

ISMT/SEC/20-21

July 15, 2020

Listing Department
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai - 400 001
Scrip Code: 532479

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
Symbol: ISMTLTD

Dear Sirs,

Sub: Annual Secretarial Compliance Report – FY ended March 31, 2020

In terms of Regulation 24A of the SEBI (LODR) Regulations, 2015, please find enclosed Annual Secretarial Compliance Report of the Company for FY ended March 31, 2020.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For **ISMT Limited**

Chetan Nathani
Company Secretary
Encl.: As above

Annual Secretarial Compliance Report of ISMT Limited for the Financial Year ended 31st March, 2020

We have examined:

- a) All the documents and records made available to us and explanation provided by ISMT Limited ("the company") having CIN L27109PN1999PLC016417 having its registered office at Lunkad Towers, Viman Nagar, Pune – 411014 Maharashtra.
- b) The filings/ submissions made by the company to the stock exchanges.
- c) Website of the company.
- d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification for the year ended 31st March, 2020 in respect of compliance with 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 - No comment offered as there was no event covered under this Regulation during the period ending on 31.03.2020;
- 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 - No comment offered as there was no event covered under this Regulation during the period ending on 31.03.2020;
- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - No comment offered as there was no event covered under this Regulation during the period ending on 31.03.2020;
- f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - No comment offered as there was no event covered under this Regulation during the period ending on 31.03.2020;



h. Redeemable Preference Shares)Regulations,2013- No comment offered as there was no event covered by regulations during the period ending on 31.03.2020;

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

and based on the above examination, we hereby report that, during the period under review:

a. The company 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.	<p>Regulation 31(2) of SEBI (LODR), 2015</p> <p>Listed Entity Shall ensure that 100% of shareholding of promoter and Promoter group are in dematerialized form.</p>	<p>Shareholding of one promoter group holding 23,527 shares or 0.02% of the total share capital is not in demat form</p>	<ul style="list-style-type: none"> • Misrilall Properties Pvt. Ltd., Promoter Group holding 23,527 shares or 0.02% of the total share capital of the Company is holding the said shares in physical form. • The Company has informed us that this entity was classified as promoter group by virtue of being related to promoter late Mr. A K Jain who was also a director of the Company but not actively involved in the day to day affairs of the Company. Mr. A K Jain passed away on April 12, 2013. • The Company is now taking steps to re-classify them from Promoter to Public Category.

b. The company has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

c. The following are the details of the actions taken against the company/ 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 the Action taken, Eg., fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary
1.	BSE & NSE	<p>Regulation 33 of SEBI (LODR), 2015:</p> <p>There was a delay of 13 days in submission of annual audited standalone & Consolidated financial results along with the audit report for the financial year ending 31.03.2019 to Stock Exchanges.</p>	<p>The Company has paid necessary fine of amounting to Rs. 88,500/- each to NSE and BSE</p>	<p>As informed by the Company, the Board meeting approving the financial statements for the financial Year ended on 31st March, 2019, was held on 14th June, 2019 and accordingly there was a delay in submission of the results to the Stock Exchange/s due to delay in financial statements of the foreign subsidiaries of the Company.</p>
2.	BSE & NSE	<p>Regulation 17(1) (b) of SEBI (LODR), 2015:</p> <p>Delay in appointment of an Independent Director on the Board of the Company (Non-compliance pertains to FY2018-19)</p>	<p>The Company has paid necessary fine amounting to Rs. 3,48,100/- each to NSE and BSE</p>	<ul style="list-style-type: none"> • Non-compliance with the requirements pertaining to the composition of the Board. • The tenure of three existing independent directors of the company got completed on 28th December, 2018. On the same day, the company appointed a new independent director and re-appointed an existing independent director for the second term while there was a vacancy for third independent director. • The Company has informed us that it had conveyed to stock exchanges vide letter dt. 05.02.2019 that R. 25(6) of SEBI (LODR) Regulations, 2015 provides 3 months to appoint a new



				independent director & that the Company has accordingly appointed an independent director within 3 months period.
3.	NSE	Regulation 31 of SEBI (LODR), 2015 Delay of 16 days in Submission of shareholding pattern Report for the quarter ending 30 th June, 2019	The Company has paid necessary fine of Rs. 37,760/- to NSE	As informed by the Company, the shareholding pattern for the quarter ending on 30 th June, 2019 was submitted late due to technical reasons, as the information on SBO (Significant Beneficial Owners) could not be filled in the NSE format of shareholding pattern which is a mandatory section as the same was to be filed based on the information in BEN-2 form which was not filed with ROC as the same was not yet due for filing with ROC.

- 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.	Regulation 31(2) of SEBI (LODR) Regulations, 2015: Shareholding of one promoter group holding 23,527 shares or 0.02% of the total share capital is not in Dematerialized form	<ul style="list-style-type: none"> One of the Shareholder belonging to a promoter group holding 23,527 shares (approx.. 0.02% of the total Paid up share capital) was not holding shares in the dematerialized form as on 31st March, 2020. 	The Company is now taking steps to re-classify them from Promoter to Public Category.	As informed by the Company, the shares belonged to one of the body corporate related to the deceased promoter and the Company has taken up the initiative to re-classify them from Promoter to Public Category.
2.	Regulation 17(1) (b) of SEBI (LODR)	<ul style="list-style-type: none"> Non-compliance with the 	The Company has informed us that it	The Company has appointed an



	<p>Regulations, 2015:</p> <p>Delay in appointment of an Independent Director on the Board of the Company</p>	<p>requirements pertaining to the composition of the Board.</p> <ul style="list-style-type: none"> The tenure of three existing independent directors of the company got completed on 28th December, 2018. On the same day, the company appointed a new independent director and re-appointed an existing independent director for the second term while there was a vacancy for third independent director. 	<p>had conveyed to stock exchanges vide letter dt. 05.02.2019 that R. 25(6) of SEBI (LODR) Regulations, 2015 provides 3 months to appoint a new independent director & that the Company has accordingly appointed an independent director within 3 months period.</p>	<p>Independent Director on 1st March, 2019 and complied with the Regulation 17(1) of SEBI LODR.</p>
--	--	--	---	--

e. The company has complied with para 6(A) and 6(B) of the SEBI Circular no. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

DISCLAIMER: "Verification of documents has been conducted virtually due to Covid-19 pandemic. This certificate is issued on the basis of information provided by the company and audit meetings conducted through video conferencing mode."

**For KMDS & Associates
Company Secretaries**

Milind Kasodekar

**CS Milind Kasodekar
Partner
M.NO : F2756
C.P.1681
Place: Pune
Date: 19.06.2020
UDIN: F002756B000357561**

