

### **Secretarial Compliance Report**

Of Gangotri Textiles Limited for the year ended 31/03/2021

I, V.M. VENNILA, Company Secretary, having office at A-3, THASAMI ENCLAVE, 28, KULATHERI MAIN ROAD, UPPILIPALAYAM, COIMBATORE-641015 have examined:

- (a) All the documents and records made available to us and explanation provided by Gangotri Textiles Limited
- (b) The filings/submissions made by the listed entity to the stock exchanges.
- (c) Websites 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 31/03/2021 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 there under ; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by Securities and Exchange Board of India Act, 1992 ("SEBI")

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, 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;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (i) Observations made under other regulations



And based on the above examination, I hereby report that during the Review period:

- (a) The listed entity has complied with provisions of above Regulations and circulars/ guidelines issued there under , except in respect of matters specified below:-
- (b) The listed entity has maintained proper records under the provisions of the above regulations and circulars/ guidelines issued there under in so far as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity / 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 there under:

SR NO	ACTION TAKEN BY	DETAILS OF VIOLATION	DETAILS OF ACTION TAKEN E.g.: FINES, WARNING LETTER FROM DEPARTMENT, Etc.,	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY, IF ANY
1	M/s National Stock Exchange of India Ltd. Mumbai	Belated submission of un-audited financial results for the quarter ended 30-09-2015 under Clause 41 of the Listing Agreement.	NSE has levied penalty of Rs. 34,68,073	The Company has filed an Appeal before the appellate forum (SAT), contesting the said penalty. As per the order received the penalty is determined as Rs.34,73,073. The Company is yet to pay the penalty amount.
2	M/s National Stock Exchange of India Ltd, Mumbai.	Belated submission of audited financial Results for the year ended 31-03-2017. under Regulation 33(d) of the SEBI (LODR)Regulation 2015	NSE has levied penalty of Rs. 8,03,073	The Company has filed an Appeal before the appellate forum (SAT) contesting the said penalty. As per the order received the Fine payable is reduced to Rs.6,68,073. The Company is yet to pay the penalty amount.
3.	M/s Bombay Stock Exchange India Ltd, Mumbai	Listing fee not paid for the Financial Year 2016-17, 2017-2018, 2018-19, 2019-2020 and 2020-2021.	1.BSE has levied interest along with payment of Listing fee in this regard. 2.BSE has intimated , if ALF is not paid before the cut off period of 28/10/2020, the exchange will proceed with compulsory delist of equity shares directing the promoters to acquire the Equity shares under SEBI (Delisting of Equity Shares) Regulation 2009.	The Company is yet to pay the amount.  2.The Company had replied due to financial crisis the promoters are not in a position to acquire equity shares held by the public and not in a position to pay the arrear ALF.



4.	M/s National Stock Exchange of India Ltd, Mumbai.	Listing fee not paid for the Financial Year 2016-17, 2017-2018, 2018-19, 2019-2020 and 2020-2021.	NSE has levied interest along with payment of Listing fee in this regard.	The Company is yet to pay the amount.
5.	M/s National Stock Exchange of India Ltd, Mumbai.	Non appointment of Qualified Company Secretary for the quarter ended 30/06/2020 under the regulation 6 of SEBI (LODR) Regulations 2015.	NSE has levied penalty of Rs.5,900.	The Company has not filled the vacant position of Company Secretary w.e.f 26/12/2019. The management states that the Company has given advertisement in newspapers but there was no response
6.	M/s National Stock Exchange of India Ltd, Mumbai.	Non disclosure of related party transactions for the half year ender 30 <sup>th</sup> September, 2020 under regulation 23 (9) of SEBI (LODR) Regulations 2015	NSE has levied penalty of Rs.3,65,800	The Company has filed the return belatedly on 21/01/2021

(d) The listed entity has taken the following actions to comply with observations made in previous reports:

SR NO.	OBSERVATIONS OF THE PRACTICING COMPANY SECRETARY IN THE PREVIOUS REPORTS	OBSERVATIONS MADE IN SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31-3-2020	ACTIONS TAKEN BY THE LISTED ENTITY, IF ANY	COMMENTS OF THE PRACTICING COMPANY SECRETARY ON THE ACTION TAKEN BY THE LISTED ENTITY
	NA	NA	NA	NA

(e) The following observations have been made by me during the review period:

SR NO.	OBSERVATIONS OF THE PRACTICING COMPANY SECRETARY	ACTIONS TAKEN BY THE LISTED ENTITY, IF ANY	COMMENTS OF THE PRACTICING COMPANY SECRETARY ON THE ACTION TAKEN BY THE LISTED ENTITY
1.	Website of the Company has not been fully updated.		
2.	Resolution has been passed by the Shareholders in AGM held on 27/09/2019 to voluntarily wind up the affairs of the company with consent of the Board of Directors.		



(f) Observations made under other regulations:-

SR NO	ACTION TAKEN BY	DETAILS OF VIOLATION	DETAILS OF ACTION TAKEN E.g.: FINES, WARNING LETTER FROM DEPARTMENT, Etc.,	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY, IF ANY
1	Commissioner of Customs	For Non-fulfillment of Export Obligation.	The office of the Commissioner of Customs, Chennai have imposed penalty to the extent of Rs 1,53,77,000/ towards non-fulfillment of Export Obligation.	The company has sent a reply to the Commissioner of customs, Chennai on 9-2-2016 stating that since the entire assets of the company have been sold by the Lenders, the company is neither having any machinery to fulfill Export Obligation nor any source of Income to pay the demand and requested to drop further proceeding in this regard. M/s State Bank of India, Stressed Asset Management Branch, Coimbatore has filed a Writ Petition in W.P 24864 / 15 before the Hon'ble High Court, Chennai challenging that the Customs Department is not having a First Charge on the properties put to e-auction under the provision of SARFAESI Act contending that the SARFAESI Act, overrules the Customs Act on priority basis. The Director of Revenue Intelligence, Coimbatore have also filed a Miscellaneous Petition praying to permit them to implead as third Respondent in W.P No 24864 /15 The above matters are sub-judice.
2.	Commissioner of Customs	For Non-fulfillment of export obligation covering 45 E.P.C.G Licences.	The Company has received a demand notice dated 20/01/2016 from Commissioner of Customs vide notification No.97/2004 proposing a penalty of Rs.55,90,28,760 for non fulfillment of export obligation covering 45 E.P.C.G Licences.	The Company has filed an Appeal before the Appellate Forum, New Delhi. The matter is sub-judice.



3.	Commissioner of Income tax	Section 271(1)(c) of Income Tax Act	The Commissioner of Income tax, Coimbatore vide his order dated 28/09/2016 dismissed the appeal (Appeal No.148/15-16) and Confirmed penalty under section 271(1)(c) amounting to Rs.7,30,48,153.	The Company has filed appeal before the Income tax Appellate Tribunal, Chennai. The Tribunal has also dismissed the appeal and the Company has filed an appeal before Chennai, High Court and it is sub judice. The High Court of Judicature at Madras vide its judgement in TCA dated 25-08-2020 has dismissed the appeal and confirmed the penalty. Against this, the Company has filed a Review Application No.99/2020 in the same Court for reconsideration. The High Court of judicature at Madras vide its Judgement in Review Application No.99 of 2020 dated 16/12/2020 dismissed the said review application, the Order of which being circulated to the Directors for reference and record. The Company is preferring an Appeal in the Hon'ble Supreme Court of India, New Delhi against the order of the High Court.
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Place: Coimbatore  
Date: 26/06/2021  
UDIN: F006740C000519494

*V. M. Vennila*  
**V. M. VENNILA, MBA., FCS.**  
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