

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**  
**[Pursuant to Section - 204(1) of the Companies Act, 2013 and Rule No. - 9 of the**  
**Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

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**To,**  
**The Members,**  
**Chandni Machines Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices adopted by **Chandni Machines Limited having Corporate Identification Number (CIN) L74999MH2016PLC279940 (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our Opinion, the Company has, during the Audit period covering the **Financial Year ended on March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the **Financial Year ended on March 31, 2022** according to the provisions of:

- (i)** The Companies Act, 2013 ("**the Act**") and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force.
- (ii)** The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder.
- (iii)** The Depositories Act, 1996 and the Regulation and Bye-Laws framed thereunder.
- (iv)** Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable.
- (v)** The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") :-
  - a.** Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
  - b.** Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
  - c.** Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

- d. Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996/Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time.
  - e. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
  - f. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the Financial Year.**
  - g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – **Not Applicable during the Financial Year.**
  - h. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable during the Financial Year.**
  - i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the Financial Year.**
  - j. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the Financial Year;** and
  - k. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the Financial Year.**
- (vi) Other Applicable Laws as per **Annexure-A.**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);
- (ii) Circulars / Notifications issued by Ministry of Corporate Affairs (MCA) for holding Meetings through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the period under review, the following Changes took place in the Board of Directors & Key Managerial Personnel of the Company:

- (a) **Mr. Vasant Gaurishankar Joshi (DIN No.:00193105) ceased to be a Non - Executive Independent Director of the Company w.e.f. November 01, 2021.**
- (b) **Mr. Richie Amin (DIN No.: 02253316) appointed as an Additional Non - Executive Independent Director of the Company w.e.f. November 08, 2021.**
- (c) **Cessation of Mr. Gaurav Darak as the Company Secretary & Compliance Officer of the Company w.e.f. November 30, 2021.**

**(d) Appointment of Ms. Neelam Devani as the Company Secretary & Compliance Officer of the Company w.e.f. December 01, 2021.**

Adequate notice was given to all the Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All the Decisions at the Board Meetings and Committee Meetings were passed unanimously and with requisite majority at General Meetings.

**We further report that**, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**We further report that**, the shareholders of the Company at the Annual General Meeting held on September 20, 2021 had approved limits of Rs. 3,00,00,000/- in respect of giving loan, or making investment or giving guarantee or providing security in connection with loan to another company or body corporate or person in accordance with the provisions of Section 186 of the Companies Act, 2013.

**FOR M/S. N.L. BHATIA & ASSOCIATES  
PRACTICING COMPANY SECRETARIES  
UIN: P1996MH055800  
UDIN: A065355D000794699**

**SD/-  
MITRA RAMESH RATNANI  
PARTNER  
ACS: 65355  
CP. NO.: 25354  
PR NO.: 700/2020.**

**DATE: AUGUST 13, 2022.  
PLACE: MUMBAI.**

**LIST OF APPLICABLE LAWS**

1. Tax Laws:
  - GST Act, 2017.
  - Income Tax Act, 1961.
2. Employee Laws:
  - Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972.
  - The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
  - The Payment of Wages Act, 1936.
  - The Minimum Wages Act 1948.
  - The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and Scheme framed thereunder.
  - The Employees' State Insurance Act 1948.
  - The Maternity Benefit Act, 1961.
  - The Contract Labour (Abolition and Regulation) Act, 1970 & Rules.
  - Equal Remuneration Act, 1976.
  - Workmen's Compensation Act, 1923.
  - Employment Standing Orders Act, 1946.
  - Child Labour (Prohibition and Regulation) Act, 1986.
  - Factories Act, 1948 and rules made thereunder
  - Industrial Disputes Act, 1947
  - The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.
  - The Apprentices Act, 1961 and Apprenticeship Rules, 1991 under the above Rules.
  - Labour Welfare Fund Act.
3. Environment (Protection) Act, 1986
4. Water (Prevention & Control of Pollution) Act, 1974
5. Air (Prevention & Control of Pollution) Act, 1981
6. The Standards of Weight & Measures Act, 1976
7. Water (Prevention and Control of Pollution) Cess Rules, 1977 & 2003
8. The Hazardous Wastes (Management and Handling) Rules, 1989 (as amended, May, 2003) Rules, 2008
9. Indian Stamp Act, 1899 and the State Stamp Acts.
10. The Labour Welfare Fund, Act, 1953.
11. Indian Contract Act, 1872.
12. Negotiable Instruments Act, 1881.
13. Information Technology Act, 2000.
14. Whistle Blowers Protection Act, 2011
15. Registration Act, 1908.
16. Limitation Act, 1963.
17. The Shops and Establishment Act.
18. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Note: This is an indicative list and not an exhaustive list.**