

Form No. MR-3

Secretarial Audit Report for the financial year ended 31st March 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members**M/s. HMT (International) Limited****(CIN: U33309KA1974GOI002707)****No.59, Bellary Road, Bangalore 560 032**

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by HMT (International) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing my opinion thereon.

Management's Responsibility for Secretarial Compliances:

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Auditor's Responsibility:

My responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and read with the Statutory Auditors' Report on Financial Statements and Compliance of the conditions of Corporate Governance 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 and to the best of my information, knowledge and belief and according to the explanations given to me, the company has, during the audit period covering the financial year ended on 31st March 2020 (Audit Period) generally complied with the applicable statutory provisions 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 M/s. HMT (International) Limited for the financial year ended on 31st March 2020 according to the provisions of:

1. The Companies Act, 2013 and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **As reported to us, the said Act is not applicable during the year under review.**
3. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the company - **As reported to us, there were no FDI, ODI or ECB transaction in the company during the year under review.**

I have also examined the compliance with the applicable clauses of Secretarial Standards with respect to Board and general meetings of The Institute of Company Secretaries of India;

I report that during the year under review, the company has generally complied with the provisions of the

Act, Rules, Regulations, Guidelines, Standards etc. mentioned above

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

Observations / Non Compliances / Adverse Remarks / Qualifications in respect of Companies Act, 2013 and Rules made there under and Secretarial Standards are as follows:

- **There are delays in certain cases w.r.t. the filing of various e-Forms with the Registrar of Companies, Karnataka.**

I further report that:

- a. The Board of Directors of the Company is duly constituted. 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.
- b. Adequate notice was given to all the 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.

- c. Decisions at the Board Meetings, as represented by the management, were taken unanimously.
- d. I further report that as represented by the Company and relied upon by me 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.

D VENKATESWARLU

Company Secretary

FCS No. 8554:

C P No. 7773

UDIN: F008554B000372643

Place: Bangalore

Date: 24th June 2020

This Report is to be read along with my letter of even date which is annexed as Annexure A and Forms an integral part of this report.

“Annexure - A”

To
The Members
M/s. HMT (International) Limited
(CIN: U33309KA1974GOI002707)
No.59, Bellary Road, Bangalore 560 032

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 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 is the responsibility of the 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.

Place: Bangalore
Date: 24th June 2020

D VENKATESWARLU
Company Secretary
FCS No. 8554:
C P No. 7773
UDIN:F008554B000372643