



Secretarial Compliance Report
of
CCL PRODUCTS (INDIA) LIMITED
For the Financial Year ended 31.03.2023

To
The Board of Directors
CCL PRODUCTS (INDIA) LIMITED
Duggirala, Guntur – 522330.

I. We, P.S. Rao & Associates, Company Secretaries, have examined:

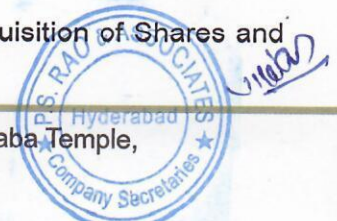
- (a) all the documents and records made available to us and explanations provided by **CCL PRODUCTS (INDIA) LIMITED**, having its Registered Office at Duggirala, Guntur – 522330, hereinafter referred to as **“the listed entity”**
- (b) the filings/ submissions made by the listed entity to the Stock 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 31.03.2023 (“01.04.2022 to 31.03.2023”) 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”);

II. The Specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of capital and disclosure requirements) Regulations, 2018; **(Not applicable to the Company during the review period)**
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(Not applicable to the Company during the review period)

- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;

(Not applicable to the Company during the review period)

- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Depositories Act, 1996;
- 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; and circulars/ guidelines issued thereunder;
- Circulars, Master Circulars issued by the SEBI and SOPs of the Stock Exchanges in connection with Scheme of Arrangement and circulars/ guidelines issued there under

and based on the above examination we hereby report that, during the review period:



(i) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

| S 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 | Pursuant to Regulation 19 (1) of the SEBI (LODR) Regulations, 2015, as amended effective 01.01.2022 at least 2/3 rd of the Directors shall be Independent Directors in the Nomination and remuneration Committee of the listed entity (out of the minimum 3 Directors, all being non-executive) | Regulation 19 (1) of the SEBI (LODR) Regulations, 2015 | During the period, 01.01.2022 to 5 th August, 2022, the constitution of the Nomination and remuneration Committee of the Company did not meet the requirement of minimum 2/3 rd Directors | The Stock Exchange (NSE and BSE) issued letters / advisory to the Company reporting its observation(s) as regards the non-compliance of Regulation 19(1) and consequential fines | Letters and reminders to the Company referring Circular SEBI/HO/CFD/CMD/CI/R/P/20/2012, issued by SEBI, fines to be paid and the eventuality | During the period, 01.01.2022 to 5 th August, 2022, the Nomination and remuneration Committee of the Company had a total of 8 members, out of which 5 were Independent Directors. Thus, not meeting the requirement of minimum 2/3 rd Directors being Independent, while complying with all the other provisions as | The Company paid a total fine of Rs.4,68,720 (net of TDS) in two tranches (Rs.3,90,960 and Rs.77,760) to BSE and an equal amount to NSE also. Due intimations of payment were made thereupon. | During the period 01.01.2022 to 5 th August, 2022, the constitution of the Nomination and remuneration Committee of the Company did not meet the requirement of minimum 2/3 rd Directors being Independent. Thus the alleged violation. We have been informed that | The alleged non-compliance was purely a mathematical error, occurred on account of misinterpretation as regards rounding off to the nearest whole number. However, upon realizing the mistake, the Company paid the prescribed fine and undertook requisite reporting and other compliances in accordance with the Circular | N.A |



[illegible]

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

| S 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 |
|-------|---|---------------------------|------------|-----------------|----------------|----------------------|-------------|--|---------------------|---------|
| N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |



- (iii) The Listed entity has duly complied with the conditions specified under para 6(A) and 6(B) of SEBI Circular No. CIR/CFD/CMD1/114/2019, dated October 18, 2019, by suitably modifying the terms of appointment of the auditor during the FY 2019-20.
- (iv) The Listed entity has upgraded its structured digital database maintained by it pursuant to Regulation 3 (5) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (v) The Listed entity, in one of the instances of non-compliance, by one of its designated persons, of Code of Conduct to regulate, monitor and report trading by designated persons, as formulated and adopted by it pursuant to Reg 9(1) of SEBI (PIT) Regulations, 2015, read with Schedule B thereto, claimed to have occurred inadvertently and on account of miscommunication, in compliance with SEBI Circular No. SEBI/HO/ISD/CIR/P/2020/135 dated July 23, 2020, has duly reported the said violation to the Stock Exchanges.
- (vi) Additional affirmations pursuant to Circular No: NSE/ CML/2023/21 dated 16.03.2023 issued by National Stock Exchange of India Limited and Notice No: 20230316-14 dated 16.03.2023 issued by BSE Limited are enclosed as **Annexure-A** to this report.

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.

Place: Hyderabad
Date: 16.05.2023

For **P S Rao & Associates**
Company Secretaries



Vikas Sirohiya
Partner

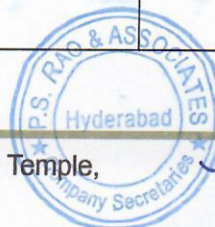
ACS No: 15116 C.P.No.5246
ICSI Unique Code: P2001TL078000
PR No.710/2020
UDIN: A015116E000318641



Annexure-A


Additional Affirmations in Annual Secretarial Compliance Report

| Sl. 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 Auditing Standards issued by ICSI, namely CSAS-1 to CSAS-3 | Yes | N.A. |
| 2. | <u>Adoption and timely updation of the Policies:</u> • 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 | N.A. |
| 3. | <u>Maintenance and disclosures on Website:</u> • 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 re-directs to the relevant document(s)/ section of the website | Yes | N.A. |
| 4. | <u>Disqualification of Director:</u> None of the Director of the Company is disqualified under Section 164 of Companies Act, 2013 | Yes | N.A. |
| 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 | Yes | N.A. |
| 6. | <u>Preservation of Documents:</u> 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. | Yes | N.A. |



| | | | |
|-----|---|---|----------------------------|
| 7. | <u>Performance Evaluation:</u> 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 | Yes | N.A. |
| 8. | <u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval / omnibus 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 | Yes | N.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 SEBI LODR Regulations, 2015 within the time limits prescribed thereunder. | Yes | N.A. |
| 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 | Yes | N.A. |
| 11. | <u>Actions taken by SEBI or Stock Exchange(s), if any:</u> 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, subject to the following: (refer Table II (i) above) | Yes (subject to disclosures reported in this Report) | (refer Table II (i) above) |
| 12. | <u>Additional Non-compliances, if any:</u> No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc. | Yes | N.A. |

Place: Hyderabad
Date : 16.05.2023

For **P S Rao & Associates**
Company Secretaries

Vikas Sirohiya
Partner
ACS No: 15116 C.P.No.5246
ICSI Unique Code: P2001TL078000
PR No.710/2020
UDIN: A015116E000318641