



India Nippon Electricals Ltd

REGD. OFFICE

11 & 13, Patullos Road, Chennai - 600 002

Tel : +91 44 28460073, **Email :** inelcorp@inel.co.in

CIN : L31901TN1984PLC011021

30th May 2024

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No.C1, G Block,
IFB CENTRE, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051.

Scrip Code: INDNIPPON

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

Scrip Code: 532240

Dear Sir/ Madam,

Sub: Submission of Annual Secretarial Compliance Report for the year ended 31st March 2024

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith the Annual Secretarial Compliance Report for the year ended 31st March 2024 issued by Ms Sri Vidhya Kumar, Partner (M. No. F11114/ CP No.20181), M/s S.A.E. & Associates LLP, Practicing Company Secretaries and Secretarial Auditor of the Company.

Thanking you

Yours Sincerely

For India Nippon Electricals Ltd

**SEKAR
LOGITHA**

Digitally signed by SEKAR LOGITHA
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pseudoym=fda776a3daa489ca5e953a4b273c6,
2.5.4.20=59f6ce1986231183a360ba1c0460703322
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ou=TAMIL NADU,
serialNumber=5744284ae6d4e4f733d5780044a1a00b,
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**S Logitha
Company Secretary**

Encl.: As above

UNIT I - Hosur : Thalli Road, Uliveeranapalli, Hosur - 635 114, Tamil Nadu, India

Tel : +91 4347 233432 - 438 **Email :** inelhsr@inel.co.in,

Web : www.indianippon.com **inelmkt@inel.co.in**

IATF 16949:2016
BUREAU VERITAS
Certification



S.A.E. & Associates LLP
COMPANY SECRETARIES

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6th Street, Vadapalani, Chennai-600 026
T-91-44-42048235, T-91-44-42048335

Secretarial Compliance Report of
India Nippon Electricals Limited for the financial year ended 31st March 2024
[Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and
Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.
CIR/CFD/CMD1/27/2019, dt 8th February 2019]

To

INDIA NIPPON ELECTRICALS LIMITED (CIN: L31901TN1984PLC011021)
No. 11 & 13, (Old No. 6 & 7)
Patullos Road,
Chennai - 600002

We, S.A.E. & Associates LLP, Company Secretaries have conducted a review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by India Nippon Electricals Limited (hereinafter referred as 'the Listed entity'), having its registered office at No. 11 & 13, (Old No. 6 & 7), Patullos Road, Chennai - 600002. Secretarial Review was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations 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 the Listed entity 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 :

We, S.A.E & Associates LLP, Company Secretaries, 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 BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), where its equity shares are listed ("hereinafter referred to as the Stock exchanges"),
- (c) website of the Listed entity (www.indianippon.com),
- (d) other relevant documents/filings which have been relied upon to make this certification,

for the financial year ended 31st March 2024, (hereinafter referred to as "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



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- (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, includes:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), as amended from time to time;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (**No compliance requirement was applicable to the Listed entity during the Review Period**);
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended from time to time; (**Not applicable to the Listed entity during the Review Period**)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time; (**Not applicable to the Listed entity during the Review Period**)
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time; (**Not applicable to the Listed entity during the Review Period**)
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
- (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time;

Based on the above examination, 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, save in respect of matters specified in **Annexure 1**
- (b) The Listed entity has taken actions as mentioned in the remarks column in **Annexure 2** to comply with the observations made in previous report presented for the financial year ended 31st March 2023
- (c) The reporting as required under circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019, issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and/or their material subsidiaries" **is not applicable during the Review Period** since there was no instance of resignation of statutory auditors during the Review Period.



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(d) As per BSE Circulars 20230316-14 dated 16th March 2023 and 20230410-41 dated 10th April 2023, and NSE Circulars NSE/CML/2023/21 dated 16th March 2023 and NSE/CML/2023/30 dated 10th April 2023, we confirm the following:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
1.	<u>Secretarial Standard:</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	None
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	None
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 redirects to the relevant document(s)/ section of the website 	Yes	None
4.	<u>Disqualification of Director:</u> None of the Director of the Listed Entity are disqualified under section 164 of Companies Act, 2013	Yes	None
5.	<u>To examine details related to Subsidiaries of listed entities:</u> <ul style="list-style-type: none"> • Identification of subsidiary/ material subsidiary companies • Requirements with respect to disclosure of material as well as other subsidiaries 	Yes	The Listed Entity does not have any material subsidiaries.



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Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
6.	<p><u>Preservation of Documents:</u></p> <p>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</p>	Yes	None
7.	<p><u>Performance Evaluation:</u></p> <p>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</p>	Yes	None
8.	<p><u>Related Party Transactions:</u></p> <ul style="list-style-type: none"> • The listed entity has obtained prior approval of Audit Committee for all Related party transactions • 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	Refer Annexure-1
9.	<p><u>Disclosure of events or information:</u></p> <p>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.</p>	Yes	Refer Annexure-1
10.	<p><u>Prohibition of Insider Trading:</u></p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	None
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>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</p>	NA	None



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Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
12.	<u>Additional Non-compliances, if any:</u> No additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	NA	None

Place : Chennai
Date : 30-May-2024

For S.A.E. & Associates LLP
Company Secretaries

SRI
VIDHYA
KUMAR

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by SRI VIDHYA
KUMAR
Date: 2024.05.30
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Sri Vidhya Kumar, Partner
M.No: F11114; COP.No. 20181
FRN: L2018TN004700
Peer review Certificate No: 2822/2022
UDIN: F011114F000506103

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Annexure 1

Sr No.	Compliance Requirement (Regulations /circulars/ guidelines including (A)	Regulation /Circular No. (B)	Deviations (C)	Action Taken by (D)	Type of Action (E)	Details of Violation (F)	Fine Amount (G)	Observations/Remarks of the Practicing Company Secretary (H)	Management Response (I)	Remarks (J)
1	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Compliance: Filing related party transaction with Stock Exchanges on half yearly basis	Regulation 23 (9)	On recommendation of NRC, the Board of Directors in their meeting held on 26 th May 2023, have approved payment of commission to the NEDs to an extent of Rs. 55 Lakhs for the FY 22-23. However, this was not disclosed as related party transaction in the report filed with Stock Exchanges for the half year ended 30 th September 2023.	NA	NA	As mentioned in Column C	NA	As mentioned in Column C	This has been disseminated to the stock exchanges in the return filed for the half year ended 31 st March 2024.	
2	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Compliance: Material events to be disseminated to Stock Exchange within 30 minutes	Schedule III Part A (4)	Financial results for the quarter ended 30 th September 2023 was approved at the board meeting held on 8 th November 2023 which concluded at 05:15 PM. The said results were	NA	NA	As mentioned in Column C	NA	As mentioned in Column C	The delay was due to some internal technical glitches.	



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Sr No.	Compliance Requirement (Regulations /circulars/ guidelines including (A)	Regulation /Circular No. (B)	Deviations (C)	Action Taken by (D)	Type of Action (E)	Details of Violation (F)	Fine Amount (G)	Observations/Remarks of the Practicing Company Secretary (H)	Management Response (I)	Remarks (J)
	of the conclusion of board meeting		disseminated to BSE at 06:05 PM							
3	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Compliance: All related party transactions shall require prior approval of the audit committee	Reg 23 (2)	A transaction entered into with one of the Listed Entity's related parties during the quarter ended 30 th June 2023 was ratified at the audit committee meeting held on 9 th August 2023	NA	NA	As mentioned in Column C	NA	As mentioned in Column C	Ratification has been obtained from the audit committee. Further the said transaction was undertaken at arm's length basis.	



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Annexure 2

Sr No.	Compliance Requirements (Regulations /circulars/ guidelines including	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
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	LODR	Regulation 23 (9)	Non-Disclosure of remuneration paid to all NEDs	NA	NA	Same as in Col 4.	NA	The NRC and the Board, in their meetings held in May 22, have approved payment of commission to the NEDs to an extent of Rs 45 Lakhs for the FY 21-22, which is not included in the HY return on RPT filed with SE.	This has subsequently been disseminated in the second half yearly return filed for the year ended 31 st Mar 2023.	Based on the records provided to us we understand that the Listed Entity had reported this in the return filed with stock exchanges for the half year ended 31 st March 2023
2	Secretarial Standards	Clause 13.7	General Consent for giving notes on UPSI at shorter notice	NA	NA	Same as in Col 4	NA	General consent for giving Notes on items of Agenda which are in the nature of Unpublished Price Sensitive Information at a shorter Notice may be taken in the first Meeting of the Board held in each financial	UPSI related information is being shared to the Directors through an app considering the sensitivity and due to technical glitches in the app, there was a small delay.	On review of minutes of FY 2023-2024, we observe that consent of directors has been obtained in the first Meeting of the Board for sharing UPSI at a shorter notice as



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Sr No.	Compliance Requirements (Regulations /circulars/ guidelines including	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
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
								year and also whenever there is any change in Directors. No such approval has been taken.		required under Secretarial Standards issued by ICSI.
3	SEBI (SAST)	Regulation 31 (4)	Non obtaining of a disclosure from the promoter regarding no encumbrance on an yearly basis and placing the same before the Audit Committee and filing with SE.	NA	NA	Same as in Col 4	NA	The said declaration was not placed before the Audit Committee	Under 31 (1,2,3), promoters have not made any disclosure under regulation 31(4) to the company in the previous year. However, Nil encumbrance for the FY 2022-23 was reported by the Promoters to the Stock Exchanges and the same was reported to the Audit Committee.	We were informed by the Listed Entity that the annual disclosure under regulation 31(4) was given by the promoter(s) to the Stock Exchanges and Audit committee of the listed entity within 7 working days from the end of the financial year.
4	LODR	Regulation 36 (3)	Omission to include certain information	NA	NA	Same as in Col 4.	NA	Certain disclosures required relating to	Profile of the Independent Directors with area of	We were informed by the Listed Entity that



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Sr No.	Compliance Requirements (Regulations /circulars/ guidelines including	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
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
			to the shareholders during appointment or reappointment of Directors					proposed appointment of 2 independent directors is not included in the Notice to Shareholders.	expertise and skills was briefly included in the notice to shareholders.	profile of the Independent Directors with area of expertise and skills was briefly included in the notice to shareholders.
5	LODR	Regulation 36 (5)	Certain disclosures required relating to proposed remuneration is not included in the notice sent to the shareholders.	NA	NA	Same as in Col 4.	NA	Certain disclosures required relating to proposed remuneration is not included in the notice sent to the shareholders.	The power of fixing the remuneration was delegated to the Board of Directors.	We were informed by the Listed Entity that the power of fixing remuneration was delegated to the Board of Directors.
6	LODR	Schedule III Part A IV	The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the	NA	NA	Same as in Col 4.	NA	The company had filed the outcome of the Board meeting beyond 30 minutes for one meeting.	The delay of 10 minutes was due to network issues.	During the year the listed entity disclosed the outcome of the meeting to the Exchange(s), within the required timeline.



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Sr No.	Compliance Requirements (Regulations /circulars/ guidelines including	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
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
			Financial results							
7	SEBI (PIT) Regulations	Chapter II Regulation 5	Sharing of UPSI among the designated persons and with the designated persons has been recorded partially	NA	NA	Same as in Col 4.	NA	The company has a structured digital database handling Unpublished Price Sensitive information which is yet to be fully implemented	The company has implemented a structured digital database for handling Unpublished Price Sensitive information. However, we are in the process of improvement.	The Company's SDD software is functioning effectively.



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To

INDIA NIPPON ELECTRICALS LIMITED

No. 11 & 13, (Old No. 6 & 7)

Patullos Road,

Chennai - 600002

Our Secretarial Compliance Report of even date is to be read along with this letter.

1. It is the Management's Responsibility to maintain secretarial records, and to devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility as the Secretarial Auditor is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company, as they are subject to audit by the financial auditors of the Listed Entity appointed under section 139 of Companies Act, 2013.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. This Secretarial Compliance 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.

Place : Chennai

Date : 30-May-2024

For S.A.E. & Associates LLP
Company Secretaries

SRI
VIDHYA
KUMAR

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by SRI VIDHYA
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Sri Vidhya Kumar, Partner

M.No: F11114; COP.No. 20181

FRN: L2018TN004700

Peer review Certificate No: 2822/2022