PODDAR HOUSING AND DEVELOPMENT LIMITED

Registered Office: Unit No. 3-5, Neeru Silk Mills, Mathuradas Mill Compound
126 N M Joshi Marg, Lower Parel (West), Mumbai 400 013
Telephone: 022 6616 4444 | CIN: L51909MH1982PLC143066
E mail: cs.team@poddarhousing.com| Website : www.poddarhousing.com

Date: 3rd January, 2025

To	To
BSE Limited	**The National Stock Exchange of India**
Phiroz Jeejibhoy Towers	Exchange Plaza, 5th Floor, Plot No. C/1
Dalal Street, Fort,	G Block, Bandra Kurla Complex,
Mumbai 400 001	Bandra East, Mumbai 400 051
Scrip Code : 523628	Scrip Symbol : PODDARHOUS

Subject: Compounding Order from RBI

Dear Sir / Madam

This is to inform that the Company has issued 9,51,437 equity shares of Rs. 10/- each at a price of Rs. 160/- per share on preferential basis on 11th March, 2024 to the foreign investor.

The Company had received remittances in November, 2023 and there was a delay in allotment of equity shares beyond 60 days from the date of receipt of money from the foreign investor.

The Company had made an application to the Reserve Bank of India for compounding the delay an opportunity of being heard was given to the Company by RBI.

Subsequently, the RBI has issued the compounding order dated 24th December, 2024 and imposed a fine/penalty of Rs, 4,86,690/- for the delay.

The compounding order dated 24th December, 2024 from RBI is attached herewith for your reference.

You are requested to take the above on record and acknowledge receipt.

For Poddar Housing and Development Limited

Haroon Mansuri
Company Secretary

PODDAR HOUSING AND DEVELOPMENT LTD. MUMBAI

Encl: a/a

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विदेशी मुद्रा विभाग
मुंबई क्षेत्रीय कार्यालय
मुख्य भवन, तीसरी मंज़िल
शहीद भगत सिंह मार्ग
फोर्ट, मुंबई - 400 001

कम्पाउंडिंग आवेदन संख्या: MUM1732/2024

In the matter of
Poddar Housing and Development Limited
Unit No. 3-5, Neeru Silk Mills, Mathuradas Mill Compound
126 N M Joshi Marg, Lower Parel (West)
Mumbai, Maharashtra – 400013

(Applicant)

In exercise of the powers conferred under section 15(1) of the Foreign Exchange Management Act, 1999 and the Regulations/Rules/Notifications/Orders made thereunder, I pass the following:

Order

1 The applicant has filed the compounding application dated May 07, 2024, received at the Reserve Bank on May 13, 2024 (revised application received on September 20, 2024), for compounding of contravention/s of the provisions of the Foreign Exchange Management Act, 1999 (the FEMA) and the regulations issued thereunder. The contravention/s sought to be compounded are in respect of the following regulations/ paras of Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019, notified vide Notification No. FEMA. 395/2019-RB dated October 17, 2019 as amended from time to time (hereinafter referred to as FEMA 395):

i) Regulation 3.1(I)(A) of FEMA 395: Equity instruments shall be issued to the person resident outside India making such investment within sixty days from the date of receipt of the consideration, where such equity instruments are not issued within sixty days from the date of receipt of the consideration, the same shall be refunded to the person concerned within fifteen days from the date of completion of sixty days.

2 Brief details of the applicant company are as follows:

Date of Incorporation	June 28, 1982
Its main activities are:	Real estate activities with own or leased property (NIC Code - 68100)

3 The company has applied for compounding of contravention of Regulation 3.1(I)(A) of FEMA 395 for the remittances indicated below:

Delay in allotment of equity instruments after receipt of inward remittance (whereas, "Y" represents delay in number of years, "M" represents delay in number of months and "D" represents delay in number of days)				
Sr. No.	**Date of inward remittance (DD-MM-YYYY)**	**Amount received (In INR)**	**Date of allotment (DD-MM-YYYY)**	**Delay in allotment**
1	01-11-2023	5,00,80,000.00	11-03-2024	0Y 2M 10D
2	16-11-2023	10,21,49,920.00	11-03-2024	0Y 1M 26D
	TOTAL	**15,22,29,920.00**		

In respect of remittances, indicated in the above table, the company allotted the equity instruments beyond the stipulated period from the date of receipt of remittance. Whereas, in terms of Regulation 3.1(I)(A) of FEMA 395, an Indian company is required to issue equity instruments or refund the amount within 60/75 days (as applicable) from the date of receipt of inward remittance. The delay under this para is ranging from 0Y 1M 26D to 0Y 2M 10D approximately.

4 The applicant was given an opportunity for personal hearing, for further submission in person and/or for producing documents, if any, in support of the application vide Reserve Bank's e-mail dated September 03, 2024. The applicant appeared for personal hearing before Compounding Authority on December 16, 2024, via Webex platform, during which Mr. Dinesh Deora, Practising Company Secretary, Mr. Vinayak Shimpi, Financial Consultant and Mr. Haroon Mansuri, Company Secretary represented the applicant. The representatives of the applicant admitted the contraventions for which compounding has been sought. During the hearing, the representatives of the applicant submitted that the delay was inadvertent and unintentional. They requested that in view of the foregoing, a lenient view may be taken in disposal of the application. The application for compounding is, therefore, being considered on the basis of the averments made in the application as well as other documents and submissions made in this context by the applicant during personal hearing and thereafter.

5 I have given my careful consideration to the documents on record and submissions made by the applicant during the personal hearing and thereafter. Accordingly, I hold that the applicant has contravened the following FEMA provisions issued in terms of:

(i) Regulation 3.1(I)(A) of FEMA 395, due to delay in allotment of equity instruments beyond the stipulated period from the date of receipt of remittance. The contravention relates to total amount of Rs.15,22,29,920.00/- (Rupees Fifteen Crore Twenty-Two Lakh Twenty-Nine Thousand Nine Hundred Twenty Only), with a delay ranging from 0Y 1M 26D to 0Y 2M 10D approximately.

6 It has been declared in the compounding application dated May 13, 2024 (revised application received on September 20, 2024), that the particulars given by the applicant in the application are true and correct to the best of its knowledge and belief. It has also been avowed in the declaration furnished along with the compounding application that the applicant was not undergoing any enquiry/investigation/adjudication by Directorate of Enforcement as on the date of the application, and has, in this regard,

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not been informed of any such enquiry /investigation/ adjudication proceedings against it. The above contravention, which is being compounded in this Order, is subject to the veracity of the information furnished/declaration(s) made by the applicant, and this Order is without prejudice to any other action, which may be taken by any authority under the extant laws if the said information/ declaration(s) are subsequently discovered to be false and/or incorrect.

7 In terms of Section 13 of the FEMA, any person contravening any provision of the Act shall be liable to a penalty up to thrice the sum involved in such contravention upon adjudication. However, taking into account the relevant facts and circumstances of the case as stated in the foregoing paragraphs, I consider that an amount of Rs.4,86,690/- (Rupees Four Lakh Eighty-Six Thousand Six Hundred Ninety Only) will meet the ends of justice.

8 Accordingly, I compound the admitted contravention/s namely, the contravention of Regulation 3.1(I)(A) of FEMA 395, by the applicant, on the facts discussed above in terms of the Foreign Exchange (Compounding Proceedings) Rules, 2000 on payment of an amount of Rs.4,86,690/- (Rupees Four Lakh Eighty-Six Thousand Six Hundred Ninety Only), which shall be deposited by the applicant with the Reserve Bank of India, Foreign Exchange Department, Mumbai Regional Office, Main Building, 3rd floor, Shahid Bhagat Singh Marg, Fort, Mumbai - 400001 by a demand draft drawn in favour of the "Reserve Bank of India" and payable at Mumbai **within a period of 15 days from the date of this order.** In case of failure to deposit the compounded amount within the above-mentioned period, Rule 10 of the Foreign Exchange (Compounding Proceedings) Rules, 2000 dated May 3, 2000 shall apply.

9 The above order is passed only in respect of contravention of Regulation 3.1(I)(A) of FEMA 395 and does not restrict the rights of any other authority to proceed against the Company for any other violations/contraventions noticed at any point of time.

10 The application is disposed of accordingly.

(Sandeep Kumar)
Chief General Manager and
Compounding Authority

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Dated: December 24, 2024