



**SGS ASSOCIATES**

Company Secretaries, First Floor, 14, Rani Jhansi Road, New Delhi – 110055

Email: [support@dpgupta.com](mailto:support@dpgupta.com) Contact: +91-11-41524497

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**Form MR – 3**  
**Secretarial Audit Report**  
FOR THE YEAR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2021.

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**SJVN LIMITED**

**CIN: L40101HP1988GOI008409**

SJVN Corporate Office Complex, Shanan,

Shimla Himachal Pradesh- 171006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SJVN LIMITED [CIN: L40101HP1988GOI008409]** (hereinafter called the “Company”) having its Registered Office at SJVN Corporate Office Complex Shanan, Shimla Himachal Pradesh- 171006. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our 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, 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:

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, 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 Byelaws 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) Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992.
  - (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, 2009 and amendments thereto from time to time; (Not applicable to the Company during the Audit Period)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company 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 to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis. - Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of biannually certificates submitted to the Board of Directors of the Company.



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

- (i) Secretarial Standards (SS-1 & SS-2) as issued by The Institute of Company Secretaries of India (ICSI),
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time.
- (iii) Guidelines on Corporate Governance for CPSE as issued by Department of Public Enterprises.

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

1. *In the absence of requisite number of Non- Executive and independent Directors, the Company has not complied with the requirements pertaining to the composition of the Board of Directors to be constituted as per the SEBI (Listing Obligations & Disclosure requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.*

**We further report that:**

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 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.

All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors / Members present during the meeting and dissent, if any, have been duly recorded in the Minutes as the case may be.

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



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For SGS ASSOCIATES  
Firm Regn. No. S2002DE058200  
Company Secretaries

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PRASAD  
GUPTA

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CS D.P. Gupta  
M N FCS 2411  
C P No. 1509  
ICSI UDIN No. F002411C000583464  
ICSI PR No. 1194/2021  
Date: 6<sup>th</sup> July 2021  
Place: New Delhi

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



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Annexure - A

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN  
PRACTICE (QUALIFIED)

To,

The Members,

SJVN LIMITED

CIN: L40101HP1988GOI008409

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit. My observations regarding the secretarial audit of the subject company have been captured in the report.
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. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we 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 management. Our examination was limited to the verification of procedures on test basis.
6. 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 SGS ASSOCIATES

Firm Regn. No. S2002DE058200

Company Secretaries

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PRASAD GUPTA

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CS D.P. Gupta

M N FCS 2411

C P No. 1509

ICSI UDIN No. F002411C000583464

ICSI PR No. 1194/2021

Date: 6<sup>th</sup> July 2021

Place: New Delhi