



Annexure - II To Directors Reports

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended]*

To,

The Members,

**PMC Fincorp Limited,**

**(CIN: L27109UP1985PLC006998)**

Regd. Office: B-10, VIP Colony,

Civil Lines, Rampur, Uttar Pradesh-244901

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PMC FINCORP 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.

Based on my verification of the Company's 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 31st March, 2021 ('Audit Period'), 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 the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 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;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not Applicable during the Audit Period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during the Audit Period**);
  - (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;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable during the Audit Period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not Applicable during the Audit Period**).
- (vi) We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under the following applicable Act, Laws & Regulations to the Company:
  - (a) Reserve Bank of India Act, 1934 and Rules, Regulations, circulars/Master circulars and Guidelines issued by the Reserve Bank of India from time to time;
  - (b) Indian Stamp Act, 1899.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and based on the information, explanations and management representation, the company has substantially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 notice is given to all the directors to schedule the Board Meetings at least seven days in advance, agenda was sent in advance generally and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

Based on the compliance mechanism established by the company and on the basis of Statutory Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has 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.

I further report that during the audit period, there were no other specific event/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Ashu Gupta & Co.**  
Company Secretaries

**Ashu Gupta**  
(Prop.)  
CP No: 6646  
FCS No. 4123

Place: New Delhi  
Date : 11-08-2021

**UDIN** : F004123C000771252

**Note: This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.**



To,

The Members,  
**PMC Fincorp Limited,**  
**(CIN: L27109UP1985PLC006998)**  
Regd. Office: B-10, VIP Colony,  
Civil Lines, Rampur, Uttar Pradesh-244901

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. We 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The compliance by the company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory audit and other designated professionals.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. Due to COVID-19 pandemic and Nation- wide lockdown to contain the spread of Corona Virus, work place/offices remained closed or working with less staff. In view of advisory issued by Government of India, no physical visits to the office of auditee could be made and as such physical copies of the secretarial records could not be verified. Reliance has been placed on the soft copy of necessary secretarial records /documents etc. made available to us. A representation in this regard certifying the correctness of the contents of the secretarial records provided has been taken from company's management.
7. The Secretarial Audit Report 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 **Ashu Gupta & Co.**  
Company Secretaries

**Ashu Gupta**  
(Prop.)  
CP No: 6646  
FCS No. 4123  
**UDIN : F004123C000771252**

Place: New Delhi  
Date : 11-08-2021