



CIN # L99999GJ1987PLC009768
Regd. Office : 9-10, GIDC Industrial Estate, WAGHODIA, Dist. : Vadodara, 391760.
Ph. # 75 748 06350 E-Mail : co_secretary@20microns.com
Website : www.20microns.com

20th May, 2024

To:

BSE LIMITED Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Fort, MUMBAI – 400 001. <u>SCRIP CODE : 533022</u>	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Listing Department Exchange Plaza, Bandra – Kurla Complex, Bandra [East], MUMBAI – 400 051. <u>SCRIP CODE : 20MICRONS</u>
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Dear Sir/Madam,

Re: Annual Secretarial Compliance Report for the year ended 31.03.2024

Pursuant to Regulation 24A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), this is to inform you that the Board of Directors of 20 Microns Limited at their meeting held on May 17, 2024 have taken note of the Annual Secretarial Compliance Report issued by the Secretarial Auditors of the Company, M/s. Parikh Dave & Associates [FCS no. 4152 & CP No. 2413] for the year ended 31st March, 2024 and the same is enclosed.

We now request you to arrange to take note of the above.

Thanking you,

Yours faithfully
20 Microns Limited

[Komal Pandey]
Company Secretary &
Compliance Officer
Membership no: A-37092
Encl.: as above.

SECRETARIAL COMPLIANCE REPORT OF 20 MICRONS LIMITED
FOR THE YEAR ENDED ON MARCH 31, 2024

To,
The Board of Directors
20 MICRONS LIMITED
CIN: L99999GJ1987PLC009768
9-10, G.I.D.C. Industrial Estate,
Waghodia, Baroda - 391760

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by 20 Microns Limited (hereinafter referred as 'the listed entity'), having its Registered Office at 9-10, G.I.D.C. Industrial Estate, Waghodia, Baroda – 391760. 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, 2024, 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, Parikh Dave & Associates, Practicing Company Secretaries, have examined:

- a) all the documents and records made available to us and explanation provided by 20 Microns 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 on 31st March, 2024 ("Review Period") in respect of compliance with the provisions of:

- a) Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) 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, to the extent applicable;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, **(Not Applicable to the Company during the Review Period)**;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the extent applicable;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, **(Not Applicable to the Company during the Review Period)**;
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, **(Not Applicable to the Company during the Review Period)**;

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- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, **(Not Applicable to the Company during the Review Period);**
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; to the extent applicable;
- h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, to the extent applicable;
- i) The Depositories Act, 1996 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, to the extent applicable;

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 listed entities are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	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 & 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. • 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. 	Yes	--
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013.	Yes	--
5.	<u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies. (b) Requirements with respect to disclosure of material as well as other subsidiaries.	Yes	--

6.	<u>Preservation of Documents:</u> 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	--
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	--
8.	<u>Related Party Transactions:</u> (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 NA	-- The company has obtained the prior approval of Audit Committee for all related party transactions
9.	<u>Disclosure of events or information:</u> 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	--
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	--
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> 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.	Yes	BSE and NSE had imposed fine on the Company for non-compliance of Regulation 17 (1A) of SEBI (LODR) Regulations, 2015. However, pursuant to the order passed by Hon'ble SAT in favor of the Company, both the Stock Exchanges have refunded the amount of fine paid by the Company. (Please refer Point no. (a) on page no. 5 of this report.)
12.	<u>Additional Non-compliances, if any:</u> No additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	There is no additional non-compliance.

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:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	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	NA	There was no event of resignation by Auditor
	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	NA	
	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.	NA	
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: 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. 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. 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.	NA	No such reporting has been made by Auditor
	ii. Disclaimer in case of non-receipt of information: 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.	NA	No such disclaimer has been given by Auditor in their report

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3.	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 18 th October, 2019.	NA	There was no event of resignation by Auditor in listed entity
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- 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:

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 Practicing Company Secretary	Management Response	Remarks
Regulation 17 (1A) of SEBI (LODR) Regulations, 2015 provides that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.	Regulation 17 (1A) of SEBI (LODR) Regulations, 2015	From the Corporate Governance report filed for the Quarter ended on 30 th June, 2023 and 30 th September, 2023 it was observed that Mr. Swaminathan Sivaram, aged more than 75 years has been appointed as an Independent Director without prior approval of shareholders by way of Special Resolution.	BSE and NSE	(i) Both the Stock exchanges NSE & BSE vide their email dated 21 st August, 2023 imposed separate fine of Rs. 92,000/- plus GST on the Company on the basis of Corporate Governance report filed for the quarter ended on 30 th June, 2023 i.e. for the period from 16 th May, 2023 till 30 th June, 2023 (ii) Both the Stock exchanges NSE & BSE vide their email dated 21 st November, 2023 imposed separate fine of Rs. 80,000/- plus GST on the Company on the basis of Corporate Governance report filed for the quarter ended on 30 th September, 2023 i.e. for the period from 1 st July, 2023 till 9 th August, 2023	It was claimed by NSE and BSE that appointment of Mr. Swaminathan Sivaram (Independent Director) who has attained the age of 75 years has been made without prior approval of the shareholders by way of special resolution which is not as per requirement of Regulation 17 (1A) of SEBI (LODR) Regulations.	(i) Fine of Rs. 92,000/- plus GST imposed by each stock exchange (ii) Fine of Rs. 80,000/- plus GST imposed by each stock exchange	Mr. Swaminathan Sivaram who has attained the age of 75 years has been appointed as an Independent Director of the Company with effect from 16 th May, 2023 by the Board of Directors. His appointment is further approved by shareholders at 36 th Annual General Meeting held on 10 th August, 2023 by way of special resolution. NSE and BSE had raised the query that for appointment of Non Executive Director who has attained that age of 75 years the Company shall take prior approval of shareholders by way of special resolution. The Company has replied that the word "prior" is not specifically written in the Regulation 17 (1A) of SEBI (LODR) Regulations.	The Company has always been a law abiding Company. The appointment of Mr. Swaminathan Sivaram who has attained the age of 75 years as an Independent Director has been made by Company in due compliance of law as his appointment is approved by shareholders by way of special resolution at the immediate next Annual General Meeting held. Since prior approval of shareholders was not required company filed an appeal before Hon'ble SAT and the matter has been decided in favor of the Company and hence there was no non-compliance on the part of the Company.	

							<p>However, both the stock exchanges based on the quarterly corporate governance report filed by the Company for the quarter ended on 30th June, 2023 and 30th September, 2023 has levied the fine by the letters dated 21st August, 2023 and 21st November, 2023 respectively.</p> <p>The Company paid the fine to both the stock exchanges "under protest" on receipt of emails from Stock exchanges.</p> <p>The Company has made an appeal with the Hon'ble Securities Appellate Tribunal (SAT), Mumbai bench against both the stock exchanges on 22nd November, 2023 for the levy of fine.</p> <p>Hon'ble SAT has pronounced its order on 28th November, 2023 in favour of the Company and stated that there was no violation by the Company and no penalty could have been imposed on the Company.</p> <p>NSE has refunded the fine amount and BSE has refunded the fine amount of first quarter and fine of second quarter was set off against the listing fees paid by Company.</p>	
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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 clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

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 PARIKH DAVE & ASSOCIATES
COMPANY SECRETARIES**

UMESH
GOVINDPRASA
D PARIKH

Digitally signed by
UMESH GOVINDPRASAD
PARIKH
Date: 2024.05.17 16:34:18
+05'30'

**UMESH PARIKH
PRACTICING COMPANY SECRETARY
PARTNER
ICSI Unique Code No.: P2006GJ009900
Peer review Certificate No.: 796/2020
FCS No.:4152 C. P. No.: 2413
UDIN: F004152F000389647**

**Place : Ahmedabad
Date : 17/05/2024**