

Form MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024
*[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
Modi's Navnirman Limited
Regd. Off: Shop No.1, Rashmi Heights,
M.G.Road,
Kandivali West,
Mumbai - 400067

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Modi's Navnirman Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, management representations provided by the Company, its officers, agents and authorized representatives and based on the draft independent auditors report during the conduct of the Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as per **Annexure – A** for the Financial Year ended on 31st March, 2024 according to the provisions of:

- (i) The 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**

JNG & Co., | Company Secretaries | Registered Trade Mark Agent

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S V P Road, Opp. HDFC Bank,
Chamunda Circle, Boarivali West,
Mumbai - 400092



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- (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; and **(Not applicable to the Company during the Audit Period)**
- (h) The Securities and Exchange Board of India (Buyback of Securities Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

I have also examined compliance with the applicable clauses & Regulations of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

(vi) I further report that I have been given to understand that there are no sector specific laws applicable to the company considering the nature of business activities carried on by the company however having regard to the compliance management system prevailing in the Company relating to product laws, manufacturing laws and safety laws, upon examination of the relevant documents and records on test-check basis, I report that the Company has adequate compliance management system.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Financial Officer taken on record by the Board of Directors of the Company that

I further report that

the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that

Board of Directors of the Company is duly constituted with proper balance of the Executive Directors and the Non-executive Directors (Independent and Non-independent). The changes in the composition of the Board 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

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I 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 sector specific laws, rules, regulations and guidelines.

I further report that

Company had not given prior board meeting intimation to stock exchange for declaring dividend and for that the Company had received notice from BSE Limited as on 03rd October, 2023 for non-compliance under the regulation 29(2)/29(3) for Delay in furnishing prior intimation regarding declaration of Dividend about the meeting of the board of directors held as on 12th August, 2023. The Stock exchange had levied fine of Rs. 10,000 plus GST. Thereafter company had paid fine as on 12th October, 2023.

I further report that

The members may note that during the audit period, the following specific events / actions having major bearing on the Company's affairs had taken place:

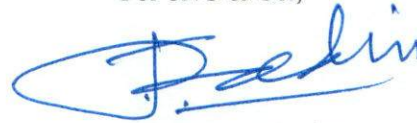
- i. The Company has increased its Authorized Share Capital of the Company from Rs. 17,00,00,000 (Rupees Seventeen Crores) divided into 1,70,00,000 (One Crore Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crores Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each by creation of additional 30,00,000 (Thirty Lakhs only) Equity Shares of Rs.10/- (Rupees Ten Only), was approved by the shareholders through an ordinary resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.
- ii. The Company has altered its Clause 4(ii) of Article of Association of the company with the approval of the shareholders through a special resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.
- iii. The Company has taken approval from their shareholders to issue and allot 21,72,000 equity shares on preferential basis for consideration other than cash having a face value of Rs. 10/- (Rupees Ten Only) each at a price of Rs. 210 /- (Rupees Two Hundred and Ten Only) per Equity share (including a premium of Rs. 200/- (Rupees Two Hundred Only) per share ('Preferential Allotment Price'), or at a price being not lower than the minimum price calculated in accordance with the Regulations to Non-Promoters through a special resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.
- iv. The Company has taken approval from their shareholders to issue 5,00,000 warrants, convertible into Equity shares on a preferential basis having a face value of Rs. 10/- (Rupees Ten Only) each at a price of Rs. 210 /- (Rupees Two Hundred and Ten Only) per Equity share (including a premium of Rs. 200/- (Rupees Two Hundred Only) per share ('Preferential Allotment Price'), or at a price being not lower than the minimum price calculated in accordance with the Regulations to Non-Promoters through a special resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.
- v. The Company has taken approval from their shareholders for revision in Remuneration of Mr. Mahek Dinesh Modi (DIN: 06705998), Wholetime Director & CFO of the Company through a special resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.

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- vi. The Company has taken approval from their shareholders for revision in remuneration of Mr. Dineshkumar Chunilal Modi (DIN: 02793201), Managing Director of the Company through a special resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.
- vii. The Company has taken approval from their shareholders for revision in remuneration of Mrs. Rashmi Dineshkumar Modi (DIN: 02808164), Whole time Director of the Company through a special resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.
- viii. The Company has taken approval from their shareholders for payment of commission of Mrs. Payal Samir Sheth (DIN: 09520424), Non-Executive Director of the Company through a special resolution passed in Extra ordinary general meeting of the company held on February 16, 2024.
- ix. The Company has allotted 21,71,200 equity shares on preferential basis to its non-promoters by passing board resolution as on March 09, 2024.
- x. The Company has allotted 5,00,000 equity shares on preferential basis to its promoters by passing board resolution as on March 09, 2024.

For JNG & Co.,



Jigarkumar Gandhi

FCS: 7569

C.P. No. 8108

Peer Review No.1972/2022



Place: Mumbai

Date: 16th August, 2024

UDIN: F007569F000988252

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

MODI'S NAVNIRMAN LIMITED

ANNEXURE - A

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations received from directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Communications / Letters issued to and acknowledgements received from the Independent directors for their appointment
12. Various policies framed by the company from time to time as required under the Companies Act as well as SEBI LODR Regulations.

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Annexure - B

To,
The Members
MODI'S NAVNIRMAN LIMITED
Regd. Off: Shop No.1, Rashmi Heights,
M.G.Road ,
Kandivali West,
Mumbai - 400067

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2024.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on 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 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 opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the company.
4. Wherever required, I 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 are the responsibility of management. My examination was limited to the verification of procedures on a 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 JNG & Co.,



Jigarkumar Gandhi

FCS: 7569

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