

Note on the Steps taken by the Government appointed Board of Directors/ present Management of the Company regarding (i) Payment of Listing Fees of Stock Exchanges, (ii) Waiver of Fines/ penalties imposed on M/s Unitech Limited by the Stock Exchanges for defaults under SEBI LODR; and (iii) moving the scrip of the Company from Z category to B category.

Introduction:

The present management of Unitech Group has been receiving emails from the shareholders of Unitech expressing their concerns about the trading of Unitech scrip in **Z** category and as to why it should not be moved to the **B** category. Some of them carry the impression that the management is not paying the listing fees of the Stock exchanges. The steps taken by the Management in the matter are briefly stated in the following paragraphs:

1. The Securities and Exchange Board of India (SEBI) vide its Circular bearing No. SEBI/ HO/ CFD/ CMD/ CIR/P/2020/12 dated 22.01.2020, has laid down the Standard Operating Procedure (SOP) for suspension and revocation of trading of specified securities.
2. It may be noted that after the new Management took over the affairs of M/s Unitech Limited pursuant to the orders of the Hon'ble Supreme Court dated 20.01.2020, the Company was grappling with a large number of non-compliances inherited from the erstwhile Management under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The CMD, Unitech Limited, wrote a letter dated 11.06.2020 to the Chairman, Securities and Exchange Board of India (SEBI), with a copy also endorsed to the Secretary to the Government of India, Ministry of Corporate Affairs, for seeking exemptions from the relevant provisions of the SEBI LODR and waiver of penalty on account of defaults made by the erstwhile management (since superseded) of Unitech Limited in making requisite compliances under the Regulations *ibid*.
4. The Secretary to the Government of India, Ministry of Corporate Affairs, vide his letter bearing No. 10/01/2020-Legal dated 05.08.2020 addressed to the Chairman, SEBI requested them to consider the request for exemptions and/or waiver of penalties as sought by Unitech Limited from the provisions of SEBI LODR.
5. The Company had also received notices from both the BSE Limited (BSE) bearing No. 20200819-48 dated 19.08.2020 and the National Stock Exchange of India Ltd. (NSE) bearing No. NSE/SOP/REG33/SUS/101661 dated 19.08.2020 for suspension of trading of shares of M/s Unitech Limited on grounds of defaults in compliances under SEBI (LODR) Regulations, 2015 and

non-payment of fines.

6. In view of the above, the CMD, Unitech Limited, vide his letter dated 27.08.2020 addressed to the Chairman, Securities and Exchange Board of India (SEBI), with copies also endorsed to (i) the National Stock Exchange of India Ltd., (ii) BSE Limited, (iii) Secretary to the Government of India, Ministry of Corporate Affairs (MCA), and (iv) Director (Legal and Prosecution), MCA, requested for exemptions from the relevant provisions of SEBI LODR and waiver of penalty on account of defaults and non-compliances on the part of Unitech Limited, under the *ibid* regulations and also requested both the NSE and the BSE for not taking any adverse action, including the proposed suspension of trading in securities of the Company. Attention of SEBI was also drawn to the order dated 20.01.2020 passed by the Hon'ble Supreme Court in Civil Appeal No. 10856/2016 titled as Bhupinder Singh versus Unitech Limited granting moratorium with respect to all the existing cases and institution of fresh cases pan-India, which inter-alia, also includes the enforcement of orders that may have been passed against the Company.
7. It was only after the tedious efforts undertaken by the new Management that the move to suspend the trading in securities of the Company was withheld both by the NSE and the BSE vide their circulars dated 08.09.2020. However, the securities were placed in **Z** category owing to continuing defaults under SEBI (LODR) and the non-payment of fines.
8. The SEBI, vide its letter bearing No. SEBI/ HO/ CFD/ CMD2/ OW/ P/ 2020/ 14799/1 dated 09.09.2020 informed the Company that:
 - (i) SEBI had brought the fact of moratorium granted by the Hon'ble Supreme Court vide order dated 20.01.2020 to the attention of the Stock Exchanges. After examination by the Exchanges, they had decided to withdraw the notice for suspension in trading in securities vide their notices dated 08.09.2020.
 - (ii) The Stock Exchanges may deviate from levy of fines as per SOP circular, if found necessary, only after recording reasons in writing. Exchanges were guided by carve-out policies in this regard and generally consider the requests for waiver of fines if the non-compliance was due to factors beyond the control of the Company. Accordingly, the Company may approach the Stock Exchanges for consideration of request seeking waiver of penalties imposed.
9. It is pertinent to note that in the meantime, the Company also filed IAs (No. 81660/2021 and 81663/2021 dated 15.07.2021) before the Hon'ble Supreme Court seeking directions for waiver of fines/ penalties imposed by the Stock Exchanges in view of the peculiar facts and circumstances of Unitech. The said IA is still pending adjudication by the Hon'ble Court.
10. The present Management of the Company has made huge efforts to take corrective steps qua the various non-compliances under SEBI LODR and

render Unitech Limited as a fully compliant entity. The Company is now by and large compliant with the provisions of SEBI LODR and is submitting financial results under regulation 33 of SEBI LODR within the prescribed timelines since the quarter and nine months ended 31.12.2023. Further, the Annual General Meetings (AGMs) for all the years from 2017-18 to 2022-23 have been held and the 53rd AGM of the Company was held on 26.09.2024 for the FY 2023-24 i.e. within the prescribed time limit under applicable law. The status of compliances is tabulated hereinbelow:

Dates since when the Company became compliant with SEBI (LODR) Regulations, 2015			
Sr. No.	Regulation of SEBI (LODR) Regulations, 2015	Nature of Compliance	Quarter/ Date since when the Company became Compliant
1.	Reg. 31	Submission of Shareholding pattern to the Stock Exchanges within the prescribed timelines	31.03.2021
2.	Reg. 27	Submission of quarterly/ half yearly Corporate Governance Report to the Stock Exchanges within the prescribed timelines	31.12.2022
3.	Reg. 34	Submission of Annual Report to the Stock Exchanges within the prescribed timelines	05.09.2023
4.	Reg. 33	Submission of Financial Results with the Stock Exchanges within the prescribed timelines	31.12.2023

11. Further to the above, the CMD, Unitech Group of Companies, vide his letters dated 01.10.2024 addressed to the Chairman, BSE Limited and the Managing Director & CEO, National Stock Exchange of India Ltd. (also endorsed to the MCA) requested for the waiver of fines/ penalties imposed on M/s Unitech Limited on account of defaults and non-compliances under SEBI (LODR) keeping in view that the Company had by now become fully compliant in its filings. He simultaneously requested for moving the scrip of the Company from “Z” category to “B” category.
12. It was informed vide the aforesaid letters that the current Management of the Company had taken steps for rectification of all non-compliances and that the said non-compliances in the past were a part of the legacy bequeathed by the erstwhile Management and were beyond the control of the Company. Thus, a request for waiver of fines/ penalties had been made, keeping in view the fact that the Company was already stressed and finding it a challenge to complete all the stalled projects involving more than 16,800 Homebuyers.
13. It was also submitted that presently, the scrip of the Company is being traded in Z category where trades take place on “trade for trade basis”, thus causing undue hardship for the already aggrieved investors of Unitech Limited. Thus, it was requested to move the scrip of the Company from “Z” category to “B” category, a measure that would go a long way in building investor confidence

and addressing their grievances on this account.

14. In furtherance to the above, the BSE Ltd. vide its e-mail dated 08.10.2024 asked the Company to follow the procedure for applying for waiver of fines levied as per SEBI Circular dated 22.01.2020 through the Listing Centre. Thereafter, the Company so as to follow the procedure prescribed, sent e-mails to BSE Limited to confirm the name of the designated stock exchange in this behalf. The concerned officer in BSE Limited, vide her e-mail dated 03.02.2025, wrote an e-mail to the National Stock Exchange of India Ltd. stating that since higher non-compliance was observed at NSE in terms of fine levied, the NSE would be deemed to be the designated stock exchange for the purpose of considering the waiver application moved by the Company. BSE Ltd., vide e-mail dated 04.04.2025, again requested NSE to look into the matter citing the fact that the Company was regularly following up on the matter.
15. Further to the above, it is informed that a letter bearing No. F.N. Legal-10/1/2020-O/o DGCoA-MCA dated 27.03.2025 was sent by the Deputy Director, Legal & Prosecution Division, Ministry of Corporate Affairs to the BSE Limited requesting the Stock Exchange to consider the waiver application moved by M/s Unitech Limited and take necessary action at their end, as may be deemed fit.
16. In subsequence to the above, an e-mail communication was again sent by BSE Limited to National Stock Exchange of India Ltd. on 07.04.2025, drawing the attention of NSE to the aforesaid letter dated 27.03.2025 received by BSE Ltd. from the MCA and asking the NSE to process the waiver application moved by M/s Unitech Limited and providing a decision on the said matter (since fine on NSE was higher and therefore NSE was the designated stock exchange to process the waiver application).
17. Regular follow-up is being done by the present Management and every effort is being made so that the aforesaid waiver is granted by the Stock Exchanges and the scrip of the Company is moved from "Z" category to "B" category, in the larger and overall interest of the shareholders of the Company.
18. It may also be noted that the fines that are to be paid to both the BSE Limited and the National Stock Exchange of India Ltd. are tabulated hereinbelow:

Outstanding amount of fine levied on the Company by BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) as on 07.04.2025			
S. No.	Name of the Stock Exchange	Amount of Fine (Rs.)	Remarks
1.	BSE Limited (BSE)	3,48,91,420.00	Source: BSE e-mail dated 07.04.2025
2.	National Stock Exchange of India Limited (NSE)	3,56,69,040.00	

19. The Company is regularly making payment of listing fees to both the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited and the payment of listing fee has been made for the FY 2025-26 also within the stipulated timelines. The listing fees paid by M/s Unitech Limited to both the Stock Exchanges from FY 2020-21 onwards (i.e. ever since the affairs of Unitech Limited were taken over by the Government appointed BoD pursuant to the order of the Hon'ble Supreme Court dated 20.01.2020) is tabulated hereinbelow:

Annual Listing Fees paid to Stock Exchanges from Financial Year 2020-21 onwards		
Financial Year	BSE Limited (BSE)	National Stock Exchange of India Ltd. (NSE)
	Amount (Rs.)	Amount (Rs.)
2020-21	7,34,727.00	8,95,620.00
2021-22	7,34,727.00	8,95,620.00
2022-23	8,04,288.00	8,95,620.00
2023-24	8,52,904.00	8,95,620.00
2024-25	8,52,904.00	8,95,620.00
2025-26	8,68,285.00	9,10,969.00
Total	48,47,835.00	53,89,069.00

20. As is clear from a perusal of the above, the new Management is fully committed to ensuring that the Unitech Group remains fully compliant with applicable laws and regulations and is making every effort to seek waiver of fines/penalties from the Stock Exchanges and for getting the scrip of the Company moved from Z category to B category in the overall interest of the shareholders of the Company.

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