

**Secretarial compliance report of HIM TEKNOFORGE LIMITED  
(Previously known as GUJARAT AUTOMOTIVE GEARS LIMITED)  
for the year ended 31<sup>st</sup> March, 2019**

The Board of Directors,  
**HIM TEKNOFORGE LIMITED**  
(Formerly known as GUJARAT AUTOMOTIVE GEARS LIMITED)  
Village Billanwali, Baddi, Solan  
Himachal Pradesh - 173205.

I, Dinesh Mehta, Proprietor of M/s. Dinesh Mehta & Co, Company Secretaries have examined:

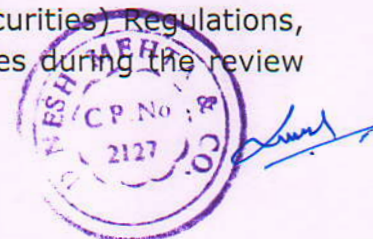
- (a) all the documents and records made available to us and explanation provided by Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2019 ("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 there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under 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 as there was no issue of capital 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 as there was no buyback of securities during the review period.



(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not applicable as there was no Share Based Employee Benefits during the review period.

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable as there was no issue and listing of debt securities during the review period.

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - Not applicable as there was no issue and listing of non-convertible and redeemable preference shares during the review period.

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

(i) .....(other regulations as applicable)

and circulars/ guidelines issued there under;

and based on the above examination, I/We hereby report that, during the Review Period:

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

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Composition of Board of Directors as per Regulation 17(1) of SEBI (LODR) Regulations, 2015.	The Strength of Independent Directors was less than 50% of the total number of Directors including Nominee Director.	<p>The Company was in Non-Compliance of Regulation 17 (1)</p> <p>BSE has issued notice no. LIST/COMP/Reg. 27(2) &amp; Reg 17to 21/Sep-18/505712/960/2018-19 dated 31<sup>st</sup> October, 2018 for Non-Compliance of Regulations 17(1), 18(1),19(1), 20(2), 21(2) of SEBI (LODR) Regulations, 2015</p> <p>The company paid Fine for the same through RTGS to BSE Limited on 01/12/2018 under UTR No. SBINR1201812010003777 3</p>



			Thereafter the Company had made compliance of Regulation 17(1) and made the composition of Board as per the Provisions of Regulation 17(1) of SEBI (LODR) Regulation, 2015.
2	Requirement of hundred percent of shareholding of promoter(s) and promoter group in dematerialized form as per Regulation 31(2) - Holding of specified securities and shareholding pattern	Promoters of the Company are holding 54.83% (i.e. 4313208 equity shares) of total equity shares (7866016) of the company.  Out of total share of promoters, 2.912% (i.e. 125586 equity shares) are held in physical mode and remaining are in demate mode	The promoters had already applied for dematerialization of shares but the same has not been processed till the end of 31 <sup>st</sup> March, 2019 and the date of issuance of this report.

**Note:** However, the BSE had issued notice for non-compliance of Regulations 17(1), 18(1), 19(1), 20(2), 21(2) of SEBI (LODR) Regulations, 2015 but after made written communication, the BSE has agreed that the Company has complied all the provisions mentioned in the notice except regulation 17(1) and accordingly penalty was imposed for that only which was paid by the company.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from my/our examination of those records.

(C)The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.



1	BSE Limited	Regulation 17(1) - Non Compliance with the requirements pertaining to the composition of the Board including failure to appoint woman Director	BSE has issued notice for levy of penalty/fine to the company as mentioned in para (a) above.	The Company was in Non-Compliance of Regulation 17 (1) as the Strength of Independent Directors was less than 50% of the total number of Directors including Nominee Director and required to pay the fine. The Company has accordingly paid the fine of Rs. 542800/- as mentioned in para (a) above.  However, the company has woman director on their Board and has complied with the regulations relating to appointment of woman director.
2	BSE Limited	Regulation 18(1) - Non Compliance with the constitution of audit committee	Fine payable by the Company of Rs. 217120	The Company had already complied with Regulations 18(1) of SEBI (LODR) Regulations, 2015, so company did not require to pay the fine for the said Regulations
3	BSE Limited	Regulation 19(1)/19(2) - Non Compliance with the constitution of nomination and remuneration committee	Fine payable by the Company of Rs. 217120	The Company had already complied with Regulations 18(1) of SEBI (LODR) Regulations, 2015, so company did not require to pay the fine for the said Regulations

**Note:** As per the BSE notice no. LIST/COMP/Reg. 27(2) & Reg 17to 21/Sep-18/505712/960/2018-19 dated 31<sup>st</sup> October, 2018 for Non-Compliance the company was required to pay penalty of Rs. 977040. However, after made



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written communications by the Company, the BSE has agreed that the Company has complied all the provisions mentioned in the notice except regulation 17(1) and accordingly penalty was imposed for that only which was paid by the company.

(d) The listed entity has taken the following actions to comply with the observations made in previous reports: N.A.

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA	NA	NA	NA	NA

Place: Vadodara  
Date: 21/05/2019



Signature:  
Dinesh Mehta & Co.,  
Company Secretaries

Dinesh Mehta  
ACS/ FCS No.: FCS 8419  
C P No.: 2127