

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

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

To

The Members

BCC Fuba India Limited

CIN: L51395HP1985PLC012209

Regtd Off: 4 km Swarghat Road,

Nalagarh, Distt Solan,

Himachal Pradesh - 174101

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BCC Fuba India Limited CIN: L51395HP1985PLC012209** (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 subject to the conditions that the physical verification could not be conducted due to COVID-19 policy and the contents of report are based on the assurances provided by the official of the company and accordingly:

We report that -

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, We followed provide a reasonable basis for our opinion subject to the conditions that the physical verification could not be conducted due to COVID-19 policy and the contents of report are based on the assurances provided by the official of the company.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- e) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on the verification of the information provided by the Company, its officers, agents and authorized representatives about Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 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:

subject to the conditions that the physical verification could not be conducted due to COVID-19 policy and the contents of report are based on the assurances provided by the official of the company, on an appropriate examination and information provided about the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (I) The Companies Act 2013 (the Act) and the rules made there under;
- (II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (III) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (IV) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (V) The following Regulations and Guidelines prescribed under the Securities and Exchange Board India Act 1992 (SEBI Act')-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client ;
- (VI) During the period under review, provisions of the following Act/ Regulations are not applicable to the Company:
- (a) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008;
 - (e) The Securities and Exchange Board of India (Share based employee benefits) Regulations 2014;
- (VII) We have also examined compliance with the applicable clauses of the following:
- (a) Secretarial Standards issued by the Institute of Company Secretaries of India related to Board Meetings, General Meetings.
 - (b) The SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited.
- (VIII) The Company is in the business of manufacture single-sided, double-sided and multilayer (up to 8 layers) PCBs for a vast variety of applications, being PCB electronic industry. As informed to me the following other Laws specifically applicable to the Company as under –
1. The Air (Prevention and Control of Pollution) Act, 1981
 2. The Environment (Protection) Act, 1986
 3. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 4. Employees' State Insurance Act, 1976
 5. Equal Remuneration Act, 1976
 6. The Factories Act, 1948
 7. The Industrial Employment (Standing Orders) Act, 1946
 8. Maternity Benefit Act, 1961
 9. Legal Metrology Act, 2009
 10. The Minimum Wages Act, 1948
 11. The Payment of Wages Act, 1936
 12. The Negotiable Instrument Act, 1881
 13. The Water (Prevention and Control of Pollution) Act, 1974

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company

is adequate to ensure compliance of laws specifically applicable to the Company. Further, regarding notices from the statutory authorities whenever received, are reported as a part of process for compliance reporting and appropriate action is taken from time to time.

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc mentioned above subject to the following observations:

1. The company has generally complied with the provisions of SEBI (LODR) Regulations 2015 except non compliance under:
 - a) Regulation 29 (2)/29(3) of SEBI (LODR) Regulations 2015 with respect to furnishing prior intimation about the meeting of the board of directors for the meeting held on 14.08.2021. The fine was imposed by SEBI of Rs 10,000/- plus GST plus GST @18% amounting to Rs 11,800, that was paid by the company.
 - b) Regulation 31 (2) of SEBI (LODR) 2015 - The promoter Group shareholding is not in Demat form as per Corporate Governance report.
2. The company has generally complied with the provisions of SEBI (Prohibition of Insider Trading) Regulations 2015 except the below mentioned instances of trading during the closure of trading window.
 - a) Invocation of Pledge of 10,00,000 equity shares on 28.07.2021 by Mr. Lokesh Tayal promoter of the company during the closure of trading window pursuant to the loan agreement entered on 24.06.2019.
 - b) Acquisition of 47,000 equity shares on 30.07.2021 by Nikita Bhardwaj, promoter of the company during the closure of trading window where the value of transaction was less than Rs 10 Lac.
 - c) Acquisition of 7,00,000 equity shares in an off market transaction on 30.07.2021 by Abhinav Bhardwaj, promoter of the company during the closure of trading window.
3. Form MGT 14 for appointment of Internal Auditor/Secretarial Auditor has not been filed.

We further report that

1. The compliance by the Company of applicable financial laws, like Direct & Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals.
2. The Board of Directors of the Company was duly constituted with proper balance of Executive Directors Non-Executive Directors and Independent Directors and Women Director. No changes took place in the Board of Directors during the period under review. **The office of Independent Director of Mr. Chander Vir Singh Juneja and Ms Richa Bhansali expired on 09.01.2022 and the Board of Directors vide resolution dated 09.01.2022 had approved their re-appointment as Independent Director. The special resolution for re-appointment of Independent Directors required to be passed within 3 months of re-appointment is yet to be passed by the company. Further, Mr Hari Datt Jangid have not passed the Self Proficiency Test that is required to be passed within 2 years from the date of registration of the Independent Director database.**
3. Adequate notices were given to all directors of the Board 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 for meaningful participation at the meeting.
4. Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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.

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We further report that during the audit period, the company has not bought back its equity shares and there were no instances of –

- (i) Public/Rights/Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption of securities.
- (iii) Merger/ Amalgamation/Reconstruction.
- (iv) Decisions by the Members in pursuance to section 180 of the Act
- (v) Foreign technical collaborations.

For Pankhuri Mathur & Associates
Company Secretaries
Pankhuri Mathur
M. No. FCS 10301
COP: 12559

UDIN: F010301D000866851
Date: 29.08.2022
Place: New Delhi