



SADHANA NITRO CHEM LIMITED

CIN : L24110MH1973PLC016698

10, Bruce Street, 1st Floor, 8/12 Homi Mody Street, Fort, Mumbai 400001
Tel.: 022-68663300, Email: sadhananitro@sncl.com, Website: www.sncl.com

Date: May 30, 2023

To
BSE Limited,
1st Floor, P.J. Towers,
Dalal Street, Mumbai – 400001
Scrip Code: 506642

To
National Stock Exchange of India Limited
Exchange plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai-400051, India
Symbol: SADHNANIQ

Subject: Annual Secretarial Compliance Report of the Company for the Financial Year ended 31st March, 2023

Dear Sir/Madam,

We write to inform you that pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and above referred circulars of SEBI and Stock Exchanges, please find enclosed the Annual Secretarial Compliance Report issued by M/s. MMJB & Associates LLP, Practicing Company Secretaries, for the Financial Year ended 31st March, 2023.

Kindly take the same on your records.

For SADHANA NITRO CHEM LIMITED

Nitin Rameshchandra Jani
Company Secretary & Compliance Officer
Membership No.: A4757

MMJB & Associates LLP

Company Secretaries

803-804, 8th Flooder, Ecstasy, City of Joy, JSD Road, Mulund - West, Mumbai – 400080, (T) 022- 21678100

Secretarial Compliance Report of Sadhana Nitro Chem Limited For the financial year ended March 31, 2023

To,
Sadhana Nitro Chem Limited
Hira Baug, 1st Floor Kasturba Chowk,
C.P. Tank, Mumbai 400004

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Sadhana Nitro Chem Limited** (hereinafter referred as 'the listed entity'), having its registered office at Hira Baug, 1st Floor Kasturba Chowk, C.P. Tank, Mumbai 400004. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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 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 in the manner and the reporting made hereinafter:

We, M/s. MMJB & Associates LLP, Practicing 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 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 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; ('Listing Regulations')
- (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 to the listed entity during the Review Period)**
- (e) 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 (Prohibition of Insider Trading) Regulations, 2015;
- (g) 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)**
- (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with the listed entity;
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable to the Company.

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 as specified in **Annexure I**
- (c) The listed entity has taken the actions to comply with the observations made in previous reports as specified in **Annexure II**
- II. Compliance 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		

	<ul style="list-style-type: none"> 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 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 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	No such even during the review period
2.	Other conditions relating to resignation of statutory auditor		
	<ul style="list-style-type: none"> i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: <ul style="list-style-type: none"> 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 even during the review period

	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.		
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	No such even during the review period

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.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	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 / committees, as may be applicable 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 	Yes No Yes	Refer Annexure 1

	governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website.		
4.	<u>Disqualification of Director:</u> None of the Director of the Listed Entity 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.	(a) Yes (b) Yes	-
6.	<u>Preservation of Documents:</u> As per the confirmations given by the listed entity, and on our test check basis, it 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 Listing Regulations.	Yes	-
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees on an annual basis 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.	(a) Yes (b) NA	(a) - (b) Please refer point no. 8(a)
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 Listing Regulations within the time limits prescribed thereunder.	No	Refer Annexure 1

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	No	Refer Annexure 1
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Action(s) has been 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	-
12.	<u>Additional Non-compliances, if any:</u> No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	No	Refer Annexure 1

**Observations /Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'*

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 MMJB & Associates LLP
Company Secretaries**

BHAVISHA
RAVI JEWANI

Digitally signed by
BHAVISHA RAVI
JEWANI
Date: 2023.05.30
22:12:22 +05'30'

**Bhavisha Jewani
Designated Partner**

FCS: 8503

CP: 9346

PR No.: 2826/2022

UDIN: F008503E000431695

Date: 30.05.2023

Place: Mumbai

'Annexure 1'

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
1	All material related party transactions shall require prior approval of Shareholders	Regulation 23 (4) of Listing Regulation	Approval of Shareholders not taken for material Related Party Transaction	-	-	Approval of Shareholders not taken for material Related Party Transaction	-	During the review period transaction with one of the Related Party became material for which approval of Shareholder was not taken. Consequently, details captured in Corporate Governance Reports for respective quarters was erroneous.	The Listed entity has put forward a resolution to the shareholders, seeking their approval to ratify the transactions.	-
2	At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary,	Regulation 24 of listing regulation	Non-appointment of Independent Director of listed entity on the board of an unlisted material subsidiary	-	-	Non-appointment of Independent Director of listed entity on the board of an unlisted material subsidiary	-	The listed entity has not appointed its Independent Director as a director on the board of its unlisted material subsidiary	The Listed entity will be appointing an Independent Director on the Board of the Unlisted Material Subsidiary	-

	whether incorporated in India or not									
3	Maintenance of Structured Digital Database board of directors or head(s) of the organisation of every person required to handle unpublished price sensitive information	Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	non-functional of Structured digital database for part of the period and delayed entries therein.	-	-	non-functional of Structured digital database for part of the period and delayed entries therein.	-	Structured digital database was non-functional for part of the period under review as a result of which entries made therein were in delay.	The Listed entity could not maintain the SDD due to technical error, however, Listed entity during the year has maintained SDD and the SDD is now functional and operative	-
4	Listed entity shall provide the information including PAN number of Promoter(s) including member(s) of promoter group, designated person(s) and	SEBI Circular SEBI/HO/ISD/CIR/P/202 dated September 09, 2020 (System Driven Disclosure)	The details of Designated persons in system driven disclosure are not updated on the same day.	-	-	The details of Designated persons in system driven disclosure are not updated on the same day.	-	The listed entity has updated details of designated persons with the designated depository in delay.	The Listed entity is in the process of setting up practise for ensuring compliance with same	-

	director(s) with Designated Depository on the same day.									
5	Outcome of board meeting for certain matters as specified in point number 4 of the said schedule need to disclose to the Exchange(s), within 30 minutes of the closure of the meeting	Regulation 30 read with Schedule III (Part A) of Listing Regulation	Delay in submission of outcome of Board Meeting to Stock Exchange	-	-	Delay in submission of outcome of Board Meeting to Stock Exchange	-	The listed entity has submitted the outcome beyond the mandated period of 30 minutes from conclusion of Board Meetings.	The Listed entity is currently in the process of establishing practices to ensure compliance with the aforementioned requirements.	-
6	Timely dissemination of the documents/information under a separate section on the website.	Regulation 46 of Listing Regulation	Website not updated on timely manner	-	-	Website not updated on timely manner		Listed entity has delayed in dissemination of documents/information on the website in few instances. Consequently web-links in annual report are also erroneous	The Listed entity is currently in the process of establishing practices to ensure compliance with the aforementioned requirements.	-

'Annexure II'

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
1	Outcome of board meeting for certain matters as specified in point number 4 of the said schedule need to disclose to the Exchange(s), within 30 minutes of the closure of the meeting	Regulation 30 read with Schedule III (Part A) of Listing Regulation	Delay in submission of outcome of Board Meeting to Stock Exchange	-	-	Delay in submission of outcome of Board Meeting to Stock Exchange	-	The listed entity has submitted the outcome beyond the mandated period of 30 minutes from conclusion of Board Meetings.	The Listed entity is currently in the process of establishing practices to ensure compliance with the aforementioned requirements	-
2	The listed entity shall submit to the stock exchange, within two working days	Regulation 44 of Listing Regulation	Delay in submission of voting results in the format specified by board to	-	-	Delay in submission of voting results in the format specified by board to	-	The listed entity has submitted the voting results in the format specified by board beyond the mandated period of two working days of conclusion of	No deviation during the year	-

	of conclusion of its General Meeting, details regarding the voting results in the format specified by the Board.		stock exchange			stock exchange		its Annual General Meeting		
3	Maintenance of Structured Digital Database of board of directors or head(s) of the organisation of every person required to handle unpublished price sensitive information	Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	The structured digital data base is not updated completely.	-	-	The structured digital data base is not updated completely.	-	The listed entity has maintained the structured digital database and it is in the process of updating the same.	The Listed entity is currently in the process of establishing practices to ensure compliance with the aforementioned requirements	-
4	Listed entity shall provide the information including PAN number of Promoter(s) including	SEBI Circular SEBI/HO/ISD/CIR/P/202 dated September 09, 2020 (System Driven Disclosure)	The details of Designated persons in system driven disclosure are not updated on	-	-	The details of Designated persons in system driven disclosure are not updated on	-	The listed entity has updated details of designated persons with the designated depository in delay.	The Listed entity is currently in the process of establishing practices to ensure compliance with the	-

	member(s) of promoter group, designated person(s) and director(s) with Designated Depository on the same day.		the same day.			the same day.			aforementioned requirements	
5	Code of conduct to regulate, monitor and report trading by their designated persons and immediate relative of designated persons towards achieving compliance with these regulations.	Regulation 9 of PIT Regulations	One of the instance w.r.t contra trade not reported to Stock Exchange	-	-	One of the instance w.r.t contra trade not reported to Stock Exchange	-	In one instance Designated Employees of the listed entity has deviated the Code of Conduct w.r.t. Contra Trade, and the listed entity has not intimated the same to the Stock Exchange	No deviation during the year	-