



**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,

The Board of Directors,
Poly Medicare Limited,
Property no. 232B, Third Floor,
Okhla Industrial Estate Phase – III,
New Delhi 110020

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Poly Medicare Limited**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon I report that:-

- a. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on my audit.
- b. I have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- c. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- d. Wherever required, I have obtained the management representation about the compliance of law, rules and regulations and happening of events etc.





- e. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to verification of procedures on test basis.
- f. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Based on my verification of the **Poly Medicare Limited** books, papers, minute 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 audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined all the documents and books, papers, minute books, forms and returns filed and other records maintained by **Poly Medicare Limited** ("the Company") for the Financial Year ended on 31.03.2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under were duly complied for the period from 1st April 2020 to 31st March 2021.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under were duly complied for the period from 1st April 2020 to 31st March 2021.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings the Company has complied with for the period from 1st





April 2020 to 31st March 2021 as disclosed by the management of the Company.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable as the Company was not required to file the disclosure under SEBI (SAST) Regulations, 2011 except annual disclosure which has been filed as stipulated as disclosed by the management of the Company.**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **The Company has filed all disclosure within prescribed time and duly complied all the provisions as disclosed by the management of the company.**
 - (c) The Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018. **(The Company has issued 76,33,587 Equity shares of Rs.5/- each at a premium of Rs.519/- per share on QIP basis on 19.02.2021 in compliance with provisions of ICDRA, 2018).**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (as amended up to date);
(Applicable, the company has received approval from shareholders at the Annual General Meeting held on 29.09.2020 with respect to Poly Medicure Employees Stock Option Scheme 2020. However, no options were issued during the period under Audit as disclosed by the Management.)





- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the company has not issued and listed any debt securities under the regulations during the period under review).**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the company is not registered as Registrar to issue and Share Transfer Agent during the period under review).**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not Applicable as the company is still listed on BSE and NSE and not applied for delisting during the period under review.)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable as the company has not bought back / proposed to buy-back any of its securities during the financial year ended on 31.03.2021 under review.)**
- (i) The company has complied with the requirements under the Equity Listing Agreements entered with the Bombay Stock Exchange Limited (BSE), NSE and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(The Company has filed all disclosure within prescribed time and duly complied all the provisions as disclosed by the management of the company).**

However, it is noticed that National Stock Exchange of India Limited (NSE) have issued Notice vide its Notice No. NSE/LIST-SOP/CG/FINES/101661 dated August 20, 2020





Bombay Stock Exchange Limited (BSE) vide its email dated 20.08.2020 with respect to non compliance with Regulation 17 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 towards appointment of Independent Woman Director and accordingly imposed a fine aggregating to Rs.5,36,900/- each.

However, the Company has already appointed Independent Woman Director w.e.f. 29.08.2020 and also submitted its representations to the respective Stock Exchanges against the said Notice(s) on 01.09.2020 stating the reasons thereof in details and requested the stock exchange(s) to waive off the same.

Further, the Company has received email from NSE and BSE on 17.11.2020, the company has further replied to NSE and BSE on 25.11.2020 for further requesting them to waive off the fines levied with respect to the above said defaults. The reply from the Exchanges is still awaited.

- (j) Drugs and Cosmetics Act, 1940 and applicable labour laws.
- (k) The Memorandum and Articles of Association.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 and SS-2) w.e.f. 01.07.2015 (revised SS-1 and SS-2 w.e.f.01.10.2017).
- ii) The Listing Agreements entered into by the Company with the BSE and NSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.





I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda items were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.
- The company has complied with the provisions of Section 135 of the Companies Act, 2013, the Company was required to spend a sum of Rs.211.78 lacs and company has spent a sum of Rs.247.72 lacs up to 31.03.2021.

The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the period under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules and Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-





- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the period, there were no instances of:

- (i) Public / Rights / Preferential Issue of Shares / Debentures / Sweet Equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation /reconstruction etc.
- (iv) Foreign technical collaboration.



**FOR P.K. MISHRA & ASSOCIATES
COMPANY SECRETARIES**

**PAWAN KUMAR MISHRA
PROPRIETOR
Membership No.FCS-4305
COP No.16222**

Date: 20-05-2021

Place: New Delhi

UDIN- F004305C000351399

