

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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
ENCORE BUSINESS SYSTEM LIMITED
(CIN- L65191TN1990PLC019828)
"Kaleeli Centre", Second Floor, No.4
Montieth Road, Egmore,
Chennai – 600008

I have conducted a secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Encore Business System Limited** (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances.

Based on my verification of **Encore Business System Limited'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with my letter of even date annexed to this report as *Annexure – A*.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Encore Business System Limited** (the Company) for the financial year ended on March 31, 2022 according to the applicable provisions of:
 - i) The Companies Act, 1956, Companies Act, 2013 (the Act) and the rules made thereunder.
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
 - iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



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 (upto 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 2015);

c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:

d) The securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and

e) 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.

vi) The Listing Agreement entered into by the Company with Metropolitan Stock Exchange of India Ltd and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective 1st December, 2015

2. I am informed that, for the financial year ended on March 31, 2022:

i) The company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under SEBI Act:

a) The Securities and Exchange Board of India (Employee Stock Opinion Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and

c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

ii) There are no laws specifically applicable to the company, the books, papers, minute books, forms and returns of which were required to be examined by me for the purpose of this report.

3. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India made effective July 1, 2015.

4. During the period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the company has complied with the provisions of the acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.



5. I further report that:

- i) The board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. 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.
- ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings along with agenda were sent at least seven days before the meeting. Agenda and detailed notes on agenda were sent less than seven days before the meeting, since there was no statutory requirement during the year to send them seven days in advance of the meeting.
- iii) A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
- iv) 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.
- v) There is no full time Company Secretary appointed in the Company.

For Sonika Bharati & Associates

Place: **New Delhi**

Date :**24.09.2022**

UDIN: **F007335D001035857**



Sonika Bharati

Sonika Bharati

FCS No: 7335

COP No: 8011

Annexure A to Secretarial Audit Report of even date

To,
The Members
ENCORE BUSINESS SYSTEM LIMITED
(CIN- L65191TN1990PLC019828)
"Kaleeli Centre", Second Floor, No.4
Montieth Road, Egmore,
Chennai – 600008

My Secretarial Audit Report for the financial year ended on 31st March,2022 of even date is to be read along with this letter.

1. Maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations, and standards are the responsibility of the management of the company. My responsibility is to make a report based on the secretarial records produced for my audit.
2. I 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 the test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my report.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. I have obtained the management's representation about the compliances of laws, rules and regulations and happenings of events, wherever required.
5. This 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 Sonika Bharati & Associates

Place: **New Delhi**
Date :**24.09.2022**
UDIN: **F007335D001035857**



Sonika Bharati
FCS No: 7335
COP No: 8011