

**Compliance Report to be submitted along with the draft scheme**

It is hereby certified that the draft scheme of reduction of share capital of Black Box Limited (Formerly known as AGC Networks Limited) does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular, including the following:

Sl.	Reference	Particulars	Compliance status
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements	Complied
2	Regulation 11 of LODR Regulations	Compliance with securities laws	Complied
Requirements of this circular			
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges	Complied
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities	Not applicable
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report	Not applicable (Refer Annexure 1 with this application)
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards	Complied (Refer Annexure 2 with this application)
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting	Not applicable (Refer Annexure 3 with this application)

  
Company Secretary



  
Executive Director

**BLACK BOX LIMITED** (Formerly AGC Networks Limited)

Registered Office: 501, 5th Floor, Building No. 9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai 400 708, India

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# BLACK BOX<sup>®</sup>

Certified that the transactions / accounting treatment provided in the draft scheme of reduction of share capital of Black Box Limited (Formerly known as AGC Networks Limited) is in compliance with all the Accounting Standards applicable to a listed entity.



Chief Financial Officer



Executive Director

Yours Faithfully,  
For Black Box Limited  
(Formerly known as AGC Networks Limited)



Aditya Goswami  
Company Secretary & Compliance Officer  
November 22, 2022



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**HEENA HAREN SHAH**  
CHARTERED ACCOUNTANTS, REGISTERED VALUER

Annexure 1

303-B, Rudraprayag, Behind Hotel Courtyard Marriot, Satellite, Ahmedabad, (380015), Gujarat India.  
Mobile: 09327012002

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**Strictly Private and Confidential**

To  
The Board of Directors,  
Black Box Limited,  
501, 5th Floor, Building No.9,  
Airoli Knowledge Park, MIDC Industrial Area, Airoli,  
Navi Mumbai, Thane,  
Maharashtra – 400 708, India

Dear Sir/Madam,

**Sub: Independent opinion on applicability of Para 4 (a) of Annexure I of SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021.**

I refer to the engagement letter dated 16<sup>th</sup> September 2022 and discussions undertaken with the Management of Black Box Limited ('the Company'), wherein the Management of the Company has requested Heena Haren Shah, Registered Valuer Securities or Financial Asset to provide independent opinion on the applicability of valuation report as required as per Part I (A)(4)(a) of SEBI Master Circular No. SEBI / HO / CFD / DIL1 / CIR / P / 2021 / 0000000665 dated November 23, 2021 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Master Circular") for the purpose of proposed reduction of share capital by way of writing off accumulated losses against the balance in Capital Reserve and Securities Premium Account ("Proposed Scheme").

The responsibility for ensuring compliances in connection with the proposed process for reduction of capital with all the relevant laws and regulations is that of the Company.

**SOURCES OF INFORMATION**

In connection with this exercise, I have used the following information received from the Management and/or obtained from the public domain:

- Audited financial statements for the year ended 31<sup>st</sup> March 2022 and reviewed financial statements for the quarter ended 30<sup>th</sup> June 2022;



**HEENA HAREN SHAH**  
CHARTERED ACCOUNTANTS, REGISTERED VALUER

303-B, Rudraprayag, Behind Hotel Courtyard Marriot, Satellite, Ahmedabad, (380015), Gujarat India.  
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- Shareholding pattern of the Company as on 30<sup>th</sup> September 2022;
- Draft scheme for the reduction of share capital;
- Discussions and correspondences with the Management;
- Other information and documents considered relevant for the purpose of this Engagement.

**PROCEDURE ADOPTED**

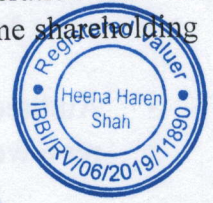
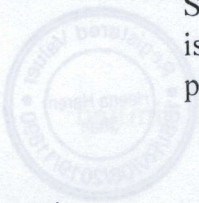
Procedures adopted for our analysis included such substantive steps as I have considered necessary under the circumstances, including, but not necessarily limited to the following:

- Reviewed the draft scheme for the reduction of share capital; (copy enclosed herewith)
- Considered audited financial statement as at 31<sup>st</sup> March 2022 and limited review report for the quarter ended 30<sup>th</sup> June 2022 of the Company.

**RECOMMENDATION AND CONCLUSION**

Based on our examination and according to the information, explanation and representation given to us, we hereby confirm the following:

- a) SEBI Master Circular requires all listed entities to submit a valuation report from a Registered Valuer. However, such valuation report will not be applicable in case there is no change in the shareholding pattern of the listed entity.
- b) Change in shareholding pattern has been defined in Part I(A)(4)(c) of the SEBI Master Circular as follows:
  - i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
  - ii) new shareholder being allotted equity shares of the resultant company; or
  - iii) existing shareholder exiting the company pursuant to the Scheme of Arrangement.
- c) The proposed Scheme envisages reduction of capital of the Company by way of writing off accumulated losses against the balance in Capital Reserve and Securities Premium Account. Pursuant to the Scheme, no consideration shall be issued by the Company to its shareholders and the pre and post Scheme shareholding pattern of the Company will remain unchanged.



**HEENA HAREN SHAH**  
CHARTERED ACCOUNTANTS, REGISTERED VALUER

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- d) The Scheme does not fall within the ambit of any of the conditions mentioned in Part I(A)(4)(c) of the SEBI Master Circular. Accordingly, there is no requirement for obtaining a valuation report from a Registered Valuer.

This certificate is issued at the request of the Company pursuant to the requirements of Securities and Exchange Board of India Master Circular No. SEBI / HO / CFD / DIL1 / CIR / P / 2021 / 0000000665 dated November 23, 2021, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the stock exchanges, Securities and Exchange Board of India, NCLT and other regulatory and statutory authorities as may be required in connection with the Scheme.

This Certificate should not be used for any other purpose without prior written consent.

Thanking You,  
Yours Sincerely,  
For Heena Haren Shah



**CA Heena Haren Shah**  
**Registered Valuer (Securities & Financial Assets)**  
**Reg. No: IBBI/RV/06/2019/11890**  
Place : Ahmedabad  
Date : 10<sup>th</sup> November 2022  
UDIN No.: 22091652BCRPTW3892

## Walker Chandiok &amp; Co LLP

To  
 The Board of Directors  
**Black Box Limited**  
 501, 5<sup>th</sup> Floor, Building No. 9  
 Airoli Knowledge Park  
 MIDC Industrial Area, Airoli  
**Navi Mumbai – 400 708**

---

Walker Chandiok & Co LLP  
 11th Floor, Tower II,  
 One International Center,  
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 Mumbai - 400013  
 Maharashtra, India  
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**Independent Auditor's Certificate on the Proposed Accounting treatment specified in the Draft Scheme of Reduction of Share Capital, in compliance with Rule 2 of the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016**

1. This certificate is issued in accordance with the terms of our engagement letter dated 11 October 2022 with **Black Box Limited**.
2. The management of the Company has prepared the accompanying Draft Scheme of Reduction of Share Capital between Black Box Limited (the 'Company') and its Shareholders, of which, Clause 4.13 specifies the proposed accounting treatment, as approved by the Board of Directors in its meeting held on 11 November 2022 (the 'Draft Scheme'), in terms of the provisions of section 66 of the Companies Act, 2013 (the 'Act') and the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 (the 'NCLT Rules') with reference to its compliance with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereunder (the 'applicable Ind AS') and other generally accepted accounting principles in India. The Draft Scheme, as attached herewith in Appendix I, has been attached by us for identification purposes only.

**Management's Responsibilities**

3. The responsibility for the preparation of the Draft Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirement of the Act and the rules framed thereunder with respect to the Draft Scheme of the Company and furnishing the requisite information to the NCLT.

**Auditor's Responsibilities**

5. Pursuant to the requirement of NCLT Rules, it is our responsibility to provide reasonable assurance in the form of an opinion as to whether the proposed accounting treatment specified in the Draft Scheme is in compliance with the applicable Ind AS and other generally accepted accounting principles in India.

**Black Box Limited**

**Independent Auditor's Certificate on the Proposed Accounting treatment specified in the Draft Scheme of Reduction of Share Capital, in compliance with Rule 2 of the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016**

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6. We conducted our examination in accordance with the Guidance Note on Reports and Certificates for Special Purposes (Revised 2016) (the 'Guidance Note'), issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

**Opinion**

8. Based on our examination as above, evidences obtained, and the information and explanations along with the representations provided to us by the management, in our opinion, the proposed accounting treatment in the books relating to reduction of share capital of the Company as set out in the Draft Scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and circulars issued thereunder and other generally accepted accounting principles in India. The proposed accounting treatment is not directly addressed by the applicable Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereunder but is in compliance with other generally accepted accounting principles in India.

**Restriction on distribution or use**

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the NCLT Rules. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by, any other role we may have as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of compliance with the NCLT Rules which requires it to submit this certificate along with the accompanying Draft Scheme to the NCLT, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No:001076N/N500013

**BHARAT  
KOCHU  
SHETTY**

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**Bharat Shetty**

Partner

Membership No:106815

**UDIN:22106815BDVIJB5069**

Place: Mumbai

Date: 22 November 2022

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## Appendix I

### Proposed Accounting Treatment specified in Clause 4.13 of the Draft Scheme

On the scheme becoming effective, Black Box Limited (the 'Company') shall account for the reduction of share capital in its books as under:

*The Company shall pass appropriate entries as per the applicable accounting policies and accounting standards (specified under section 133 or any other provision of the Companies Act, 2013 (the 'Act')) as regards accounting for the reduction of Capital Reserve Account and Securities Premium Account and writing off the Accumulated Losses.*

*The adjustment / reduction, in the capital reserve and securities premium account of the Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 52 and Section 66 and other applicable provisions of the Act and the order of the National Company Law Tribunal sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction and no further act, deed, or thing as required under the provisions of the Act would be required. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital.*

For and on behalf of **Black Box Limited**

A handwritten signature in black ink, appearing to read "Deepak Bansal".

**Deepak Kumar Bansal**  
(Executive Director)

Place:

Date: 22 November 2022

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To  
The Board of Directors  
**Black Box Limited**  
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Airoli Knowledge Park, MIDC Industrial Area  
Airoli, Navi Mumbai  
**Thane – 400 708**

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Mumbai - 400013  
Maharashtra, India  
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**Independent auditor's certificate on non-applicability of requirements prescribed in Part I (A){10}(a) and Part I (A){10}(b) of Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 issued by the Securities and Exchange Board of India ('SEBI')**

1. This Certificate is issued in accordance with the terms of our engagement letter dated 8 November 2022 with **Black Box Limited ('Company')**.
2. The management of the Company has prepared the accompanying undertaking approved by the Board of Directors of the Company at its meeting held on 11 November 2022 ('Undertaking') pursuant to Part I(A)(10)(c) of Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 issued by the SEBI ('SEBI Circular') stating the reasons for non-applicability of requirements prescribed in Part I (A){10}(a) and Part I (A){10}(b) of the SEBI Circular in connection with the draft Scheme of Arrangement between the Company and their respective shareholders ('Draft Scheme') in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 ('Act') and other relevant provisions and rules made thereunder. We have attached the Undertaking for identification purposes only.

**Management's Responsibilities**

3. The preparation of the Undertaking is the responsibility of the management of the Company including preparation and maintenance of all accounting and other relevant supporting records and documents in relation to the Draft Scheme. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Undertaking and applying appropriate basis of preparation, and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with all the requirements of SEBI Circular and the Act in relation to the Draft Scheme and for providing all relevant information to the SEBI, BSE Limited ('BSE'), National Stock Exchange of India Limited ('NSE'), NCLT and other regulatory and statutory authorities as may be required in connection with the Draft Scheme.

**Auditor's Responsibilities**

5. Pursuant to the requirements of the SEBI Circular, it is our responsibility to express a reasonable assurance, in the form of an opinion, based on our examination of the Draft Scheme as to whether the requirements prescribed in Part I (A){10}(a) and Part I (A){10}(b) of the SEBI Circular are applicable to the Draft Scheme.

**Black Box Limited**

**Independent auditor's certificate on non-applicability of requirements prescribed in Part I (A){10}(a) and Part I (A){10}(b) of Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated 23 November 2021 issued by the Securities and Exchange Board of India ('SEBI')**

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6. We conducted our examination of the Undertaking in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by ICAI.

**Conclusion**

8. Based on our examination of the Draft Scheme and according to the information and explanations provided to us, along with the representations provided to us by the management, in our opinion, the requirements prescribed in Part I (A){10}(a) and Part I (A){10}(b) of the SEBI Circular are not applicable to the Draft Scheme for the reasons stated in the Undertaking.

**Restriction on use**

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
10. This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling them to comply with the requirements of the SEBI Circular which require them to submit the certificate by the statutory auditors along with the accompanying Undertaking, duly approved by the Board of Directors of the Company, for onward submission to the SEBI, BSE, NSE, NCLT and other regulatory and statutory authorities as may be required in connection with the Draft Scheme and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No:001076N/N500013

**BHARAT  
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SHETTY**

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**Bharat Shetty**  
Partner  
Membership No:106815

**UDIN:22106815BDVIYK8430**

Place: Mumbai  
Date: 22 November 2022

Page 2 of 2



**Undertaking in relation to non-applicability of requirements of Part I (A){10}(a) and Part I (A){10}(b) of SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ('SEBI Circular')**

**1. Background**

- 1.1 This is with reference to the proposed Scheme of Reduction of Share Capital between Black Box Limited ('Company') and their respective shareholders ('Draft Scheme') under Section 52 and other applicable provisions of the Companies Act, 2013 ('Act').
- 1.2 The Scheme inter alia provides for reduction and re-organisation of capital of the Company.

**2. No consideration under the Scheme**

The Scheme does not entail any discharge of consideration by the Company in form of cash, shares or otherwise.

**3. Requirement of SEBI Circular**

- 3.1 SEBI Circular mandates all the listed companies to ensure that the scheme submitted with the jurisdictional National Company Law Tribunal for sanction, shall be acted upon in certain cases as mentioned in Part I (A){10}(a) and Part I (A){10}(b) of the SEBI Circular, if the votes cast by public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against the Scheme.
- 3.2 The SEBI Circular further provides that in cases where the Scheme does not fall within the cases mentioned in Part I (A){10}(a) and Part I (A){10}(b) of the SEBI Circular, the listed entity shall furnish an undertaking certified by the auditor and duly approved by the Board of the Company, clearly stating the non-applicability of the aforesaid requirement.
- 3.3 In terms of the Scheme and as mentioned in Paragraph 2 above, no consideration shall be issued pursuant to the Scheme.
- 3.4 Thus, in terms of Part I (A){10}(a) and Part I (A){10}(b) of the SEBI Circular, the Company hereby undertakes that the requirements under the SEBI Circular pertaining to obtaining approval of the majority of public shareholders of the Company to the Scheme is not applicable to the Company.

**4. Reasons for non-applicability**

The detailed reasons for non-applicability of obtaining approval of the majority of public shareholders to the Scheme are as follows:

**a. Part I (A){10}(b)(i):**

"Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity."

**Reason for non - applicability**

This requirement of the SEBI Circular is not applicable as the Scheme does not contemplate issue of additional shares.

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**b. Part I (A){10}(b)(ii):**

"Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group."

**Reasons for non-applicability**

This requirement of SEBI Circular is not applicable as the proposed Scheme is reduction of share capital between the Company and its shareholders only.

**c. Part I (A){10}(b)(iii):**

"Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme."

**Reasons for non-applicability**

This requirement of the SEBI Circular is not applicable as the Scheme only provides for reduction of share capital of the Company and no merger is proposed under the Scheme.

**d. Part I (A){10}(b)(iv)**

"Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity."

**Reasons for non-applicability**

This requirement of the SEBI Circular is not applicable as the Scheme does not involve any merger of unlisted entity; further there would be no reduction in the voting share of the public shareholders pursuant to the Scheme.

**e. Part I (A){10}(b)(v)**

"Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares."

**Reasons for non-applicability**

This requirement of the SEBI Circular is not applicable as the Scheme does not involve any transfer of whole or substantially whole of the undertaking.

In view of the aforesaid, the requirement of obtaining consent of majority of public shareholders voting, as stated under Part I (A){10}(a) of the SEBI Circular is not applicable to the proposed Scheme.

For and on behalf of the **Board of Directors of Black Box Limited**



Executive Director

Place:

Date: 22 November 2022