



Shilpi Thapar & Associates
Company Secretaries

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended on 31st March, 2021

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

To

The Members,

Deep Industries Limited

(Formerly known as "Deep CH4 Limited")

(CIN: L14292GJ2006PLC049371)

12A & 14, Abhishree Corporate Park,

Ambli Bopali Road, Ambli,

Ahmedabad- 380058, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practices by Deep Industries Limited (Formerly known as "Deep CH4 Limited") (hereinafter called the 'Company'), CIN No- L14292GJ2006PLC049371. The 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 Company's books, papers, minute books, forms and returns filed with Regulatory authorities 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, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2021 (hereinafter referred to as 'Audit Period'), generally complied with the statutory provisions listed hereunder and also 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) We have examined on test basis, the books, papers, minutes book, forms and returns filed and other records maintained by the company and produced before us for the financial year ended on March 31, 2021, according to the provisions



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(i) The Companies Act, 2013 (the Act) and The Companies Act, 1956 (to the extent applicable during our Audit Period) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under-Not Applicable during the year under review;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable during the year under review viz.:-

(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 as amended from time to time;

(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;



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(i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

(v) The Company has not identified any other specific laws which are presently applicable to it.

2) We have also examined compliances with applicable clauses of the following: -

(i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India under provisions of The Companies Act, 2013 w.e.f. July 1, 2015 amended from time to time and

Based on the above said information provided by the company, we report that during the financial year under report, the company has generally complied with the provisions, as applicable, if any, of the above mentioned Acts including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent mentioned below:-

1) Few compliance related e-forms were filed by the company with Ministry of Corporate Affairs (MCA) beyond the time limit prescribed under Companies Act, 2013 with/without paying additional fees.

2) Few compliances related e-forms were filed beyond prescribed time limit for which additional fees was not levied since the same were filed under Companies Fresh Start Scheme, 2020. However, the Company has duly filed Form CFSS and Certificate for grant of immunity from prosecution or imposition of penalty under Companies Fresh Start Scheme (CFSS), 2020 was also received from Registrar of companies, Ahmedabad.

We further report that the compliance of applicable General Laws, Labour laws and financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.



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We further report that:

a) The Board of Directors of the Company is constituted with required no's 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 in compliance with provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board Meetings, agendas were sent in advance, 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 based on the representation made by the company and its officers. Majority decision is carried through and that there were no dissenting member's views on any of the matter during the year that were required to be captured and recorded as part of the minutes.

c) Based on general review of compliance mechanisms established by the Company and on basis of management representations and compliances certificates issued by department heads, there are reasonable 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. As informed, the company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

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

- (i) The Scheme of Arrangement in the nature of Demerger of Oil and Gas Services undertaking of Deep Energy Resources Limited (Formerly known as Deep Industries Limited) ('Demerged Company') into Deep Industries Limited (Formerly known as Deep CH4 Limited) ('Resulting Company') under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme") was sanctioned by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench vide its order dated March 17, 2020. The said Scheme came into effect from June 20, 2020 upon the filing of Certified Copy of the Order with the Registrar of Companies, Gujarat in Form INC-28.



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- (ii) Certificate of Incorporation pursuant to change of name from "Deep CH4 Limited" to "Deep Industries Limited" pursuant to the Scheme of Arrangements in the nature of Demerger was received from Registrar of Companies, Gujarat on September 25, 2020.
- (iii) Pursuant to the Scheme of Arrangement among Deep Industries Limited (Demerged Company)(name changed to Deep Energy Resources Ltd) and Deep CH4 Limited(Resulting Company)(name changed to Deep Industries Ltd) and their respective Shareholders and Creditors as sanctioned by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench, upon the coming into effect the said scheme and in consideration of the transfer and vesting of the Oil and Gas services undertaking into Resulting Company i.e. Deep Industries Limited(Formerly known as "Deep CH4 Limited"). 3,20,00,000 equity shares of the Resulting Company i.e. Deep Industries Limited(Formerly known as "Deep CH4 Limited"), was allotted to shareholders of demerged company for which the listing and trading approval was received from NSE and BSE dated April 23, 2021 and April 22, 2021 respectively and the Company has been listed on April 27, 2021.

For Shilpi Thapar & Associates
Practicing Company Secretaries



Shilpi Thapar

CS Shilpi Thapar

Membership No. : 5492

COP No. : 6779

UDIN No-F005492C000775371

Place : Ahmedabad

Date : 12.08.2021

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

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ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY
IN PRACTICE (QUALIFIED)

“Annexure-A”

To
The Members,
Deep Industries Limited
(Formerly known as “Deep CH4 Limited”)
(CIN: L14292GJ2006PLC049371)
12A & 14, Abhishree Corporate Park,
Ambli Bopal Road, Ambli,
Ahmedabad- 380058, Gujarat.

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 are the responsibility of management. Our examination was limited to the verification of procedures on test basis.



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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.

For Shilpi Thapar & Associates
Practicing Company Secretaries



Place : Ahmedabad

Date : 12.08.2021

A handwritten signature in blue ink that reads "Shilpi Thapar".

CS Shilpi Thapar
Membership No. : 5492

COP No. : 6779

UDIN No- F005492C000775371