



June 25, 2021

To,

General Manager, Listing Department, BSE Limited , P.J. Towers, Dalal Street, Mumbai – 400 001 Company code: 533333	The Manager, Listing & Compliance Department The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Company code: FCL
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Dear Sir/Madam,

Subject :- Annual Secretarial Compliance Report for the year ended 31st March, 2021

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No. CIR/CFD/CMD1/27/2019, dated 8th February, 2019, enclosed please find the Annual Secretarial Compliance Report issued by Mr. Hemant Shetye, Partner of M/s. HS Associates, Practicing Company Secretaries, for the year ended 31st March, 2021.

Kindly take the same on your records and acknowledge receipt of the same.

Thanking You.

Yours faithfully,

FOR FINEOTEX CHEMICAL LIMITED

Hemant Auti
Company Secretary

Secretarial Compliance Report of Fineotex Chemical Limited for the financial year ended 31st March, 2021

To

The Board of Directors,
Fineotex Chemical Limited.
42/43, Manorama Chambers, 4th Floor,
S V Road Bandra (W),
Mumbai- 400050.

I Hemant Shetye, Partner of HS Associates have examined:

- a) all the documents and records made available to us and explanation provided by Fineotex Chemical Limited ("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 31st March, 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **not applicable for the period under review**
- (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; -
- (E) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;



(F) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **not applicable for the period under review**

(G) Securities and Exchange Board of India (Issue and Listing of Nonconvertible and Redeemable Preference Shares) Regulations, 2013; - **not applicable for the period under review**

(H) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(I) SEBI (Depositories and Participants) Regulations, 2018 erstwhile SEBI (Depositories and Participants) Regulations, 1996;

(J) Annual Secretarial audit report and annual secretarial compliance report for listed entities as per SEBI circular CIR/CFD/CMD1/27/2019 dated February 08, 2019;

(K) Disclosure of reasons for delay in submission of financial results by listed entities as per SEBI circular CIR/CFD/CMD-1/142/2018 dated November 19, 2018;

(L) Standardised norms for transfer of securities in physical mode SEBI/HO/MIRSD/DOS3/CIR/P/2018/139 dated November 6, 2018;

(M) Strengthening the Guidelines and Raising Industry standards for RTAs, Issuer Companies and Banker circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated July 16, 2018 read with SEBI circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018;

(N) Standard Operating Procedure for suspension and revocation of trading of specified securities circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018; - **not applicable for the period under review**

(O) System-driven Disclosures in Securities Market as per SEBI circular SEBI/HO/CFD/DCR1/CIR/P/2018/85 dated May 28, 2018;

(P) Monitoring of Foreign Investment limits in listed Indian companies SEBI circular IMD/FPIC/CIR/P/2018/74 dated April 27, 2018 read with SEBI Circular No. IMD/FPIC/CIR/P/2018/61 dated April 5, 2018;

(Q) Disclosures by listed entities of defaults on payment of interest/ repayment of principal amount on loans from banks / financial institutions, debt securities, as per SEBI circular CIR/CFD/CMD/93/2017 dated August 4, 2017; - **not applicable for the period under review**

(R) Database for Distinctive Number (DN) of Shares as per SEBI circular SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/87 dated August 01, 2019;

(S) Disclosure of significant beneficial ownership in the shareholding pattern as per SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2019/36 dated March 12, 2019;

(T) Framework for listing of Commercial Paper as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22nd October 2019 read with Non-compliance with provisions related to continuous disclosures as per SEBI Circular no. SEBI/HO/DDHS/DDHS/CIR/P/2020/231 dated November 13, 2020- **not applicable for the period under review**



(U) Resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI circular CIR/CFD/CMD1/114/2019 dated October 18, 2019; - ***not applicable for the period under review***

(V) Disclosure of standardizing reporting of violations related to code of conduct under SEBI (PIT), 2015 as per SEBI Circular HO/ISD/ISD/CIR/P/2019/82 dated 19th July, 2019

(W) Violation of Insider Trading SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/2020/135 dated July 23, 2020

(X) E-VOTING Facility as per SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020

(Y) Operational guidelines for Transfer and Dematerialization of re-lodged physical shares as per SEBI Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020

(Z) Handling of Scores Complaints as per SEBI Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2020/152 dated 13 August, 2020.

(AA) Automation of System Driven Disclosures as per SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/2020/168 dated September 09, 2020

and based on the above examination, I/~~We~~ 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:



Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
1	Reg 7(3) of LODR: The listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within one month of end of each half of the financial year, certifying compliance with the requirements of sub-regulation (2).	Compliance Certificate pursuant to Reg 7(3) of LODR is not signed by Compliance officer of the Company for half year ended March, 2020.	Compliance Certificate pursuant to Reg 7(3) of LODR for half year ended March, 2020 is signed by Authorised Signatory of the Company.
2	Reg 74(5) of DP Regulations 2018: Compliance Certificate in the matter of Regulation 74 (5) of SEBI (Depository and Participants) Regulations, 2018 in relation to dematerialisation of shares and mutilation and cancellation of share certificates received for dematerialisation of Securities from RTA	Compliance Certificate pursuant to Reg. 74(5) of SEBI (Depository and Participants) Regulations, 2018 is not filed within stipulated period of 30 days to NSE and BSE from the end of March, 2020 quarter.	Compliance Certificate pursuant to Reg 74(5) of SEBI (Depository and Participants) Regulations, 2018 is filed beyond stipulated period of 30 days to BSE and NSE from the end of March, 2020 quarter.



3	<p>Reg 74(5) of DP Regulations 2018: Compliance Certificate in the matter of Regulation 74 (5) of SEBI (Depository and Participants) Regulations, 2018 in relation to dematerialisation of shares and mutilation and cancellation of share certificates received for dematerialisation of Securities from RTA</p>	<p>Compliance Certificate pursuant to Reg. 74(5) of SEBI (Depository and Participants) Regulations, 2018 is not filed under heading Reg 74(5) of BSE for the quarter ended June, 2020.</p>	<p>Compliance Certificate pursuant to Reg 74(5) of SEBI (Depository and Participants) Regulations, 2018 for the quarter ended June, 2020 is filed under Reg 30 of LODR instead of Reg 74(5) of SEBI (Depository and Participants) Regulations, 2018.</p>
4	<p>Reg 23(9) of LODR: The listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website</p>	<p>Disclosure of Related Party Transactions pursuant to Reg 23(9) of LODR is not filed within stipulated period of 30 days from the publication of its standalone and consolidated financial results for the half year ended March, 2020.</p>	<p>Company has filed Related Party Disclosure after the expiry of 30 days of publication of Standalone and Consolidated financial results for the half year ended March, 2020. However, there has been a delay of 4 days in submission of Related Party Disclosure.</p>



5	<p>Reg 24(1) of LODR: At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.</p>	<p>Non-Compliance of Reg 24(1) of LODR.</p>	<p>Company has not appointed Independent Director on the board of directors of the listed entity on the board of directors of an unlisted material subsidiary, incorporated outside India. As informed by the management, Since Malaysian Law requires the Director to obtain a work permit from the Malaysian Government and there is also the reluctance of minority shareholders of the said subsidiary for such an appointment in said subsidiary.</p>
6	<p>Reg 30(2) of SAST Regulations 2011: The promoter of every target company shall together with persons acting in concert with him, disclose their aggregate shareholding and voting rights as of the thirty-first day of March, in such target company in such form as may be specified.</p>	<p>Wrong Shareholding has been mentioned of some promoters in disclosure pursuant to Reg.30(2) of SAST Regulations 2011 for the year ended March, 2020.</p>	<p>Company has erroneously mentioned wrong Shareholding of some promoter in Disclosures pursuant Reg. 30(2) of SEBI (Substantial Acquisition and Takeover) Regulations, 2011.</p>



7	<p>Reg 5(iii) of Buy Back Regulations 2018: The company shall, after expiry of the buy-back period, file with the Registrar of Companies and the Board, a return containing such particulars relating to the buy-back within thirty days of such expiry, in the format as specified in the Companies (Share Capital and Debentures) Rules, 2014</p>	<p>Return of Buyback pursuant to Reg 5(iii) of Buy Back Regulations 2018 is not filed to SEBI within 30 days of Closure of buyback offer</p>	<p>Company has not filed Return of Buy Back with SEBI within stipulated period 30 days of closure of Buy Back period. However, Company filed return of buyback after 30 days from the closure of buyback offer.</p>
8	<p>Reg 15 read with Reg 20(viii) of Buy Back Regulations 2018: The company shall ensure that at least fifty per cent of the amount earmarked for buy-back, as specified in the resolution of the board of directors and In the event of non-compliance with regulation 15, the Board may direct the merchant banker to forfeit the escrow account, subject to a maximum of 2.5 per cent of the amount earmarked for buy-back as specified in Board resolution</p>	<p>Non-Compliance with Regulation 15 read with Reg 20(viii) of SEBI (Buy Back) Regulations, 2018</p>	<p>Company was unable to buyback Fifty percent of amount earmarked by buyback as per board resolution dated 27th July, 2020 as on the date of closure of buyback. As informed by the management, Buyback could not be pursued as the market price was above the maximum buyback price permitted and hence it was closed earlier.</p>



9	Reg 24 (vi) of Buy Back Regulations 2018: The company shall within two days of expiry of buy-back period issue a public advertisement in a national daily	Public announcement as per 24(vi) of Buy Back Regulations 2018 is not made within 2(Two) days of expiry of buyback period.	Company has not made Public Announcement within two days of expiry of buy-back period in a national daily. However, Company has made Public Announcement with a delay of three days.
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far 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 thereunder:

Sr. 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	NSE	Non-Compliance with Reg. 17(1)(a) of LODR.	NSE has levied penalty of Rs. 4,55,000/- (Four Lakhs Fifty Five Thousand)	Company had applied for waiver of penalty and the same was waived by NSE wide its letter Ref. No. NSE/LIST/SOP/0824 dated 13 th November, 2020.



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

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	BSE Circular dated 20th June, 2018 pertaining to Enforcement of SEBI Orders regarding appointment of Directors by listed companies.	The intimation of appointment of Ms Aarti Jhunjhunwala to BSE and NSE did not mention that she is not barred from holding office of Director pursuant to any SEBI order	The Company has intimated same to BSE and NSE on 21 st June, 2019	Company has made necessary submission in the financial year 2019-20.
2.	System-driven Disclosures in Securities Market as per SEBI circular SEBI/HO/CFD/DCR1/CIR/P/2018/85 dated May 28, 2018	The Company was required to provide the information of the subsequent changes in the directors to the depositories on an immediate basis and not later than 2 working days. However, the resignation of Ms. Ritu Gupta has not been provided.	The Company has intimated same to CDSL and NSDL on May, 2019.	Company has made necessary submission in the financial year 2019-20.



<p>3.</p>	<p>Reg. 29(d) of LODR: The listed entity shall give prior intimation to the stock exchange about the meeting of the Board Of Directors in which the following proposal is due to be considered "fund raising by way of further public offer , right issue, American Depository Receipt /Global Depository Receipts, FCCB, Q1P, debt issue, preferential issue or any other method and for determination of issue price:</p>	<p>No prior intimation was given to the stock exchanges of the Board Meeting held on 14th August, 2018 and prior intimation with respect to shareholders approval in the Annual General Meeting held on 28th September, 2018 was given in the form of Notice of AGM to the stock exchanges by the Company, wherein the fund-raising proposal was considered.</p>	<p>Intimation in the mode of outcome of Board Meeting of the Company was made.</p>	<p>Company has intimated the same in the outcome of the Board Meeting of the Company.</p>
<p>4.</p>	<p>Reg. 30(2) of LODR: The events specified in Para A of Part A of Schedule III shall be deemed to be material events and the listed entity shall make disclosure of such events. Point 4 d of Para A of Part A of Schedule III: The listed entity shall disclose to the exchange, within 30 minutes of the closure of the meeting Outcome of the Board Meeting where the decision with respect to fund raising was proposed to be undertaken.</p>	<p>No outcome of the meeting was given to the exchanges wherein the decision with respect to raising of funds was considered in the Board Meeting held on 14th August, 2018 and with respect to shareholders approval, the outcome was given to the exchanges in the form of summary of proceedings of the Annual General Meeting</p>	<p>General Authority was given to Whole-Time Director of the Company for raising of funds through Employee Stock Option and Preferential Issue of the shares.</p>	<p>Specific mode of raising of funds and quantum of issue was not given in Outcome of the Board Meeting of the Company..</p>



Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2020	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Reg. 29(d) of LODR: The listed entity shall give prior intimation to the stock exchange about the meeting of the Board Of Directors in which the following proposal is due to be considered "fund raising by way of further public offer , right issue, American Depository Receipt /Global Depository Receipts, FCCB, Q1P, debt issue, preferential issue or any other method and for determination of issue price"	No prior intimation was given to the stock exchanges of the Board Meeting held on 13 th August, 2019.	NSE and BSE has levied penalty of Rs. 10,000/- each.	Default is made good by paying the requisite penalty as levied by NSE and BSE.



Note:

1. This report is based on the following: -
 - a) This report is based on the data received from the RTA through electronic mode. Physical verification of the data and corresponding documents could not be accessed due to COVID-19 pandemic and restrictions imposed by the Maharashtra Government and local authorities.
 - b) Compliances required to be done by the Company during the Financial Year ended 31st March, 2020 (i.e. the period covered for the purpose of this Report is from 01st April, 2020 to 31st March, 2021)
2. There was no event of appointment/ re-appointment/ resignation of statutory auditor of the Company during the review period and the Company has suitably modified the terms of appointment of its existing statutory auditor in previous financial year ended 31st March, 2020, to comply with clause 6(A) and 6(B) of Circular No. CIR/CFD/CMD1/114/2019 dated 18th October, 2019 issued by SEBI.

Place: Mumbai.

Date: 25th June, 2021.

ICSI UDIN: F002827C000512996

**For HS Associates
Company Secretaries**



**Hemant S. Shetye
Partner
FCS No.: 2827
CP No.: 1483**

