

# MAYANK ARORA & Co.

## COMPANY SECRETARIES

To,  
**The Board of Directors**  
**VASWANI INDUSTRIES LIMITED**  
Baheisar Road, Near Cycle Park,  
Vill - Sondra Phase-Ii, Industrial Area, Siltara  
Raipur CT - 493 221

We have been engaged by Vaswani Industries Limited (hereinafter referred to as 'the Company') whose equity shares are listed on the National Stock Exchange of India Limited (SYMBOL: VASWANI) and BSE Limited (Scrip Code: 533576) to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 and to issue Annual Secretarial Compliance Report thereon.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance of the provisions of the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), the Securities Contracts (Regulation) Act, 1956 ("SCRA"), and all applicable Rules, Regulations and circulars/ guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively.

Our responsibility is to verify compliances by the Company with provisions of all SEBI Act, SCRA and all applicable Rules, Regulations and circulars/ guidelines issued there under from time to time and issue a report thereon. This is neither an audit nor an expression of opinion.

Our audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involved such examinations and verifications as considered necessary and adequate for the said purpose.

We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Annual Secretarial Compliance Report in the format prescribed is enclosed herewith.

For **Mayank Arora & Co.**  
**Company Secretaries**

**Mayank Arora**  
**Partner**  
CP No: 13609  
PR No.:679/2020  
ICSI Unique Code: P2023MH094900  
UDIN: F010378E000429302  
Place: Mumbai  
Dated: 30/05/2023

**Secretarial Compliance Report of  
Vaswani Industries Limited for the year ended  
March 31, 2023  
[Under regulation 24A of the SEBI (Listing Obligations and  
Disclosure Requirements) Regulations, 2015]**

We have examined:

- (a) all the documents and records made available to us and explanation provided by **Vaswani Industries Limited** (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended on March 31, 2023 (“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 there-under; and
  - b. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made there-under and the Regulations, circulars, guidelines issued there-under 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;  
**Not applicable as there was no reportable event 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; **Not applicable as there was no reportable event during the review period**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable as there was no reportable event during the review period**
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **Not applicable as there was no reportable event during the review period**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **Not applicable as there was no reportable event during the review period;**
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;  
and circulars/ guidelines issued there-under;

Based on the above examination, we hereby report that;

(a) During the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1	<p><b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118 (10) of the Companies Act, 2013 and mandatorily applicable</p>	Yes	Nil
2	<p><b>Adoption and timely updating of the Policies:</b></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/ circulars/ guidelines issued by SEBI</li> </ul>	Yes	Nil
3	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website</li> </ul>	Yes	Nil
4	<p><b>Disqualification of Director:</b> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	Nil
5	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b></p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	N.A.	The Company does not have any material subsidiary.
6	<p><b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of</p>	Yes	Nil

	Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.		
7	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	Nil
8	<b>Related Party Transactions:</b> (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	Nil
9	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No action(s) has been taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued there under	Yes	The Company received notices from Stock Exchanges for imposing fines as mentioned in the Observations and Notes.
12	<b>Additional Non-compliances, if any:</b> Composition of board of directors Regulation 17, Composition of Audit Committee Regulation 18, Composition of Nomination and Remuneration Committee Regulation 19	Yes	NIL

- (b) Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019

	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	<p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	NA	Not Applicable during the year under review.
2.	<b>Other conditions relating to resignation of statutory auditor</b>		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign,</p>	NA	Not Applicable during the year under review.

	<p>all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/ CMD1/ 114/2019 dated 18th October, 2019.	NA	Not Applicable during the year under review

(c) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder except in the matters specified below:

Sr. No.	Compliance Requirement (Regulations / circulars/ guidelines Including Specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Board of Directors	Regulation 17 SEBI (Listing Obligations and Disclosure Requirements), 2015	If the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors.	NSE	Penalty	The Listed Entity did not have half of the board of directors as Independent directors till 12 <sup>th</sup> August, 2022.	Rs. 188,800/-	The Listed Entity had corrected the composition by appointing Mr. Rituraj Peswani (Non-Executive Independent Director) as Chairman of the Company with effect from 13 <sup>th</sup> August, 2022.	The Listed Entity will be careful in the future.	-

2.	Prior Intimations	Regulation 29 SEBI (Listing Obligations and Disclosure Requirements), 2015	The listed entity shall give prior intimation to stock exchange about the meeting of the board of directors in which financial results shall be given at least five days in advance.	NSE, BSE	Penalty	The Listed Entity has failed to give intimation Stock Exchange at least five days in advance for Board Meeting held on 14 <sup>th</sup> August, 2022.	Rs. 11,800/-	The Company has failed to comply with Prior intimation for the Board Meeting held on 14 <sup>th</sup> August, 2022	The Listed Entity will be careful in the future.	-
3.	Advertisements in Newspapers	Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements), 2015	The listed entity shall publish the financial results, within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved	-	-	The Listed Entity has failed to publish the financial results within 48 hours 48 hours of conclusion of the meeting of board for Board meeting held on 13 <sup>th</sup> August, 2022.		The Company has violated Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements), 2015	-	-

**\*Notes:**

*The Listed Entity had received SEBI Letter No- NSE/CM/Surveillance/12767 dated January 20, 2023 regarding clarification on price movement, the Company has given the response of the same to the NSE and BSE on 21<sup>st</sup> January, 2023.*



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

Sr no.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Composition of Board of Directors with respect to Independent Director and Woman Director as specified under Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.	Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.	The Company has Not appointed sufficient number of Women Director and Independent Director.	-	-	-	-	At the beginning of the Financial year, the Composition of the Board was not in accordance with the Regulation 17(1) LODR. However, the Company in its Board Meeting held on 19/05/2021 appointed Smt. Rituraj Peswant as Women Independent director.	Company has taken steps to rectify it	-
2.	Composition of the Nomination and Remuneration Committee as specified under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.	Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.	The Company has not constituted Nomination and Remuneration Committee as per the Regulation 19 of LODR.	-	-	-	-	The Nomination and Remuneration Committee shall comprise of minimum 3 (Three) Director who shall be Non-executive and at least fifty percent of the directors shall be Independent Director.  The constitution of Nomination & Remuneration Committee of the Company was not as per the SEBI LODR regulation upto 18/05/2021. Remuneration Committee of the Company was not as per the SEBI LODR regulation upto 18/05/2021. However, after the appointment of Independent director on 19/05/2021, the NRC Committee has been re-constituted	Company has taken steps to rectify it	-

								accordingly and is in compliance with Regulation 19 of LODR.		
3.	As per the Regulation 44(3) of the SEBI LODR Regulation 2015, the listed entity shall submit the voting result of General Meeting within 2 (Two) working days from the date of conclusion of its General Meeting.	Regulation 44(3) of the SEBI LODR Regulation 2015	The Company has not submitted voting result of Annual General meeting held 28/09/2021 within stipulated time.	-	-	-	-	The Company has not submitted voting result of Annual General meeting held 28/09/2021 within stipulated time.  However, the same was submitted on 01/10/2021.	Company has taken steps to rectify it.	-
4.	As per Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company was required to maintain a functional website containing the basic information about the Company.	Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015	The website of the Company has not been fully updated.	-	-	-	-	The website of the Company has not been fully updated. Hence requirement of Regulation 46 has not been complied with.  The management explained that, the Company is in continuous process to update its website and all the contents required to be disclosed as per regulation 46 of LODR will be uploaded soon.	It has been updated majority and in process of updating.	-

Thanking You,

For **Mayank Arora & Co.**  
**Company Secretaries**

**Mayank Arora**  
**Partner**

**CP No: 13609**

**PR No.: 679/2020**

**UDIN: F010378E000429302**

ICSI Unique Code: P2023MH094900

Place: Mumbai

Dated: 30/05/2023