



V.B.S.S. Prasad
F.C.S., B.L.,
COMPANY SECRETARY

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SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020

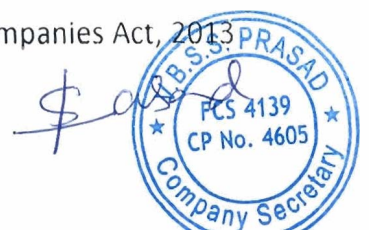
UDIN number F004139B000365786

FORM NO. MR.3

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
M/s. **SAMKRG PISTONS AND RINGS LIMITED**
1-201, DIVYASHAKTI COMPLEX 7-1-58,
AMEERPET, HYDERABAD – 500016, Telangana.

1. We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. **SAMKRG PISTONS AND RINGS LIMITED** (hereinafter called as "**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.
2. The company is engaged in the business of Manufacturing and supply of Automobile Pistons and Rings.
3. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the company, its officers, agents and authorised representatives 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 31st March, 2020 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.
4. WE have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. **SAMKRG PISTONS AND RINGS LIMITED** (hereinafter called as "**the Company**") for the financial year from 1st April 2019 and ended with 31st March, 2020 ("Audit Period") according to the provisions of :
 - i) The Companies Act, 1956 (to the extent applicable) and 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;
- 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;
The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act¹):-

- 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;

As per the Management representation letter given by the concerned authority of the Company it is confirmed that the Directors, Promoters, Employees, Auditors and the Company Secretary of the Company were not directly or indirectly involved in the trading of Shares of the company during the period under which the trading window was closed.

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme) Guidelines 1999.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- 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;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998;
- i) The following other laws as specifically applicable in the view of the Management.
 - (i) Income Tax act, 1961
 - (ii) Central Sales Tax Act, 1956
 - (iii) Telangana & Andhra Pradesh Value Added Tax
 - (iv) The payment of bonus Act, 1965
 - (v) Telangana & Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987
 - (vi) Customs Act, 1962
 - (vii) Finance Act, 1994 (Service Tax)
 - (viii) Factories Act, 1948
 - (ix) Industrial Disputes Act, 1947
 - (x) Minimum Wages Act, 1948
 - (xi) The Payment of Gratuity Act, 1972



- (xii) The Payment of Wages Act, 1936
- (xiii) The Maternity Benefit Act, 1961
- (xiv) Telangana Shops & Establishment Act, 2014 & A.P Shops & Establishment Act, 1988
- (xv) The National and Festival Holidays Act, 1963
- (xvi) The Employees Provident fund and Miscellaneous provisions act, 1952
- (xvii) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1956

5. We have also examined compliance of:

- a. The applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- b. the applicable Secretarial Standards.

We further report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. Mentioned above. However, please note for the Audit period:

- (i) SEBI (ICDR) Regulations, 2009 are not applicable, as there being no further issues of any securities.
- (ii) SEBI (ESOS & ESOP) Guidelines, 1999 are not applicable, as there being no schemes of the Company under the said Guidelines.
- (iii) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable as there being no debt securities, which are listed on any of the recognized stock exchange.
- (iv) SEBI (Delisting of Equity Shares) Regulations, 2009 are not applicable, as there being no instances of delisting of equity Shares.
- (v) SEBI (Buyback of Securities) Regulations, 1998 are not applicable, as there being no instances of buy-back of shares
- (vi) The compliance of other specific applicable laws as listed in 4 (V) (i) above, were relied on the basis of representations and compliance certificates issued by the Managing director compliance officers and other officials of respective / concerned Departments of the company.

7. We further report that:

- a. 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 compositions of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the act.
- b. Adequate Notice is given to all the Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance.
- c. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.



- d. Majority decision is carried through and there were not instances of dissenting members in the Board of Directors.
- e. It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.
- f. Required forms were filed with MCA, additional fee paid wherever required.
8. We further report that there exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
9. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., referred to the above.

PLACE: HYDERABAD
DATE: 22/06/2020

Prasad

CS V.B.S.S. PRASAD,
F.C.S.,B.L.,
COMPANY SECRETARY
M.No. FCS4139, CP No. 4605,
208, Kubera Towers, Narayanaguda,
Hyderabad - 500 029, Cell: 9849734349.

Annexure to the Secretarial Audit Report

To

The Members,

M/s. **SAMKRG PISTONS AND RINGS LIMITED**

Hyderabad

Our Secretarial Audit Report of even date is to be read along with this letter:

1. It is the responsibility of the management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these Secretarial records, Standards and procedures followed by the Company with respect to secretarial compliance.
3. We believe that audit evidence and information obtained from the company's Management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representations about the compliance of laws, rules and regulations and happening of events etc.
5. 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

PLACE: HYDERABAD

DATE: 22/06/2020



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