



Regd. Office:

KPT Industries Ltd.

Gat No. 320, Mouje Agar,

A/P & Taluka: Shirol - 416 103,

Dist. Kolhapur, Maharashtra, India.

T: +91-231-2689900

F: +91-231-2689946

E: kpt.ho@kpt.co.in

CIN: L29130MH1976PLC019147

KPT POWER TOOLS

KPT BLOWERS

KPT E VEHICLES

www.kpt.co.in

KPT/SECR/STEX/23-24

www.listing.bseindia.com

25th May, 2023

BSE Limited

Corporate Relationship Department

2nd Floor, New Trading Ring,

P.J. Towers, Dalal Street.

MUMBAI 400 001

Dear Sir,

Sub – Secretarial Compliance Report pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Secretarial Compliance Report, issued by M/s V. Sreedharan & Associates, Practicing Company Secretaries, for the year ended on 31st March, 2023.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For **KPT Industries LTD.**,

Aishwarya Toraskar

COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: - a/a



ISO 9001 : 2015

www.tuv.com
ID 9105025274

INTERNATIONAL BUSINESS DIVISION: Regd. Office:

KPT Industries Ltd.

Gat No. 320, Mouje Agar,

A/P & Taluka: Shirol - 416 103,

Dist. Kolhapur, Maharashtra, India.

T: +91-231-2689900

F: +91-231-2689946

E: export.kpt@kpt.co.in

CIN: L29130MH1976PLC019147



**Secretarial Compliance Report of KPT Industries Limited for the year ended
March 31, 2023**

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **KPT Industries Limited** (hereinafter referred as 'the listed entity'), having its Registered Office at **Gat No. 320, Mouje Agar Taluk, Shirol, Kolhapur, Maharashtra- 416103.**

Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined:

- (a) all the documents and records made available to us and explanation provided by 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 March 31, 2023 ("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, herein referred as SEBI (LODR), Regulations 2015;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Listed entity during the Review Period)**;
- (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 to the Listed entity during the Review Period)**;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable to the Listed entity during the Review Period)**;
- (f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not Applicable to the Listed entity during the Review Period)**;



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

(h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Listed entity during the Review Period);

And circulars / guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period:

- I.(a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder, except in respect of matters specified in **Annexure 1**.
- (b) The listed entity was not required to take any actions as there was no observations made by the Practicing Listed entity Secretary (Secretarial Auditors) in previous reports.
- II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

| Sl. No. | Particulars | Compliance Status (Yes/No/N.A) | Observations / Remarks by PCS |
|---------|--|--------------------------------|---|
| 1. | Compliances with the following conditions while appointing / re-appointing an auditor. | | |
| | 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 | Not applicable | The auditors of the listed entity have not resigned during the Review Period. |
| | 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. | Not applicable | |



| | | | |
|----|---|----------------|--|
| | 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. | Not applicable | |
| 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 Listed entity, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p> <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</p> | Not applicable | The Auditors of the listed entity have not reported any concerns during the Review Period. |



| | | | |
|----|--|-----------------------|--|
| | <p>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> | | |
| 3. | <p>The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.</p> | Not applicable | <p>The auditors of the listed entity have not resigned during the Review Period.</p> |

III. 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. | <p>Secretarial Standards</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Listed entity Secretaries India (ICSI) as notified by the Central Government under Section 118 (10) of the Companies Act, 2013 and mandatorily applicable.</p> | Yes | NIL |



| | | | |
|----|---|---------------------------------|--|
| 2. | Adoption and timely updation of the Policies: <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 & timely updated as per the regulations / circulars / guidelines issued by SEBI. | <p>Yes</p> <p>Yes</p> | <p>All applicable policies were duly adopted during the FY 2022-23.</p> <p>NIL</p> |
| 3. | Maintenance and disclosures on Website: <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. • 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. | <p>Yes</p> <p>Yes</p> <p>No</p> | <p>NIL</p> <p>NIL</p> <p>The management of the Listed entity claimed that the provisions of Corporate Governance specified under SEBI(LODR), Regulations, 2015 were not applicable to the listed entity up to the financial year ending 31.03.2022.</p> <p>Hence Corporate Governance report was not enclosed with the Annual Report of the listed entity for the year ended 31.03.2022.</p> |



| | | | |
|----|--|--------------------------------------|---|
| 4. | Disqualification of Director: None of the Directors of the Listed entity are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity. | Yes | NIL |
| 5. | Details related to Subsidiaries of listed entities have been examined w.r.t: (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries. | Not applicable Not applicable | The listed entity does not have any subsidiaries as on 31.03.2023 |
| 6. | Preservation of Documents: 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. | Yes | All policies specified in this sub-point were duly adopted during the FY 2022-23. |
| 7. | Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees at the start of every financial year / during the financial year as prescribed in SEBI Regulations. | Yes | NIL |
| 8. | Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit committee. | Yes Not applicable | NIL All related party transactions entered into by the listed entity during the Review Period were duly approved by the Audit Committee. |



| | | | |
|-----|--|-----|---|
| 9. | Disclosure of events or information: 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. | Yes | NIL |
| 10. | Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015. | Yes | NIL |
| 11. | Actions taken by SEBI or Stock Exchange(s), if any: 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. | No | <p>The listed entity received a notice dated October 11, 2022 from Bombay Stock Exchange Limited ('BSE') seeking clarification for not filing quarterly compliance report on Corporate Governance as specified under Regulation 27(2)(a) of SEBI (LODR) Regulations, 2015 for the quarter ended September 30, 2022 to which the listed entity furnished its reply on October 13, 2022 along with the legal opinion obtained from Adv. Gaurang Mehta dated January 15, 2022.</p> <p>The Stock exchange subsequently served a notice dated October 20, 2022 asking the listed entity to comply with the Corporate Governance provisions under the SEBI (LODR) Regulations, 2015 and also levied a fine of</p> |



| | | | |
|-----|---|-----|---|
| | | | Rs. 66,080/- (Rupees Sixty-Six Thousand Eighty Only) for not filing quarterly report on corporate governance through e-mail dated November 21, 2022. The listed entity started filing quarterly corporate governance reports from September 2022 quarter onwards. |
| 12. | Additional Non-compliances, if any: No additional non-compliance observed for all SEBI regulation / circular / guidance note etc. | Yes | NIL |

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 V. SREEDHARAN & ASSOCIATES
Company Secretaries

P. B. K.

(Pradeep B Kulkarni)
Partner

FCS: 7260; CP No. 7835

Place: Bengaluru

Date: May 25, 2023

UDIN: F007260E000374044

Peer Review Certificate No. 589/2019



Annexure 1

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) | Regulation/ Circular No. | Deviations | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations / Remarks of the Practising Secretary of the Listed entity | Management Response | Remarks |
|--------|--|--|---|-----------------|--|--|--|---|--|---------|
| 1. | Reg.27(2)- The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within twenty-one days from the end of each quarter. | Regulation 27(2)(a) of SEBI (LODR) Regulations, 2015 | The listed entity has not submitted a quarterly compliance report on corporate governance for the quarter September 2022 as specified under Regulation 27(2)(a) of SEBI (LODR) Regulations, 2015. | BSE Limited | Imposed a fine of Rs.66,080/- (Rupees Sixty-Six Thousand Eighty Only) on the listed entity | Non-filing of quarterly compliance report on Corporate Governance as specified under Regulation 27(2) of SEBI(LODR), Regulations, 2015 the quarter ended September 30,2022 | Rs.66,080/- (Rupees Sixty-Six Thousand Eighty Only) on the listed entity | Kindly refer to our explanation provided below* | Kindly refer to Management response provided below** | NIL |



***Our report is subject to the following observation:**

The Listed entity had filed declaration with the BSE Limited regarding non-applicability of provisions relating to Corporate Governance as mentioned under regulation 15(2) of SEBI (LODR) Regulations, 2015 for the quarter ended June 30, 2022. This was the position held by the management and was supported by a legal opinion dated January 15, 2022 which was also filed with the BSE Limited. As informed by the management of the listed entity, listed entity is of an opinion that provisions as per Regulation 15(2) of SEBI (LODR) Regulations, 2015 are not applicable, as both the conditions i.e. paid up capital and net worth have to be fulfilled together.

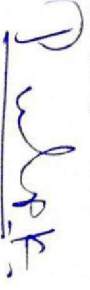
When similar declaration for the quarter ended September 30, 2022 was filed, BSE Limited sent email dated October 11, 2022 to the Listed entity directing them inter alia to comply with the provisions relating to Corporate Governance and to file quarterly compliance report on Corporate Governance. The Listed entity then filed the report on Corporate Governance for the quarter ended September 30, 2022. However, due to delayed filing, BSE Limited levied a fine of Rs. 66,080 the listed entity paid this amount under protest. The Listed entity, in compliance with the direction of the BSE Limited, filed quarterly compliance report on Corporate Governance for the quarter ended September 30, 2022 and subsequent quarters. By email dated November 04, 2022, the Listed entity reiterated its stand and sought withdrawal of the requisition contained in the email of BSE Limited dated October 11, 2022 referred to above. The management is awaiting response of BSE Limited to the same.



**** Management Response:**

"We had filed declaration with the BSE Limited regarding non-applicability of provisions relating to Corporate Governance as mentioned under regulation 15(2) of SEBI (LODR) Regulations, 2015 for the quarter ended June 30, 2022. This was the position held by us and was supported by a legal opinion dated January 15, 2022 which was also filed with the BSE Limited. Company is of the opinion that provisions as per Regulation 15(2) of SEBI (LODR) Regulations, 2015 are not applicable, as both the conditions i.e. paid up capital and net worth have to be fulfilled together. However, we have filed the report on Corporate Governance for the quarter ended September 30, 2022 onwards and paid the fine amount of Rs. 66,080/- (Rupees Sixty-Six Thousand Eighty Only) under protest."

For V. SREEDHARAN & ASSOCIATES
Company Secretaries



(Pradeep B Kulkarni)
Partner
FCS: 7260; CP No. 7835
Place: Bengaluru



Date: May 25, 2023
UDIN: F007260E000374044
Peer Review Certificate No. 589/2019