

**ANNUAL SECRETARIAL COMPLIANCE REPORT OF SHARDA MOTOR
INDUSTRIES LIMITED FOR THE YEAR ENDED MARCH 31, 2021**

I, CS Jaya Yadav, Practicing Company Secretary having membership no. F-10822 and COP No. 12070 have examined*:

- a) all the documents and records made available to me and explanation provided by Sharda Motor Industries Limited (CIN: L74899DL1986PLC023202) having its registered office at D-188, Okhla Industrial Area Phase-1, New Delhi - 110020 ("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 March 31, 2021 i.e. from April 01, 2020 to March 31, 2021 ("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 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, include**:

- 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;



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- c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- e) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018; (Not applicable to the listed entity during the Review Period)
- f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the listed entity during the Review Period)
- g) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the listed entity during the Review Period)
- h) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the listed entity during the Review Period)
- i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the listed entity during the Review Period)
- j) Circulars/ guidelines issued thereunder – List Of applicable circular(s)/ guidelines are Annexed as Annexure-I to this report.

**Only regulations, circulars and guidelines applicable to the listed company for the review period (April 01, 2020 to March 31, 2021) have been included in this report.

And based on the above examination, I hereby report that, during the Review Period:

- 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:





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S. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	<i>Pursuant to Regulation 17(1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 listed entities (based on Market Capitalization as on March 31, 2020) were required to appoint one Independent Woman Director on the Board of the Company on or before 1st April, 2020.</i>	<i>There was a delay in the appointment of an Independent Women Director on the Board of the Company.</i>	<i>As per the information and explanations given by the Company, due to the nationwide lockdown on account of outbreak of Covid-19 pandemic, the said appointment got delayed and thus the women director was appointed w.e.f June 29, 2020. Consequently, the Company has received letters from National Stock Exchange of India Limited (NSE) & BSE Limited (BSE) imposing a penalty of Rs.5.25 lakhs each on account of the failure of the company to comply with the said requirement. However, subsequently, based on the representations made by the Company whereby they explained the bonafide reasons for such delay in appointment of Woman Director within the stipulated time period, the Exchange i.e. NSE vide its letter dated April 13, 2021 have waived off the penalty imposed on the company and the</i>



			<i>management of the Company expects a waiver from BSE as well.</i>
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/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 there under:

S. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	National Stock Exchange of India Limited	No Woman Independent Director on the Board (April 01, 2020 to June 28, 2020)	National stock Exchange of India Limited imposed penalty of Rs.5.25 lakhs on the Company.	Based on the representations made by the Company whereby they explained the bonafide reasons for such delay in appointment of Woman Director within the stipulated

				<i>time period, the Exchange i.e. NSE vide its letter dated April 13, 2021 have waived off the penalty imposed on the company</i>
2	<i>BSE Limited</i>	<i>No Woman Independent Director on the Board (April 01, 2020 to June 28, 2020)</i>	<i>BSE Limited imposed a penalty of Rs.5.25 lakhs on the Company.</i>	<i>The Company has made representations with the BSE Limited, whereby they explained the bonafide reasons for such delay in appointment of Woman Director within the stipulated time period In view of the waiver of penalty by the NSE, the management of the Company expects a waiver from BSE as well.</i>

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

Jaya Yadav
 COP-12070
 Acting Company Secretary





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S. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i>	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA	NA	NA	NA	NA

(e) The reporting of clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

Place: Gurugram

Date: 15-06-2021



Signature:

Jaya Yadav

Practicing Company Secretary

Membership No. - F10822

Certificate of Practice No. - 12070

UDIN: F010822C000465320

***Note: In view of the second wave of the COVID19 pandemic and as per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Secretarial Compliance Report in term of Regulation 24A of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 was conducted by using appropriate Information Technology tools by virtual data sharing by way of the Video Conferencing on WebEx to access and examine relevant documents for completion of the audit.*



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ANNEXURE-I

**Various SEBI Circulars/ Guidelines applicable on Sharda Motor Industries Limited
for the year ended 31st March, 2021**

S. No.	Circular (s)/ Guideline (s)/ Notification (s)	Compliance Status	Remarks
1.	SEBI Circular No. SEBI/HO/ISD/CIR/P/2021/19 dated 9 th February 2021: Revised disclosure formats under Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Complied	-
2.	SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 th December 2020: e-Voting Facility Provided by Listed Entities.	Complied	-
3.	SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20 th May 2020: Advisory on disclosure of material impact of CoVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'/'LODR')	Complied	-
5.	SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/2020/168 dated 9 th September, 2020: Automation of Continual Disclosures under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 - System driven disclosures.	Complied	-

