

Form No. MR-3
SECRETARIAL AUDIT REPORT
for the financial year ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members of,

M/s. CMS Finvest Limited

10, Princep Street, 2nd Floor,

Kolkata – 700072,

CIN : L15491WB1876PLC000341

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by M/s. CMS Finvest Limited(hereinafter called "the Company")., Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, the information to the extent provided by the company ,its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and The Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic .we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2022, 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 there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
- (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, 2009; **(Not applicable as the Company has not offered any securities during the financial year under review).**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefits scheme during the financial year under review).**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company has not issued and listed any debt securities during the financial year under review).**
- 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable, since the company has not applied for delisting of its shares from any stock exchange during the financial year under review) ; and**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable as the Company has not bought back any equity shares during the financial year under review).**

(vi) The regulation made by the Reserve Bank of India (under the Reserve Bank of India Act, 1934) with regard to Non-Banking Financial Company ("NBFC").

(vii) Other laws applicable to the Company as per the representations made by the Management.

The compliance by the company applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same have been subject to reviewed by the statutory financial auditor and other designated professionals.

We have also examined compliance with the

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. The Secretarial Standard I and II issued by the Institute of Company Secretaries of India (ICSI) were applicable to the Company for the period under review and for a good practice company is require to follow it diligently.

With regard to conduct of Audit Committee meeting beyond the prescribed gap of 120 days, it was explained that, as the working of the Company was severely affected due to long Covid-19 Pandemic lockdown, the meeting could be conducted with a marginal delay keeping in view the extension granted by MCA vide its circular date 3rd May, 2021, for holding such meetings from 120 days to 180 days. The matter was suitably explained.

ANKITA GOENKA & ASSOCIATES, COMPANY SECRETARIES

BE-99 SALT LAKE CITY, KOLKATA- 700064

M- +91- 7439333176

@ ankita.goenka86@gmail.com

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc. mentioned above except that

1. Website of the Company need to be updated.
2. Regulation 7 (3) SEBI LODR – Compliance Certificate, The Company has filed the same, however (only covering letter) it was not signed by Company Secretary.
3. Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, The website mentioned in the newspaper publication as “www.cmsco.inand” instead of www.cms.co.in.
4. The Company had received a compulsory delisting order dated 15/11/2018 of equity shares at a fair value of Rs 10.66 from BSE Limited. The Company has made a reply to BSE regarding the same and seeking proper justification of fair value of equity shares. The Company was compulsorily delisted from BSE however it continued to submit required documents as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 through email.
5. There was an increase in the number of Shareholders in the year 2022 in comparison with 2021 (from 3706 to 3707).

We further report that,

- Subject to our observation at (i) above the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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 members' views are captured and recorded as part of the minutes as per the explanations given to us and the representations made by the Management and relied upon by us 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.

We further report that during the period the Company has events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. The Company has reappointed M/S Jain Sonu & Associates, Chartered Accountants (Firm Reg No. 324386E) for second term of three consecutive years i.e from 01/04/2021 to 31/03/2024.
2. AOC-4 (NBFC) SRN- T55845145 filed with additional fee of Rs. 200/-.

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**For Ankita Goenka & Associates
(Practicing Company Secretaries)**

Ankita Goenka .

Ankita Goenka

Proprietor

FCS No. : 10572

C.P No : 14204

Place : Kolkata

Date : 01st August, 2022

UDIN: F010572D000708071

PEER REVIEW: Certificate no.

2133/2022 dated 20th May, 2022

This report is to be read with our letter of even date which is annexed as Annexure-A and form integral part of this report

Annexure-A

To,
The Members of,
M/s. CMS Finvest Limited
10, Princep Street, 2nd Floor,
Kolkata – 700072,
CIN : L15491WB1876PLC000341

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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 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 opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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 is the responsibility of management. Our examination was limited to the verification of procedures on 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.
7. Due to COVID 19 pandemic impact all the compliance documents were obtained through electronic mode and certified with requirements.

For Ankita Goenka & Associates
(Practicing Company Secretaries)

Ankita Goenka
Ankita Goenka
Proprietor
FCS No. : 10572
C.P No : 14204

Place : Kolkata
Date : 01st August, 2022

UDIN : F010572D000708071

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