

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 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,
EMUDHRA LIMITED
No.56, 3rd Floor, Sai Arcade,
Outer Ring Road, Devarabeesanahalli
Bangalore-560103

CIN: U72900KA2008PLC060368
Authorised Capital: Rs. 86,50,00,000/- as at 31st March 2022

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **eMudhra Limited** ("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 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, 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 31 March 2022 ('year under review') 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022. The Company has complied with the provisions of the following laws, rules and regulations, wherever applicable:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Overseas Direct Investment;
 - iii. The Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018. As the Ministry of Corporate Affairs (MCA) has notified that with effect from 2nd October, 2018, issue of further shares and transfer of all shares by unlisted public companies shall be in dematerialised form only, the Company has complied with the same.



- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder with regard to dematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company. The Company has initiated necessary measures to enable compliance with clause Regulation 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
- v. The other laws, as informed and certified by the management of the Company which are to the extent applicable to the Company based on its sector/ industry, are:
 - a. The Information Technology Act, 2000 and the rules made thereunder
 - b. The Registration Act, 1908
 - c. The Indian Stamp Act, 1899
 - d. The Limitation Act, 1963
 - e. Indian Contract Act, 1872
 - f. Negotiable Instrument Act, 1881
 - g. Sale of Goods Act, 1930
 - h. The Aadhaar Act, 2016
 - i. Right to Information Act, 2005
 - j. The Trade Marks Act, 1999
 - k. The Patents Act, 1970
 - l. Indian Copyright Act, 1957
 - m. Income Tax Act, 1961
 - n. The Central Goods and Service Tax Act, 2017
 - o. The Insurance Act, 1938
 - p. Labour Laws including The Employees' Provident Funds And Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948, Employees' State Insurance (Central) Rules, 1950, ESI Act, Payment of Bonus Act, Payment of Gratuity Act, Contract Labour Act, Employees Compensation Act, Apprentices Act, Equal Remuneration Act, 1976, Maternity Benefit Act, 1961, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act.
 - q. The State Acts, rules, guidelines and regulations to the extent applicable to the Company.

2. I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and Section 118(10) of the Companies Act, 2013.

In my opinion and to the best of my information and according to the explanation given to me, I report that the Company has complied with all applicable Secretarial Standards issued by ICSI with respect to General and Board meetings in accordance with Section 173(3) of the Act.

- b) The Listing Agreements entered into by the Company with Stock Exchanges
Not Applicable during the year under review, as the Company has been listed with Stock Exchanges with effect from 1st June 2022.



I further report that I have not reviewed the applicable financial laws, direct and indirect tax laws since the same are subject to review and audit by the Statutory Auditors of the Company.

3. The following regulations/Acts/guidelines are **NOT APPLICABLE** during the year under review as the Company has been listed with Stock Exchanges with effect from 1st June 2022:
- i. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder with regard to maintenance of minimum public shareholding and compliance under clause 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - ii. 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 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015



4. We further report that during the year under review, the Company has not undertaken any specific event/ action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

(i) Approval of Initial Public Offer of Equity Shares through a fresh issue:

During the year under review, the members of the Company at the Extra-ordinary General Meeting held on 26th October 2021 accorded their approval for carrying out an Initial Public Offering (IPO) of Equity Shares and offer for sale of Equity Shares upto an aggregate amount of Rs. 2000 million (including share premium) comprising of a fresh issuance of Equity Shares out of the authorised share capital of the Company.

(ii) Approval of amendment in the Employee Stock Options Scheme, 2016 of the Company

During the year under review, the members of the Company at the Extra-ordinary General Meeting held on 26th October 2021 accorded their approval for amendments to 'Employee Stock Option Scheme-2016' for ensuring compliance with the requirements of SEBI (SBEB & SE) Regulations 2021.

(iii) Adoption of new set of Articles of Association

During the year under review, the members of the Company at the Extra-ordinary General Meeting held on 5th November 2021 accorded their approval for substitution of existing set of existing Articles of Association of the Company with a new set of Articles of Association of the Company in total exclusion and substitution of the existing Articles of Association of the Company.

(iv) Payment of Dividend on Preference Shares

The members at the Thirteenth Annual General Meeting held on 22nd July 2021 approved the payment of dividend of Rs. 25,80,000 on Class A preference shares for the year ended 31st March 2021.

5. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company: -

I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and with the Memorandum and Articles of Association of the Company with regard to:

- a) maintenance of various statutory registers and documents and making necessary entries therein wherever applicable; -



- b) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) notice of Board meetings and Committee meetings of Directors;
- e) the meetings of Directors and Committees of Directors;
- f) the Thirteenth Annual General Meeting held on 22nd July 2021;
- g) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- h) approvals of the Members, the Board of Directors, the Committees of Directors, Government authorities, wherever required;
- i) constitution of the Board of Directors /Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Executive Directors, Whole-time Director and Key Managerial Personnel (Chief Financial Officer and Company Secretary) to the extent applicable;
- j) payment of remuneration to Executive Directors/Key Managerial Personnel;
- k) appointment and remuneration of Auditors;
- l) investment of the Company's funds including inter-corporate loans and investments and loans to others wherever applicable;
- m) filing of e-forms for creation and modification of charges during the year under review;
- n) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- o) Directors' report;
- p) contracts, common seal, registered office and publication of name of the Company; and
- q) generally, all other applicable provisions of the Act and the Rules made under.

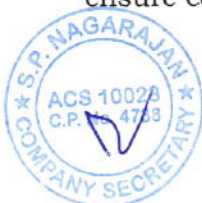
6. I further report that

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 year 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 in accordance with Section 173(3) of the Act 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. In case of Board Meetings convened at shorter notice the Company has duly complied with the provisions of the Act and rules made thereunder read with the provisions of Secretarial Standard-1 (SS-1) on "Meetings of the Board of Directors".

All decisions at Board Meetings and Committee Meetings are carried out by requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

7. 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 laws, rules, regulations and guidelines.

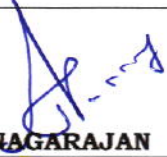


8. On examination of the relevant documents and records in pursuance thereof, on test-check basis **I further report that** I have relied on the information and representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, Laws, and Regulations to the extent applicable to the Company.

9. I further report that:

- (a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- (b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment and independence;
- (c) the Company has obtained all necessary approvals under the various provisions of the aforesaid Acts and rules made thereunder, to the extent applicable; and
- (d) there was no prosecution initiated by any statutory authorities and no fines or penalties were imposed during the year under review under the Act and rules framed thereunder against / on the Company, its Directors and Officers.

10. The Secretarial Audit Report shall be read in the context of the fact that the Company was unlisted through the Financial Year 2021-2022 and this Report is furnished as on even date when the Company is listed and is required to comply with SEBI Listing Regulations and the circulars/ guidelines issued thereunder (including any amendments, modifications or re-enactments thereof for the time being in force).

Place: Bangalore	Signature : 
	Name of the Company Secretary : S.P.NAGARAJAN
Date: 11/06/2022	ACS Number : 10028
	CP Number : 4738
	UDIN : A010028D000485459
Peer reviewed Unit - bearing Unique Identification Number: I2002KR300400	

Note: This report is to be read with my letter of even date which is annexed as 'Annexure -1' and forms an integral part of this report.

As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Secretarial Audit Report in term of section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 was conducted by using appropriate Information Technology tools to access and examine relevant documents for completion of the audit.



Annexure -1

To,
The Members,
EMUDHRA LIMITED
No.56, 3rd Floor, Sai Arcade,
Outer Ring Road, Devarabeesanahalli
Bangalore-560103

CIN: U72900KA2008PLC060368
Authorised Capital: Rs. 86,50,00,000/- as at 31st March 2022

My Secretarial Audit Report for Financial Year ended on 31 March 2022 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. 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 process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My 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.



S.P. NAGARAJAN
ACS:10028
CP: 4738
Place: Bangalore
Date: 11/06/2022

S.P. NAGARAJAN M.Com., A.C.S., LL.B.,
Company Secretary
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