



M & A Associates
Practicing Company Secretaries
Mob: 9883039240/8334984350
Email: anil@mandaassociates.in

Form No. MR-3
SECRETARIAL AUDIT REPORT

[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 (as amended)]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To,
The Members,
HARI TEXTILE MILLS LIMITED
19, Amratolla Street,
Kolkata-700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hari Textile Mills Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 Secretarial Audit and subject to my separate letter attached as "ANNEXURE – A", I hereby report that in my opinion, the Company has, during the financial year ended on March 31, 2023 (the audit period) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period 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 there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **[All the shares are held in physical form]**
- 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 Borrowing. **(Not applicable on the Company during the Audit Period).**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **[Reg 3(5) has mandated the maintenance of Structured Digital Database, Company is not maintaining the Structured Digital Database as mandated by Regulation 3(5).]**
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable on the Company during the Audit Period)**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 ; **(Not applicable on the Company during the Audit Period).**
- e) The Securities and Exchange Board of India (Issue of Non- Convertible Securities) Regulations, 2021; **(Not applicable on the Company during the Audit Period)**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Company maintaining the share transfer facility in house and therefore did not have any Registrar and Share Transfer Agent]**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable on the Company during the Audit Period)**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

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

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and
2. Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- a) *In terms of the provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, on the date of commencement of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, independent director in a company shall within a period of thirteen months from such commencement apply online to the institute for inclusion of his name in the data bank, the Company did not comply with the same.*
- b) *The status of the Company is suspended at the CSE due to technical non-compliances of the SEBI LODR Regulations and Companies Act, 2013*

I further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the Audit Period. The changes, if any, in the composition



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of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I 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.

Based on such checks as considered appropriate and documents provided by the Company, I observed that the specific laws, as applicable to the Company are being duly complied with.

I further report that during the audit period, the Company has not passed any Special Resolution and that there were no specific event/ action having a major on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. This report is to be read out with our letter of even date which is annexed as "ANNEXURE - A" and forms an integral part of this report.

For **M & A Associates**
Practicing Company Secretaries

Sd/-
Anil Kumar Dubey
Partner
Membership No. 9488
CP No.12588
Place: Kolkata
Dated date:23.05.2023
UDIN-F009488E000531372
(On 01.07.2023)
PR 2000/2022



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ANNEXURE “A”

To,
The Members,
HARI TEXTILE MILLS LIMITED
19, Amratolla Street,
Kolkata-700001

My Secretarial Audit Report for the financial year March 31, 2023 of even date is to be read along with this annexure.

MANAGEMENT’S RESPONSIBILITY

1. It is the responsibility of management of the Company to maintain secretarial records and to ensure compliance of the provisions of corporate and other applicable laws, rules, regulations, standards.

AUDITOR’S RESPONSIBILITY

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances and my examination was limited to the verification of procedures on test-check basis.
3. I have followed the audit practices and processes as were appropriate to the best of my understanding 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
4. Wherever required, I have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events etc.

DISCLAIMER

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.



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For **M & A Associates**
Practicing Company Secretaries

Sd/-
Anil Kumar Dubey
Partner
Membership No. 9488
CP No.12588
Place: Kolkata
Dated: 23.05.2023
UDIN- F009488E000531372
(On 01.07.2023)
PR 2000/2022