

**Form MR – 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and*  
*Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members  
**HEMO ORGANIC LIMITED**  
Regd.Office :8-A Gulnar,  
Chinar-GulnarApts,  
V V Nagar,  
Anand – 388 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HEMO ORGANIC LIMITED (formerly known as Dinesh Allorga Ltd.)** (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 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 March 31, 2016, 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:

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<sup>st</sup> March , 2016 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, 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, 1992 and 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;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits ) Regulations, 2014;
  - (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; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- (vi) other sector specific laws as applicable specifically to the Company broadly covering Product Laws, Pollution Laws and Manufacturing Laws.

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (c), (d), (e), (g) and (h) of para (v) mentioned hereinabove during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
(ii) The Listing Agreement entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other sector specific laws applicable to the Company.

*However, the Company has not complied with the provisions of section 203 of the Companies Act, 2013 with respect to Appointment of Company Secretary and Chief Financial Officer during the year under review.*

I have relied on the representations made by the Company and its representatives for systems and mechanisms formed by the Company for compliances under sector specific laws and regulations applicable to the Company.

**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 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 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.

**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** during the audit period of the Company, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except the following:

During the year the Company has passed special Resolution to Sell, lease or otherwise dispose off the whole, or substantially the whole, of the undertaking of the company under section 180 (1) (a) of the Companies Act, 2013 through Postal Ballot .

Place: Ahmedabad  
Date: August 4, 2016

Signature :  
Name of practicing C S : Ankita Patel  
ACS/FCS No. : F8536  
C P No : 16497

**Note:**

This Report is to be read 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  
**HEMO ORGANIC LIMITED**  
Regd.Office :8-A Gulnar,  
Chinar-GulnarApts,  
V V Nagar,  
Anand – 388 001  
Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2016.

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 the secretarial records based on our 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. Where ever 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 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: Ahmedabad  
Date: August 4, 2016

Signature :  
Name of practicing C S : Ankita Patel  
ACS/FCS No. : F8536  
C P No : 16497