



May 25, 2024

To,
BSE Limited
Listing Compliance & Legal Regulatory
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
Stock Code: 543233

To,
National Stock Exchange of India Limited
Listing & Compliance
Exchange Plaza, Bandra-Kurla Complex,
Bandra East, Mumbai 400 051
Stock Symbol: CHEMCON

Dear Sir/Madam,

Sub: Annual Secretarial Compliance Report

Pursuant to Regulation 24A of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, read with SEBI circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, please find enclosed herewith the Annual Secretarial Compliance Report dated May 6, 2024 for the year ended on March 31, 2024 issued by Rathod & Co., Practicing Company Secretaries.

This is for your information and records.

Thanking you,
Yours faithfully,
Chemcon Speciality Chemicals Limited

Shahilkumar Kapatel
Company Secretary & Compliance Officer
Membership No.: A52211

Secretarial Compliance Report of
Chemcon Speciality Chemicals Limited
for the financial year ended 31st March 2024

I, Chirag Vinodbhai Rathod, Proprietor – Rathod & Co., Practicing Company Secretary, have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Chemcon Speciality Chemicals Limited (hereinafter referred as “the Company”) having CIN L24231GJ1988PLC011652 and having its Registered Office at Block No. 355, Manjusar-Kunpad Road, Village: Manjusar, Taluka: Savli, Dist.: Vadodara – 391 775, Gujarat. Secretarial Review was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the Company has, during the review period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter.

I have examined:

- (a) all the documents and records made available to me and explanation provided by Chemcon Speciality Chemicals Limited (“the Company”),
- (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 report,

for the year ended 31st 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”), 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;
- (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 during the Review Period)

- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable during the Review Period)**
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable during the Review Period)**
- (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 (Delisting of Equity Shares) Regulations, 2021; **(Not applicable during the Review Period)**

and circulars/ guidelines issued thereunder;

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

I. (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.	1
Compliance Requirement (Regulations / circulars / guidelines including specific clause)	<ol style="list-style-type: none"> 1. Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015 - Not less than 50% of the board of directors shall comprise of non-executive directors. 2. Regulation 17(1)(b) of the SEBI (LODR) Regulations, 2015 - Where the Company does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors. 3. Regulation 17(1E) of the SEBI (LODR) Regulations, 2015 - Any vacancy in the office of a director shall be filled by the Company at the earliest and in any case not later than three months from the date such vacancy. 4. Regulation 25(6) of the SEBI (LODR) Regulations, 2015 - An independent director who resigns or is removed from the board of directors of the Company shall be replaced by a new independent director by the Company at the earliest but not later than three months from the date of such vacancy.
Regulation/ Circular No.	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Deviations	During the financial year 2023-24, two Independent Directors of the Company resigned from the Board of Directors on 13 th May, 2023 and 26 th June 2023 and the Company appointed two Independent Directors in place of the Independent Directors who resigned from the board of directors after the period of three months from the date of vacancy, this resulted in non-compliance with Regulation 17(1), Regulation 17(1E) and Regulation 25(6) of the SEBI (LODR) Regulations, 2015.
Action Taken by	National Stock Exchange of India Limited and BSE Limited
Type of Action (Advisory / Clarification / Fine / Show Cause Notice / Warning, etc.)	Fine
Details of Violation	Non-compliance with regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Fine Amount	12,50,000 + GST



Observations / Remarks of the Practicing Company Secretary	The Company has duly paid the fines levied by the National Stock Exchange of India Limited and BSE Limited. Further, the Company had appointed two Independent Directors on 16 th December 2023 and thereby complied with regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Management Response	The Board noted the instance of non-compliance and acknowledged the notices issued by stock exchanges in this regard. The Board emphasized the need for strict adherence to the SEBI (LODR) Regulations, 2015 and have appointed two Independent Directors, Mr. Pankaj Amritlal Shah and Mr. Lalit Ramniklal Mehta, to make the composition of Board in line with Regulation 17(1) of SEBI (LODR) Regulations, 2015. The delay in addressing the non-compliance was due to the time consumed in the identification of proper candidates for the position of Independent Directors. The corrective action taken by the Company shall be communicated to stakeholders in an appropriate manner.
Remarks	-

(b) The Company 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 (Advisory / Clarification / Fine / Show Cause Notice / Warning, etc.)	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

II. Compliances related to resignation of statutory auditors from the Company 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	The auditor of the Company has not resigned during the period under review.
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		



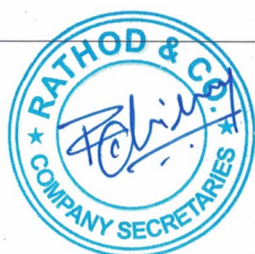
Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
iii.	If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.		
2.	Other conditions relating to resignation of statutory auditor:		
i.	<p>Reporting of concerns by Auditor with respect to the Company/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the Company/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 Company, 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>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>	NA	<p>The auditor had no concern with the management of the Company/material subsidiary and has not proposed to resign during the period under review.</p> <p>Further, there has been no instance where the Company / its material subsidiary has not provided information as required by the auditor.</p>
ii.	<p>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 Company/ its material subsidiary has not provided information as required by the auditor.</p>		



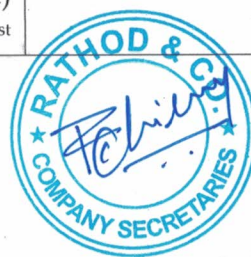
Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
3.	The Company / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 th October, 2019.	NA	The auditor of the Company has not resigned during the year under review.

III. I hereby report that, during the review period the compliance status of the Company is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
1.	Secretarial Standards: The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	YES	-
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 the board of directors of the Company. All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI. 	YES	-
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Company maintains 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 redirects to the relevant document(s)/ section of the website. 	YES	-
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the Company.	YES	-
5.	Details related to Subsidiaries of Company have been examined w.r.t.:	NA	The Company had no Subsidiaries during the period



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
	a. Identification of material subsidiary companies. b. Disclosure requirement of material as well as other subsidiaries.		under review.
6.	Preservation of Documents: The Company 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.	Performance Evaluation: The Company 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	-
8.	Related Party Transactions: a. The Company has obtained prior approval of Audit Committee for all related party transactions; or b. The Company 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.	YES NA	- There were no instances where prior approval was not obtained.
9.	Disclosure of events or information: The Company 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.	Prohibition of Insider Trading: The Company is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	YES	-
11.	Actions taken by SEBI or Stock Exchange(s), if any: The National Stock Exchange of India Limited and BSE Limited has levied fine as per SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 (Chapter-VII(A)-Penal Action for Non-Compliance) for the quarter ended 30 th September 2023 and 31 st	NO	The Company has duly paid the fines levied by the National Stock Exchange of India Limited and BSE Limited. Further,



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*												
	December 2023 for non-compliance with the requirements pertaining to the composition of the Board under Reg. 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as below:		the Company had appointed two Independent Directors on 16 th December 2023 and thereby complied with regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.												
	<table border="1"> <thead> <tr> <th></th> <th>NSE Limited Fine excluding GST</th> <th>BSE Limited Fine excluding GST</th> </tr> </thead> <tbody> <tr> <td>September 2023</td> <td>2,45,000</td> <td>2,45,000</td> </tr> <tr> <td>December 2023</td> <td>3,80,000</td> <td>3,80,000</td> </tr> <tr> <td>TOTAL</td> <td>6,25,000</td> <td>6,25,000</td> </tr> </tbody> </table>		NSE Limited Fine excluding GST	BSE Limited Fine excluding GST	September 2023	2,45,000	2,45,000	December 2023	3,80,000	3,80,000	TOTAL	6,25,000	6,25,000		
	NSE Limited Fine excluding GST	BSE Limited Fine excluding GST													
September 2023	2,45,000	2,45,000													
December 2023	3,80,000	3,80,000													
TOTAL	6,25,000	6,25,000													
12.	<p>Additional non-compliances, if any:</p> <p>Apart from the non-compliances mentioned in this report, no additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>	YES	-												

Assumptions & Limitation of scope and Review:

1. Compliance with the applicable laws and ensuring the authenticity of documents and information furnished are the responsibilities of the management of the Company.
2. Our responsibility is to report 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 the Financial Records and Books of Accounts of the Company.
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 Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rathod & Co.
Practicing Company Secretaries



Chirag Vinodbhai Rathod
Membership No. A54460
C.O.P. No. 20186
Peer Review Certificate No.: 1762/2022

Date: 6th May 2024
Place: Anand
UDIN: A054460F000317195