

# Rathi & Associates

## COMPANY SECRETARIES

A-303, Prathamesh, 3rd Floor, Raghuvanshi Mills Compound, 11-12, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013.  
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### ANNUAL SECRETARIAL COMPLIANCE REPORT

(Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Of

**Allied Digital Services Limited (*‘the Company’*) for the year ended 31<sup>st</sup> March, 2020**

We, Rathi & Associates, Practicing Companies Secretaries, have examined:

- a) all the documents and records made available to us and explanation provided by the Company,
- b) the filings/ submissions made by the Company to the BSE Limited and the National Stock Exchange of India Limited, from time to time;
- c) website of the Company; and
- d) such other documents and filings made by the Company which has been relied upon to make this certification.

**for the year ended 31<sup>st</sup> March, 2020 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, includes:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company during the Reporting Period:-**

- a. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- c. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

and circulars/ guidelines issued thereunder by the concerned authority from time to time and based on the above examination, we hereby report that, during the aforesaid year:

- 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
1.	Regulation 31(2) of Listing Regulations – 100% shareholding of promoter and promoter group in dematerialized form	The Shareholding of the Promoter and Promoter Group in the Company is not 100% in dematerialized form till February 13, 2020.	As regards a total of 4018801 equity shares allotted to the two promoters of the company towards conversion of warrants on 14 August 2014, the Company has stated that the said shares were allotted in demat form and accordingly shown the said shares as demat shares in its quarterly shareholding pattern filed for June 2019, September 2019 and December 2019. However as per the RTA's records , the said shares are mentioned as physical shares due to the fact that corporate action procedure for credit of said shares in the respective demat accounts of the two promoters was completed during FY 2019-20 and trading approvals were received in February 2020.
2.	Regulation 14 of Listing Regulations - Annual listing Fees to the Stock Exchanges	Delay in payment of Annual listing fees to BSE and NSE for the Financial year 2019-20.	-
3.	Regulation 167 (6)	The entire pre-preferential	The Trading approval is

	[Regulation 78 (6) of SEBI (ICDR) Regulations, 2009] of SEBI (ICDR) Regulations, 2018- Lock-in of pre-preferential shareholding in connection with the preferential allotment of Convertible Warrants to Promoters	allotment shareholding of the allottees, if any, shall be locked-in from the relevant date upto a period of six months from the date of trading approval.	received by Mr. Nitin Shah and Mr. Prakash Shah from stock exchanges(s) [Bombay Stock Exchange and National Stock Exchange] on February 04, 2020 and February 17, 2020 respectively.
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- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- 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	Observations
Nil				

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

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended March 31, 2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Regulation 31(2) of Listing Regulations – 100% shareholding of promoter and promoter group in dematerialized form.  As regards 21,86,667 equity shares allotted to Mr. Nitin Shah and 18,32,134 equity shares allotted to Mr. Prakash Shah, Promoters of the	For year ended March 31, 2019	Mr. Nitin Shah and Mr. Prakash Shah obtained Trading Approval from stock exchanges (s) [Bombay Stock Exchange and National Stock Exchange] on February 04, 2020 and February 17, 2020 respectively. The Company completed the corporate action procedure of Mr. Nitin	-

	<p>Company on 14<sup>th</sup> August, 2014, towards conversion of warrants, the Company is yet to complete the corporate action procedure and hence, the said equity shares are shown as being held in physical form in the records of the RTA. However, in quarterly shareholding pattern filed by the Company, the said shares have been shown as being held by the said Promoters in dematerialised form.</p>		<p>Shah and Mr. Prakash Shah for crediting the shares in dematerialized form on June 17, 2019 and February 13, 2020 respectively.</p>	
2.	<p>Regulation 14 of Listing Regulations - Annual listing Fees to the Stock Exchanges</p> <p>The Company has paid Annual listing fees to BSE and NSE for the Financial year 2018-19 on May 25, 2018 i.e. delay of 25 days.</p>	<p>For year ended March 31, 2019</p>	-	-
3.	<p>Regulation 167 (6) [Regulation 78 (6) of SEBI (ICDR) Regulations, 2009] of SEBI (ICDR) Regulations, 2018 - Lock-in of pre-preferential shareholding in connection with the preferential allotment of Convertible Warrants to Promoters</p> <p>The pre-preferential shareholding of Mr. Nitin Shah and Mr. Prakash Shah aggregating to 1,74,23,578 Equity Shares, were under lock-in for period from 27<sup>th</sup> March 2018 to 26<sup>th</sup> March 2019. Further, as</p>	<p>For year ended March 31, 2019</p>	-	-

<p>regards 15,19,000 equity shares (forming part of pre-preferential shareholding of Promoters) which were under pledge, the said shares were not locked-in for any period. The said shares are required to be locked-in for a period of six months from the date of receipt of trading approvals from BSE Limited and National Stock Exchange of India Limited which are yet to be received.</p>			
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- e) The listed entity has complied with the provisions of SEBI Circular CIR/CFD/CMD1/114/2019 dated 18<sup>th</sup> October, 2019 in respect of appointment of Auditor, to the extent applicable.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**Date: July 14, 2020  
Place: Mumbai**

**HIMANSHU S. KAMDAR  
PARTNER  
MEM No. FCS 5171  
COP No. 3030  
UDIN: F005171B000452453**