

AMIT KUMAR
Company Secretaries
241, Ghalib Apartments
Pitampura
New Delhi-110034
Email: amitkumar_cs@hotmail.com

Annexure - A

SECRETARIAL AUDIT REPORT

CIN	L17111DL1982PLC013790
AUTHORISED CAPITAL	Rs. 35,000,000/-
PAID UP CAPITAL	Rs. 11,400,000/-

To,
The Board of Directors
SHREE WORSTEX LIMITED
Anand House- 2, Community Centre,
Saket, New Delhi- 110017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHREE WORSTEX LIMITED** ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing opinion thereon.

Based on our 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes (subject to qualifications mentioned hereunder) and compliance-mechanism in place to the extent and in the manner reported hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of –

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act;



CONTINUATION SHEET

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv. ~~The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI);~~
- 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) ~~The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;~~
 - (e) ~~The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;~~
 - (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; and~~
 - (h) ~~The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;~~

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

- (i) ~~Secretarial Standards issued by The Institute of Company Secretaries of India.~~
- (ii) The Listing Agreements entered into by the Company with Delhi Stock Exchange and Metropolitan Stock Exchange of India (MSEI) Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *As per the explanations and information furnished to us by the officers and agents of the Company for not following Secretarial Standards issued by The*



CONTINUATION SHEET

Institute of Company Secretaries of India citing reason as it is not mandatory on the company.

We further report that:

The constitution of Board of Directors of the Company only consists of Non-Executive 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.

1. *The Company doesn't have any Executive and/or Independent directors as required under the provisions of Companies Act, 2013 and Listing Agreement.*

As per the explanations and informations furnished to us by the officers and agents of the Company for not adhering to the aforesaid provisions, it was cited that the company will comply the same at earliest.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We 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.

We further report that:

1. During the audit period the company M/s **Shree Worstex Limited** got listed its existing Capital of Rs. 24,00,000/- (Rupees Twenty Four Lacs) divided into 2,40,000 (Two Lacs Forty Thousand) Equity Shares on Metropolitan stock Exchange of India (MSEI) Limited by way of Direct Listing and obtained the Listing Approval on 13th March, 2015.

The Company is also listed on DSE Limited. However, SEBI vide its Order No. WTM/PS/45/MDR/DSA/NOV/2014 dated 19th November, 2014, had withdrawn the recognition granted to the Delhi Stock Exchange (DSE) Limited. So, the management of the company considered to go for direct listing on MSEI Limited.



CONTINUATION SHEET

2. The Company has obtained In- Principle Approval for issue and allotment of 9,00,000 (Nine Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each on Preferential Basis from Metropolitan Stock Exchange of India (MSEI) Limited on 24th March, 2015.
3. The Company has obtained Listing Approval for issue and allotment of 9,00,000 (Nine Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each on Preferential Basis from Metropolitan Stock Exchange of India (MSEI) Limited on 21st April, 2015.
4. The Company has made the application for Trading Approval of the securities mentioned above, so issued and allotted on Preferential Basis with the MSEI Limited.

As only the application has been filed and the same is under process; hence unable to comment about the result of such action

**For AMIT KUMAR
Company Secretaries**

Amit K.

**Amit Kumar
Proprietor
FCS-5917
CP-6184**



**Place: New Delhi
Date: 30-05--2015**