



May 29, 2024

BSE Limited

Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort, Mumbai - 400 001
BSE Scrip Code: 509874

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor,
Plot No. C/1, G- Block
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051
NSE Symbol : SHALPAINTS

Sub.: Annual Secretarial Compliance Report for the financial year ended March 31, 2024

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

Dear Sir/Madam,

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Secretarial Compliance Report of Shalimar Paints Limited for the financial year ended March 31, 2024 duly issued by M/s. MAKS & CO., Practising Company Secretaries and Secretarial Auditors of the Company.

You are requested to kindly take the above information on record.

Thanking you,

Yours faithfully,

For **Shalimar Paints Limited**

Shikha Rastogi

Company Secretary & Head - Legal

Encl.: As above



Shalimar Paints Ltd.

Corporate Office: 1st Floor, Plot No. 28, Sector 32, Gurugram – 122001, Haryana
Regd. Office: Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram – 122001, Haryana.
Call: +91 124 461 6600 Fax: +91 124 461 6659 Toll Free: 1800-103-6509
Email Id: askus@shalimarpaints.com Website: www.shalimarpaints.com CIN: L24222HR1902PLC065611



MAKS & CO.

Company Secretaries

FRN: P2018UP067700

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ANNUAL SECRETARIAL COMPLIANCE REPORT

SHALIMAR PAINTS LIMITED

(For the Financial Year ended March 31, 2024)

[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023]

To,

The Board of Directors,

Shalimar Paints Limited

Stainless Centre, 4th Floor,

Plot No 50, Sector 32, Gurugram – 122001

[CIN: L24222HR1902PLC065611]

We, M/s MAKS & Co., Company Secretaries (FRN: P2018UP067700) have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Shalimar Paints Limited (hereinafter referred as “**the listed entity**” / “**the Company**”), having its registered office at Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram - 122001. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity’s books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We have examined:

- (a) all the documents and records made available to us and explanation provided by the Company;
- (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 report, for the financial year ended March 31, 2024 (“**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 Company during the review period**]



- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not Applicable to the Company during the review period]**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

We have examined the compliance of above regulations, circulars, guidelines issued thereunder as applicable during the Review Period and based on the above examination, we hereby report that during the review period:

1. Hella Infra Market Private Limited (“HIMPL”) acquired (i) an aggregate of 78,03,400 equity shares from open market in a series of acquisitions undertaken between October 03, 2023 to January 04, 2024 pursuant to SE Share Purchase; (ii) 57,47,126 equity shares on October 11, 2023 pursuant to conversion of warrants into equity shares; and (iii) 1,26,46,650 equity shares on March 11, 2024 pursuant to the open offer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Pursuant to above acquisitions (a) HIMPL become one of the promoters of the Company w.e.f. March 11, 2024; and (b) the minimum public shareholding requirement as per Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957 (‘SCRR’) read with Rule 19A of the SCRR and Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 fell below 25% of the total Equity Paid-up Share Capital of the Company.

- 2(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:

Sl. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation / Circular / No	Deviations	Action Taken by	Type of Action	Details of Violations	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
Nil										

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Refer “Annexure – A”

- (c) The listed entity has complied with the provisions of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 relating to compliances related to resignation of statutory auditors from listed entities and their material subsidiaries. The certification, as required in prescribed format, is provided hereunder:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
i.	If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	The Company has appointed M/s. Walker Chandiook & Co. LLP (FRN: 001076N/ N500013) as Statutory Auditors for a term of five (5)



Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA NA	consecutive years i.e. from the conclusion of 120 th Annual General Meeting (“AGM”) held on 29.09.2022 till the conclusion 125 th AGM to be held in calendar year 2027 and there was no event of resignation of statutory auditor of the Company during the Review Period.
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / noncooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable. c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its materialsubsiary	NA	Not Applicable



Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS
	has not provided information as required by the auditor.		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	There was no event of resignation of statutory auditor of the Company during the Review Period.

(d) Additional affirmations by Practicing Company Secretaries (PCS) in Annual Secretarial Compliance Report (ASCR):

We hereby report/additionally affirm 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 of India (ICSI).	Yes	The Company is generally in compliance of SS-1 and SS-2 issued by ICSI
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 entities ● All 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 website ● Timely dissemination of the documents/ information under a separate section on the website ● Web-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: None of the Director(s) of the Company is disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	Based on the disclosures received from the Directors of the listed entity



5.	<p>To examine details related to subsidiaries of the listed entities w.r.t.:</p> <ul style="list-style-type: none"> ● Identification of material subsidiary companies ● Disclosure requirement of material as well as other subsidiaries. 	NA	During the review period Company does not have any material subsidiary
6.	<p>Preservation of Documents:</p> <p>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.</p>	Yes	
7.	<p>Performance Evaluation:</p> <p>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.</p>	Yes	
8.	<p>Related Party Transactions:</p> <ul style="list-style-type: none"> ● The listed entity has obtained prior approval of Audit Committee for all related party transactions; or ● 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 NA	During the Review Period, the Company has obtained prior approval of the Audit Committee for transactions with related parties.
9.	<p>Disclosure of events or information:</p> <p>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.</p>	Yes	
10.	<p>Prohibition of Insider Trading:</p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	
11.	<p>Actions taken by SEBI or Stock Exchange(s), if any:</p> <p>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.</p>	Yes	Except show cause Notice issued to Managing Director of the Company by SEBI as provided in “Annexure – B”



MAKS & CO.

Company Secretaries

FRN: P2018UP067700

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Uttar Pradesh, India

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12.	Additional non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	
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Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.
5. This Report is limited to the Statutory Compliances on laws/ regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to financial year ended March' 2024.
6. 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 random test basis.
7. 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 the random 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 review.

For **M/s. MAKS & Co.,**
Company Secretaries
[FRN P2018UP067700]

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Ankush Agarwal

Partner

Membership No: F9719

Certificate of Practice No: 14486

Peer Review Certificate No.: 2064/2022

UDIN: F009719F000481146

Date: 29-05-2024

Place: Noida (Uttar Pradesh)

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. 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
1.	<p>Non-compliance with the constitution of nomination and remuneration committee ("NRC")</p> <p>Regulation 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:</p> <p>The Chairperson of the NRC shall be an independent director: Provided that the chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the NRC and shall not chair such Committee.</p>	Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Non-compliance with the constitution of NRC	BSE /NSE	Fine	Non-compliance with the constitution of NRC	<p>Imposed by NSE for quarter ended 31.03.2022 – Rs. 72,000</p> <p>Imposed by NSE for quarter ended 30.06.2022 – Rs. 1,82,000</p> <p>Imposed by BSE for quarter ended 30.06.2022 – Rs. 2,54,000</p>	<p>The Company had made revised CGR filings with BSE & NSE for the quarter ended 31.03.2022 and 30.06.2022.</p> <p>The Company had requested for waiver of fines imposed by BSE & NSE. After considering the Company's submissions, NSE has reversed the fine amounting to Rs. 72,000 for the quarter ended 31.03.2022. Rest of the waiver requests are under consideration by BSE & NSE.</p>	<p>Inadvertently, the details of NRC Chairman were filed incorrectly in CGR for the quarter ended 31.03.2022. The same XBRL utility was used for filing the CGR for quarter ended 30.06.2022 and therefore, the same mistake was repeated.</p> <p>The Company had made submissions to BSE & NSE and had requested for waiver of fine imposed by BSE & NSE. After considering the Company's submissions, NSE has reversed the fine amounting to Rs. 72,000 for the quarter ended 31.03.2022. Rest of the waiver requests are under consideration by BSE & NSE.</p> <p>Further, the Company had made revised CGR filings with BSE & NSE for the quarter ended 31.03.2022 and 30.06.2022.</p>	-

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(d)(11) Action(s) 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.:

S. 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
1	<p>Regulation 9A(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015:</p> <p>The Chief Executive Officer, Managing Director or such other analogous person of a listed company, intermediary or fiduciary shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.</p> <p>Regulation 9A(2)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015:</p> <p>All the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations.</p>	Regulations 9A(1) and 9A(2)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015	Failure to identify the event of raising funds by the Company through issuance of equity shares and optionally convertible debentures as the UPSI from the date of its existence	SEBI	Show-cause Notice to Mr. Ashok Kumar Gupta, Managing Director of the Company dated February 28, 2024	Failure to identify the event of raising funds by the Company through issuance of equity shares and optionally convertible debentures as the UPSI from the date of its existence	Not Applicable	Matter is pending adjudication/settlement as on the date of signing of this Certificate and as informed by the Company, Mr. Ashok Kumar Gupta, Managing Director has made the representations to SEBI in the matter	<p>Pursuant to the reply filed by Mr. Ashok Gupta on April 08, 2024 to the Show Cause Notice (SCN), a personal hearing took place on May 14, 2024 wherein the Authorized Representatives of Mr. Gupta highlighted the absence of any lapses in internal control systems as per Regulation 9A(1) and 9A(2)(b) of SEBI PIT Regulations.</p> <p>Simultaneously, Mr. Gupta has filed a Settlement Application with SEBI in the matter proposing to settle by neither admitting nor denying the findings of fact and conclusions of law, which is pending for disposal as on date.</p>	-