



ANNUAL SECRETARIAL COMPLIANCE REPORT

OF

DILIGENT INDUSTRIES LIMITED

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

(Under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I Ganga Anil Kumar, Practicing Company Secretary have examined:

- a. all the documents and records made available to us and explanation provided by Diligent Industries Limited (“**the listed entity**”),
- b. the filings/ submissions made by the listed entity to the stock exchanges,
- c. website of the listed entity,
- d. other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 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 thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, 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;
- 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 audit period.*



- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - *Not Applicable to the listed entity during the audit period.*
- f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - *Not Applicable to the listed entity during the audit period.*
- g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - *Not Applicable to the listed entity during the audit period.*
- h. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i. The Depositories Act, 1996;
- j. Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993
- k. Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
and circulars/ guidelines issued thereunder;

I 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	



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 entitiesAll the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none">The Listed entity is maintaining a functional websiteTimely dissemination of the documents/information under a separate section on the websiteWeb-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	Yes	
4.	Disqualification of Director: <p>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>	Yes	
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: <ul style="list-style-type: none">(a) Identification of material subsidiary companies(b) Disclosure requirement of material as well as other subsidiaries	NA	No subsidiaries.

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
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6.	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.	Yes	
7.	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.	Yes	
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (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.	Yes	
9.	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.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	



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 Annexure-1		
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Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

- 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
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1	Reg-33 of SEBI (LODR) Regulations, submission of Quarterly results within 45 days.	Reg-33 of SEBI (LODR) Regulations	Submitted the quarterly results with 2 days delay.	BSE	Levied Basic Fine of INR 10,000/-	Submitted the quarterly results with 2 days delay	Levied Basic Fine of INR 10,000/-	2 days delay in filing the Sep-2022 quarterly results with BSE.	Management informed that the delay is inadvertent due to non-availability of CS due to health issue.	The Management has paid the fine of 10,000 along with GST on 26-04-2023
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b. The listed entity has taken the following actions to comply with the observations made in previous reports:

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 Practising Company Secretary	Management Response	Remarks
-	-	-	-	-	-	-	-	-	-	-



Annexure-1 - Actions taken by SEBI or Stock Exchange(s)

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	Late submission / Non-Compliance of Reg-13(3) Mar-21 Reg-23(9) Sep-20 Reg-33 Jun-21 Reg-6(1) Dec-19 Reg-6(1) Jun-20 Reg-6(1) Sep-20 Reg-17(1) Sep-20 Reg-18(1) Mar-19	Freezing of promoter DEMAT accounts and BSE had levied SOP fines of INR 19,70,000 and GST at 18%.	<p>It is observed that BSE has continued the freezing of promoter DEMAT during the review period also.</p> <p>The Company vide letter dated 26/02/2022 applied to BSE for waiver of the SOP fines imposed for late / noncompliance.</p> <p>As per the letters / emails received from BSE, the listed entity received waiver / Withdrawal letters under regulations Reg-13(3) Mar-21, Reg-23(9) Sep-20 and Reg-33 Jun-21 and not allowed waiver under Reg-6(1) Jun-20 and Reg-6(1) Sep-20. Other regulations are under consideration with BSE during the review period.</p>

Sign.....

Ganga Anil Kumar

Practicing Company Secretary

M No: F11250

CP No: 26347

UDIN: F011250E000432506

Place: Vijayawada

Date: 30.05.2023