



K. V. CHALAMA REDDY

B.Sc., LL.B., F.C.S.,

COMPANY SECRETARY

M.No.: F 9268, C.P.No.5451

Plot No. 8-2-603/23/3 & 8-2-603/23, 15,
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To,

The Board of Directors

Pokarna Limited

105, 01st Floor, Surya Towers, S.P. Road , Secunderabad-500 003

Sir/ Madam

Subject: Annual Secretarial Compliance Report for the Financial Year 2022-23

I have been engaged by **Pokarna Limited** (hereinafter referred to as 'the Company') bearing CIN: L14102TG1991PLC013299 whose equity shares are listed on National Stock Exchange of India Limited (NSE) (Symbol: POKARNA) and BSE Limited (BSE) (Security Code: 532486) to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019 and to issue the Annual Secretarial Compliance Report in amended format prescribe via NSE/CML/ 2023/30 dated April 10, 2023.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively.

Our responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and issue a report thereon.

Our audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner, which involved such examinations and verifications as considered necessary and adequate for the said purpose. Annual Secretarial Compliance

Report is enclosed.

K.V. CHALAMA REDDY
Practicing Company Secretary
UDIN: F009268E000339092
PR No.2301/2022

Place: Hyderabad

Date: 19/05/2023



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**Annual Secretarial Compliance Report of Pokarna Limited for the Year ended 31st March,
2023**

I, **K.V. Chalama Reddy**, Practicing Company Secretary, have examined:

- (a) all the documents and records made available to us an explanation provided by **Pokarna Limited** (“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 take this certification, for the year ended 31st March, 2023 (“Review Period”) in respect of compliance for the year ended 31st March, 2023 (“Review Period”) 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 there under by the Securities and Exchange Board of India (“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: *not applicable to the Listed Entity during the Review Period*
- (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: *not applicable to the Listed Entity during the Review Period*

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *not applicable to the Listed Entity during the Review Period*

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: *not applicable to the Listed Entity during the Review Period*

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: *not applicable to the Listed Entity during the Review Period*

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

I/We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations /Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	The Company has followed the secretarial standards issued by the Institute of Company Secretaries India (ICSI).
2.	Adoption and timely updation of the Policies:-		

	<ul style="list-style-type: none"> • 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 have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	<p>Yes</p> <p>Yes</p>	<p>The company has adopted all applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.</p> <p>The Company's policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI</p>
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> • 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 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>The Company is maintaining functional website i.e www.pokarna.com.</p> <p>The website is maintaining separate section for the investors disseminating all the documents/information as required under SEBI Regulations and Companies Act,2013.</p> <p>The weblinks are provided in Annual Corporate Governance Report under Regulations 27(2) and are updated from time to time.</p>
4.	<p>Disqualification of Director: None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	<p>Yes</p>	<p>None of the Directors are disqualified under section 164 Section 164 of Companies Act, 2013. The Form DIR-8 and MBP-1 was also submitted by them confirming that they are not disqualified.</p>
5.	<p>Details related to Subsidiaries of listed entities have been examined w.r.t.:</p>		<p>During the year under review,</p>

	<p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	N.A	no new subsidiary Company was identified. The Company has one subsidiary Company i.e Pokarna Engineered Stone Limited.
6.	<p>Preservation of Documents: 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</p>	Yes	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.
7.	<p>Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.
8.	<p>Related Party Transactions:</p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	Yes NA	The listed entity has obtained prior approval of Audit Committee for all related party transactions.
9	<p>Disclosure of events or information: 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.</p>	Yes	The company always try to comply with the SEBI regulations in letter and spirit.
10	<p>Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI</p>	Yes	The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition

	(Prohibition of Insider Trading) Regulations, 2015.		of Insider Trading) Regulations, 2015.
11	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been 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 except as provided under separate paragraph herein (**).	NA	During the year under review, no action(s) has been 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.
12	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI	NA	

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019: **Not Applicable**

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations /Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor:		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	Not Applicable	There has been no resignation of Statutory Auditors in FY 2022-23
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	Not Applicable	

	<p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	<p><i>Not Applicable</i></p>	
2.	<p>Other conditions relating to resignation of statutory auditor- <i>Not Applicable</i></p>		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p>		

	The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	Not Applicable	

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

Sr. 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.	Non-compliance with disclosure of related party	Regulation 23 (9)	Delay of 2 days in submission of related party	Penalty was imposed		Delay of 2 days in submission of related party transaction	Rs.5000 per day aggregating to Rs 10,000/-and GST thereon	The Company has paid the penalty to the stock exchange	The Company has paid the penalty to the stock exchange	The Company has paid the penalty to the stock exchange

transactions on consolidated basis.		transactions on consolidated basis.		ns on consolidated basis.	of Rs 1800/-			
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

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 Practising Company Secretary	Management Response	Remarks
Appointment of independent woman director for quarter ended 30.06.2020, 30.09.2020 and 31.12.2020.	Regulation 17(1) of SEBI (LODR) Regulations 2015	Non-Compliance/in delay Compliance for appointment of independent woman director	NSE Sought the clarification from the Company for Non-Compliance/Delay in appointment of Independent Women Director. Clarification The Company vide its letter dated 19.10.2020 represented the matter with NSE with details of its difficulty in compliance of the said regulation and also vide its letter dated 23.02.2021 submitted		Non-Compliance /in delay Compliance for appointment of independent woman director for quarter ended 30.06.2020, 30.09.2020 and 31.12.2020.	Rs.15,75,300	The Company has given the reply on clarifications and also requested for condonation of delay and waiver of fine by the NSE but the	The Company has paid the fine to the NSE of Rs. 15,75,300 on 17 th January, 2022 through RTGS.. and also appointed the	The Company has paid the penalty and also appointed Mr. Jayshree Rajesh Sanghani as Independent

		y for Non- Compliance/Delay in appointment of Independent Women Director	clarification after compliance of the said regulation and also requested for condonation of delay in compliance of the regulation			authorities were not satisfied .	Women Independent Director in Company.	Independent Director on 24/12/ 2020
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K.V. CHALAMA REDDY
Practicing Company Secretary
FCS/Membership No: F9268,
C.P.No.:5451
UDIN: F009268E000339092
PR No.2301/2022

Place: Hyderabad
Date: 19/05/2023