

Date: May 29, 2024

PEL/BSE/14/2024-25

BSE Limited,
25th Floor, PJ Towers,
Dalal Street,
Mumbai-400001

Scrip Code: 517258

Sub: Annual Secretarial Compliance Report
Ref.: Precision Electronics Limited

Dear Madam/Sir,

Pursuant to the Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular dated February 08, 2019 bearing Ref. No. CIR/CFD/CMD1/27/2019, please find enclosed the Annual Secretarial Compliance Report of the Company issued by Munish K Sharma & Associates, Company Secretaries, for the financial year ended March 31, 2024.

The above is for your information and records.

Thanking You,
For Precision Electronics Limited

Veerita Khurana
Veerita Khurana
Company Secretary cum
Compliance Officer

**Noida Office**

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Gautam Buddh Nagar, Uttar Pradesh, India
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**Registered Office**

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CIN: L32104DL1979PLC009590,UDYAM-UP-28-0002995



Secretarial Compliance Report of Precision Electronics Limited
for the financial year ended on 31 March 2024

We, Munish K Sharma & Associates LLP, Practicing Company Secretaries have examined:

- a. all the documents and records made available to us, and explanation provided by **Precision Electronics Limited** ('the listed entity'),
- b. the filings/ submissions made by the listed entity to the stock exchange,
- 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 financial year ended **31 March 2024** ('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') and 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018.: *Not applicable*
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: *Not applicable.*
- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: *Not applicable.*
- f. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: *Not applicable.*



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- g. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- h. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- i. Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009
and circulars/ guidelines issued thereunder.

We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/ No/ NA)	Observations/ Remarks by PCS*
1.	<u>Secretarial Standards</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. All the policies are in conformity with SEBI Regulations and has been reviewed and timely updated as per the regulations/ circulars/ guidelines issued by SEBI. 	Yes	
3.	<u>Maintenance and Disclosures on Website:</u> <ul style="list-style-type: none"> The listed entity is maintaining a functional website. Timely dissemination of the documents/ information under a separate section on the website. 	No	The listed entity has failed to disseminate / disclose Notice of the Board Meetings held for discussing financial results for the quarter ending 30.09.2023.



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	<ul style="list-style-type: none"> Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website. 		
4.	<p><u>Disqualification of Directors:</u></p> <p>None of the Director(s) of the Company is/ are disqualified under section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	From the records available on the MCA, none of the Director is disqualified, though the Company has failed to provide necessary disclosures under section 164 of the Companies Act, 2013
5.	<p><u>Details related to Subsidiaries of listed entities have been examined w.r.t.:</u></p> <p>(a) Identification of material subsidiary companies.</p> <p>(b) Disclosure of material as well as other subsidiaries.</p>	NA	During the period under review, the listed entity does not have any subsidiary.
6.	<p><u>Preservation of Documents:</u></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI (LODR) Regulations, 2015.</p>	Yes	
7.	<p><u>Performance Evaluation:</u></p> <p>The listed entity has conduct performance evaluation of the Board, Independent Directors, and the Committees at the start of every financial year as prescribed in SEBI Regulations.</p>	Yes	



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8.	<p><u>Related Party Transaction:</u></p> <p>a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.</p>	Yes	
9.	<p><u>Disclosures of events and information:</u></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI (LODR) Regulations, 2015 within the time limits prescribed thereunder.</p>	No	<p>1. The listed entity had filed the outcome of the Board Meeting in which financial result were discussed and approved for the quarter ended March 2023 by delay of few minutes with the stock exchange.</p> <p>2. The Company had filed information relating to appointment of Mr. Rajesh Pant as an Additional Director and Non-executive Chairperson of the Company w.e.f. 11 August 2024 to the stock exchange by delay of few days.</p> <p>3. The Company had not disclosed the information relating to appointment of</p>



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			Mr. Rajesh Pant as Director to the stock exchange.
10.	<p><u>Prohibition of Insider Trading:</u></p> <p>The listed entity is in compliance with the Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	No	The Company has failed to maintain structured digital database containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom such information is shared.
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.</p>	NA	
12.	<p><u>Additional Non-compliances, if any:</u></p> <p>No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc.</p>	Yes	

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We hereby further report that the compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 October 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/ re-appointing an auditor		
	<p>I. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>II. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>III. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	NA	



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2.	Other conditions relating to resignation of statutory auditor	
	<p>I. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a) In case of any concern with the management of the listed entity/ material subsidiary such as non-availability of information/ non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b) In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p>	<p>NA</p>



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	<p>c) The Audit Committee/ Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>II. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI/ NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>		
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a) The listed entity has complied with the provisions of the above applicable regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulation/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviation	Action Taken by	Type of action	Details of violation	Fine Amount	Observations/ Remarks of the PCS	Management Response	Remarks
1.	Reg. 31 of SEBI (LODR) Regulations, 2015 – Holding of specified securities and	Reg. 31(1)(b) of SEBI (LODR) Regula	High	No action taken	NA	Wrong data submitted in the shareholding	Nil	The listed entity had filed shareholding pattern for the quarters ended June		



	shareholding pattern.	tion, 2015				patter n.		2023, September 2023 and December 2023 within due time but the same were marked for re-submission due to one or the other reason and were correctly filed on 14-02-2024, 14-02-2024 and 04-03-2024 respectively		
2.	Reg. 23 of SEBI (LODR) Regulations, 2015 – Related Party Transactions	Reg. 23(9) of SEBI (LODR) Regulation, 2015	Low	No action taken	NA	Delay in submission of the related party transactions.	Nil	The listed entity had filed disclosure of related party transaction for the half year ended 30 September 2023 with a delay of one day.		
3.	Reg. 34 of SEBI (LODR) Regulations, 2015 – Annual Report	Reg. 34(1)(a) of SEBI (LODR) Regulation, 2015	Medium	No action taken	NA	Delay in submission of annual report to the stock exchange	Nil	The listed entity had submitted the annual report to the stock exchange by delay of few days		



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4.	Reg. 31 of SEBI (LODR) Regulations, 2015 – Holding of specified securities and shareholding pattern.	Reg. 31(2) of SEBI (LODR) Regulation, 2015	High	No action taken	NA	Non maintenance of promoter's shareholding in dematerialized form	Nil	Shares held by Mr. Hans Jurgen Wagner (Promoter and Promoter Group) are not in dematerialized form.		
5.	Reg. 29 of SEBI (LODR) Regulations, 2015 – Prior Intimations	Reg. 29 of SEBI (LODR) Regulation, 2015	Low	No action taken	NA	Delay in submission of prior intimations to the stock exchange	Nil	(i)The listed entity had submitted the prior intimation of board meeting where financial results were approved for the quarter ended 31 March 2023 to the stock exchange by delay of few days. (ii) The listed entity has not submitted the prior intimation of board meeting where financial results were approved for the quarter ended 30.09.2023 to the stock exchange.		



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6.	Reg. 27 of SEBI (LODR) Regulations, 2015 – Other corporate governance requirements	Reg. 27 of SEBI (LODR) Regulation, 2015	low	No action taken	NA	Wrong data submitted in Corporate Governance Report	Nil	Date of Board Meeting held in the previous quarter ended 30 June 2023 is wrongly reported in the Corporate Governance Report for the quarter ended 30 September 2023 to the stock exchange.		
7.	Reg. 27 of SEBI (LODR) Regulations, 2015 – Other corporate governance requirements	Reg. 27 of SEBI (LODR) Regulation, 2015	low	No action taken	NA	Non-submission of data in Corporate Governance Report	Nil	The listed entity has failed to mention the date of re-appointment of Mr. Rajesh Pant (Non-executive Director) in the Corporate Governance Report for the quarters ended 30.09.2023 and 31.12.2023 filed with the stock exchange.		
8.	Reg. 9(1) of SEBI (PIT) Regulations, 2015 and Schedule B Code of Conduct	SEBI (PIT) Regulations, 2015– And Schedule B	High	No action taken	NA	Non closure of trading window	Nil	The listed entity had failed to close the trading window for the quarter ended 30 June 2023,		



								and 30 September 2023 in respect of securities to which such unpublished price sensitive information relates.		
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance requirement (Regulations/Circulars/guidelines including specific cases)	Regulation/Circular No.	Deviations	Action taken by	Type of action	Details of violation	Fine Amount	Observations/Remarks of the PCS	Management Response	Remarks
1.	Reg. 31 of SEBI (LODR) Regulations, 2015 – Holding of specified securities and shareholding pattern.	Reg. 31(1)(b) of SEBI (LODR) Regulation, 2015	Low	No action taken	NA	Delay in submission of the shareholding pattern	Nil	The listed entity had filed the intimation of holding of specified securities and shareholding pattern for the quarter ended December 2022 by delay of few days with the stock exchange.	The delay and non-filings with respect to stock exchange and MCA was taken care of and certain delays was due to improper net connectivity	-



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									experi enced during that time.	
2.	Reg. 44 of SEBI (LODR) Regulations, 2015 – Meetings of Shareholders and Voting	Reg. 44(3) of SEBI (LODR) Regulation, 2015 and BSE Circular DCS/C OMP/ 20/20 16-17 dated January 18, 2018	Low	No action taken	NA	Delay in intimation of filing voting Results in XBRL mode.	Nil	The listed entity had filed the voting results of Annual General Meeting and Extraordinary General Meeting held on 28 September 2022 and 20 March 2023 respectively to the stock exchange by delay of few days.	The delay and non-filings with respect to stock exchange and MCA was taken care of and certain delays was due to improper net connectivity experienced during that time.	-
3.	Reg. 34 of SEBI (LODR) Regulations, 2015 – Annual Report	Reg. 34(1)(a) of SEBI (LODR) Regulation, 2015	Low	No action taken	NA	Delay in submission of annual report to the stock exchange	Nil	The listed entity had submitted the annual report to the stock exchange by delay of few days	The delay and non-filings with respect to stock exchange and	-



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									MCA was taken care of and certain delays was due to improper net connectivity experienced during that time.
4.	Reg. 31 of SEBI (LODR) Regulations, 2015 – Holding of specified securities and shareholding pattern.	Reg. 31(2) of SEBI (LODR) Regulation, 2015	High	No action taken	NA	Non maintenance of promoter's shareholding in dematerialized form	Nil	Shares held by Mr. Hans Jurgen Wagner* and Knowledge Holdings & Investments Pte. Ltd.* (Promoter and Promoter Group) are not in dematerialized form. *Disclosure under Regulation 30(2) of SEBI (SAST) Regulation 2011, by Mr. Hans Jurgen Wagner and Knowledge Holdings & Investments	Mr. Hans Jurgen Wagner and Knowledge Holdings & Investments Pte. Ltd. were informed to get their shares dematerialized by the Company but no communication is



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								Pte. Ltd was not made.	received so far from either of them.
5.	Reg. 29 of SEBI (LODR) Regulations, 2015 – Prior Intimations	Reg. 29 of SEBI (LODR) Regulation, 2015	low	No action taken	NA	Delay in submission of prior intimations to the stock exchange	Nil	The listed entity had submitted the prior intimations of board meeting where financial results were approved for the quarter ended 30 June 2022, 30 September 2022 and 31 December 2022 to the stock exchange by delay of few days.	The delay and non-filings with respect to stock exchange and MCA was taken care of and certain delays was due to improper net connectivity experienced during that time
6.	Reg. 27 of SEBI (LODR) Regulations, 2015 – Other corporate governance requirements	Reg. 27 of SEBI (LODR) Regulation, 2015	low	No action taken	NA	Wrong data submitted in Corporate Governance Report	Nil	Date of passing special resolution for the appointment of Mr. Suresh Vyas and composition of Stakeholder and Relationship	Clerical error



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								Committee is wrongly reported in the Corporate Governance Report for the quarter ended March 2023 to the stock exchange.		
7.	Reg. 27 of SEBI (LODR) Regulations, 2015 – Other corporate governance requirements	Reg. 27 of SEBI (LODR) Regulation, 2015	low	No action taken	NA	Wrong data submitted in Corporate Governance Report	Nil	Composition of Stakeholder and Relationship Committee is wrongly reported in the Corporate Governance Report for the quarter ended December 2022 to the stock exchange.	Clerical error	
8.	Reg. 42 of SEBI (LODR) Regulations, 2015 – Record Date or Closure of transfer of books	Reg. 42 of SEBI (LODR) Regulation, 2015	High	No action taken	NA	Non-Submission of intimation of notice of record date	Nil	The listed entity has failed to submit the intimation regarding notice of record date of Annual General Meeting and Extraordinary General Meeting held on 28 September 2022 and 20 March 2023 to the stock exchange.	Not mandatorily required	
9.	Reg. 47 of SEBI (LODR) Regulations, 2015 –	Reg. 47 (3) of SEBI	High	No action taken	NA	Delay in public	Nil	The listed entity had published the notice of	The delay and non-	



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	Advertisement in Newspaper Publication	(LODR) Regulation, 2015				ation of notice of Extraordinary General Meeting in the newspaper		Extraordinary General Meeting in the newspaper by delay of three days.	filings with respect to stock exchange and MCA was taken care of and certain delays was due to improper net connectivity experienced during that time.
10.	Reg. 31 of SEBI (SAST) Regulations, 2011– Disclosure of encumbered shares	Reg. 31(4) of SEBI (SAST) Regulations, 2011	High	No action taken	NA	Non submission of yearly disclosure of no encumbrance made during the year to the stock exchange	Nil	The listed entity had failed to submit the yearly disclosure of no encumbrance made during the year for Mrs. Veena Kanodia, SNK Electronics Private Limited and other immediate relatives to the stock exchange.	The delay and non-filings with respect to stock exchange and MCA was taken care of and certain delays was due to



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									improper net connectivity experienced during that time.	
11.	Reg. 9(1) of SEBI (PIT) Regulations, 2015 and Schedule B Code of Conduct	SEBI (PIT) Regulations, 2015- And Schedule B	High	No action taken	NA	Non closure of trading window	Nil	The listed entity had failed to close the trading window for the quarter ended 30 June 2022, 30 September 2022 and 30 December 2022 in respect of securities to which such unpublished price sensitive information relates.	Now being complied with	

Assumptions & Limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is



neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Munish K. Sharma & Associates LLP
Company Secretaries
FRN: P2004UP077300



Aditya Jain
CS Aditya Jain
Partner
M. No.: F11835
C.P. No. 25426
UDIN: F011835F000470216

Place: **Ghaziabad**
Date: **28.05.2024**