	The Board Evaluation as required under Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 not done for the Financial Year 2019-20.	31.03.2020	The Company has ensured that the Board evaluation has been carried out subsequently as required under Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Action taken as mentioned by the Company.
6	The Company has not paid the Fine imposed by the BSE for non-submission of the financial results within the period prescribed under this regulation under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.	31.03.2020	The Company upon the request and submissions made reversed the fine imposed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.	Action taken as mentioned by the Company.

J. R. Udaya



(e) The Listed entity has complied with the provisions of SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18,2019, in terms of Para 6(A) and 6(B) of the said circular and has suitably modified the terms of appointment of its Statutory Auditor.

Place: Chennai
Date: 29.06.2021



For V Suresh Associates
Practising Company Secretaries

J. R. Udaya

UDAYA KUAMR K R

Partner

ACS No. 42435

C.P.No. 21973

Peer Review Cert. No. : 667/2020

UDIN: A042435C000540121