

SFL:LR30:047:2023-24

29th May 2023

BSE Limited
(BSE Code:511066)
25 Floor
Phiroze Jeejeebhoy Towers
Dalai Street
Fort
Mumbai - 400 001

Through: BSE On-line filing portal

Dear Sir/Madam,

Certificate under Regulation 24(A) of the SEBI Listing Regulations read with SEBI Circular No CIR/CFD/CMD1/27/2019 dated 8th February 2019 - Annual Secretarial Compliance Report for the year ended 31st March 2023

In terms of Regulation 24(A) of the SEBI Listing Regulations read with SEBI Circular No CIR/CFD/CMD1/27/2019 dated 8th February 2019, we submit an Annual Secretarial Compliance Report of the Company for the year ended 31st March 2023 issued by M/s S Krishnamurthy & Co, Company Secretaries and Secretarial Auditors of the Company.

We request you to take the document an record.

Yours faithfully
For Sakthi Finance Limited

C Subramaniam
Company Secretary and
Compliance Officer
FCS 6971

End: (1)



S. Krishnamurthy & Co.,

Company Secretaries

Secretarial Compliance Report of

SAKTHI FINANCE LIMITED for the year ended 31st March 2023

[Pursuant to Regulation 24A (2) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.
CIR/CFD /CMD1/27 /2019 dated February 08, 2019]

To

SAKTHI FINANCE LIMITED [CIN:L65910TZ1955PLC000145]

62, Dr.Nanjappa Road

Coimbatore -641 018

A. We, **S. KRISHNAMURTHY & CO.**, Company Secretaries, have **examined**:

- (a) all the documents and records made available to us and explanations / representations provided by **SAKTHI FINANCE LIMITED** (*the listed entity*);
- (b) the filings / submissions made by the listed entity to BSE Limited (*"BSE"*), where its equity shares and non-convertible securities are listed (*"the Stock Exchange"*),
- (c) website of the listed entity; and
- (d) other relevant documents/filings which have been relied upon to make this report

for the year ended 31st March 2023 (*"Review Period"*) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (*"SEBI Act"*) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (*"SCRA"*), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (*"SEBI"*).

B. The **Specific Regulations**, whose provisions and the circulars/ guidelines issued thereunder, have been examined, are:

- (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and circulars /guidelines issued thereunder.

C. Based on the above examination and the information, explanations and representations provided to us by the listed entity, its officers, agents, (including Share Transfer Agent) and authorised representatives during such examination, **we hereby report that**, during the review period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of matters specified in Annexure B.



Head Office: "**SHRESHTAM**". Old No. 17, New No. 16, Pattammal Street, Mandaveli, Chennai - 600 028.

(044) 42074012 / 24611440 sriram.krishnamurthy@rediffmail.com; skco.cs@gmail.com

Branch : W-Block, No. 7-D, Kovaipudur, Coimbatore - 641 042. (0422) 2607886 r.sivasubramanian@rediffmail.com

**Secretarial Compliance Report of
SAKTHI FINANCE LIMITED for the year ended 31st March 2023**

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) As there were no observations in the previous reports for the preceding financial years the requirement to report on the actions taken by the listed entity to comply with the observations made therein does not arise.
- (d) The following SEBI Regulations were not applicable to the listed entity during the review period.
- (i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and
- (iii) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021;
- (e) The terms of appointment of Statutory Auditors of the listed entity are in compliance with the provisions of Para 6(A) and Para 6 (B) of SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October 2019. The listed entity does not have any material subsidiary.
- (f) In terms of BSE circular numbers 20230316-14 dated 16th March 2023 and 20230410-41 dated 10th April 2023, the compliance status of the listed entity is stated as below.

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
1	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	Generally Complied With
2	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/ guidelines issued by SEBI 	Yes Yes	Nil Nil



**Secretarial Compliance Report of
SAKTHI FINANCE LIMITED for the year ended 31st March 2023**

3	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website 	Yes Yes Yes	Nil Nil Nil
4	<p>Disqualification of Director None of the Director(s) of the Company is disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	The listed entity has provided the required confirmation in this regard.
5	<p>Details related to Subsidiaries of listed entities have been examined with respect to:</p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	NA NA	The listed entity does not have any material subsidiary. Nil
6	<p>Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per the Policy of Preservation of Documents and Archival Policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	Nil
7	<p>Performance Evaluation: The listed entity has conducted a performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	Nil



**Secretarial Compliance Report of
SAKTHI FINANCE LIMITED for the year ended 31st March 2023**

8	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; (b) In case no prior approval has been obtained, the listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee.	Yes NA	Nil Prior approval obtained
9	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3 (5) & 3 (6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	Generally Complied With.
11	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/its promoters /directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and Circulars/Guidelines issued thereunder except as provided under separate paragraph herein.	No	No action(s) has been taken against its promoters and directors. There is a late submission of 65 th Annual Report for the year ended 31 st March 2022 by a day to BSE Limited.



**Secretarial Compliance Report of
SAKTHI FINANCE LIMITED for the year ended 31st March 2023**

12	Additional Non-Compliances, if any: No additional non-compliance observed for any SEBI Regulation/Circular/Guidance Note etc.	Yes	Nil
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This report has to be read along with our submissions in **Annexure 'A'** hereto.

For **S KRISHNAMURTHY & CO.,**
Company Secretaries

[Firm Unique Identification No. **P1994TN045300**]
(Peer Review Certificate No. **733/2020**)



R. Sivasubramanian

R.Sivasubramanian

Partner,

Membership No: **A22289**

Certificate of Practice No: **12052**

UDIN: **A022289E000402207**

Place: Coimbatore

Date: 29th May 2023

**Secretarial Compliance Report of
SAKTHI FINANCE LIMITED for the year ended 31st March 2023**

Annexure – A to Secretarial Compliance Report of even date

To
SAKTHI FINANCE LIMITED [CIN:L65910TZ1955PLC000145]
62, Dr.Nanjappa Road
Coimbatore -641 018

Our Secretarial Compliance Report of even date for the financial year ended 31st March 2023 is to be read along with this letter.

1. Management's Responsibility:

The Company's management is responsible for ensuring compliance with the provisions of applicable laws, rules, regulations and standards, making the statutory/ regulatory disclosures /filings and also ensuring the authenticity of records, documents and information furnished to us for the purpose of this Report.

2. Our Responsibility:

Our responsibility is to report based upon our examination of the relevant records, documents and information provided to us.

3. We have followed such practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the records and our verification was conducted in accordance with applicable auditing standards issued by The Institute of Company Secretaries of India. Those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
4. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2023 but before the issue of this report.
5. We have considered compliance related actions taken by the Company based on independent legal/ professional opinion obtained as being in compliance with law.
6. We have verified the records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our report.
7. We have not verified the correctness and appropriateness of financial statements, financial records and books of accounts of the Company.
8. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
9. Our Secretarial Compliance Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.



**Secretarial Compliance Report of
SAKTHI FINANCE LIMITED for the year ended 31st March 2023**

10. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Auditing Standards.

For **S KRISHNAMURTHY & CO.,**

Company Secretaries

[Firm Unique Identification No. **P1994TN045300**]

(Peer Review Certificate No. 733/2020)



R. Sivasubramanian

R.Sivasubramanian

Partner.

Membership No: **A22289**

Certificate of Practice No: **12052**

UDIN: **A022289E000402207**

Place: Coimbatore

Date: 29th May 2023

**ANNEXURE - B TO THE SECRETARIAL COMPLIANCE REPORT
FOR THE YEAR ENDED 31.03.2023 OF SAKTHI FINANCE LIMITED**

(A) The listed entity has compiled with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of the matters specified below:-

Sr. No. 1

<i>Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)</i>	SEBI LODR Regulations, 2015
<i>Regulation / Circular No.</i>	Regulation No. 34(1) read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020
<i>Deviations</i>	Non - submission of 65 th Annual Report for the year ended 31 st March 2022 within the period prescribed under this regulation.
<i>Action taken by</i>	BSE Limited
<i>Type of action (Advisory/ clarification/ fine/ show cause notice/ warning, etc.,)</i>	SOP Fine
<i>Details of violation</i>	The Annual report was sent to the shareholders along with the notice of the 65 th Annual General Meeting on 3 rd September 2022, by RTA, whereas it was submitted to the Stock Exchange on 5 th September 2022 resulting a delay of one working day.
<i>Fine amount</i>	Rs. 2,000/- (Rupees Two Thousand only) plus GST
<i>Observations/ Remarks of the Practising Company Secretary</i>	Company has paid the fine amount on 28 th October 2022.
<i>Management Response</i>	The Annual Report along with the notice was sent to all the shareholders through email by RTA on Saturday, 3 rd September 2022 after close of the office hours, by around 8.00 p.m which is within the prescribed time. The Company has filed the same on the next working day with BSE Limited which is Monday, 5 th September 2022.
<i>Remarks</i>	Nil



**ANNEXURE – B TO THE SECRETARIAL COMPLIANCE REPORT
FOR THE YEAR ENDED 31.03.2023 OF SAKTHI FINANCE LIMITED**

Sr. No. 2

<i>Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)</i>	SEBI LODR Regulations, 2015
<i>Regulation / Circular No.</i>	Regulation 50 (1)
<i>Deviations</i>	Delay in furnishing prior intimation with respect to date of payment of monthly interest amount with respect to listed NCDs for the month of August 2021.
<i>Action taken by</i>	BSE Limited
<i>Type of action (Advisory/ clarification/ fine/ show cause notice/ warning, etc)</i>	SOP Fine
<i>Details of violation</i>	Not applicable
<i>Fine amount</i>	Rs. 5,000/- (Rupees Five Thousand only) plus GST
<i>Observations/ Remarks of the Practising Company Secretary</i>	The company has submitted necessary documents for compliance on 1 st October 2022, 12 th October 2022 and 10 th November 2022 to BSE Limited.
<i>Management Response</i>	Based on the personal appearance before the officials of the BSE Limited, by e-mail dated 22 nd March 2023 BSE Limited has waived the entire fine amount.
<i>Remarks</i>	Nil



**ANNEXURE - B TO THE SECRETARIAL COMPLIANCE REPORT
FOR THE YEAR ENDED 31.03.2023 OF SAKTHI FINANCE LIMITED**

Sr. No. 3

<i>Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)</i>	SEBI LODR Regulations, 2015
<i>Regulation / Circular No.</i>	Regulation 54 (2)
<i>Deviations</i>	Non Disclosure of content and nature of security created and maintained with respect to listed NCDs in the financial statements, for the quarter and year ended 31 st March 2021
<i>Action taken by</i>	BSE Limited
<i>Type of action (Advisory/ clarification/ fine/ show cause notice/ warning, etc)</i>	SOP Fine
<i>Details of violation</i>	Not applicable
<i>Fine amount</i>	Rs. 47,000/- (Rupees Forty Seven Thousand only) plus GST
<i>Observations/ Remarks of the Practising Company Secretary</i>	The company has submitted necessary documents for compliance on 10 th March 2023 to BSE Limited.
<i>Management Response</i>	Based on the personal appearance before the officials of the BSE Limited, by e-mail dated 24 th March 2023 BSE Limited has withdrawn the entire fine amount.
<i>Remarks</i>	Nil



**ANNEXURE - B TO THE SECRETARIAL COMPLIANCE REPORT
FOR THE YEAR ENDED 31.03.2023 OF SAKTHI FINANCE LIMITED**

Sr. No. 4

<i>Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)</i>	SEBI LODR Regulations, 2015
<i>Regulation / Circular No.</i>	Regulation 57 (1)
<i>Deviations</i>	Non-submission of certificate to stock exchange within one working day of the interest or principal becoming due for the month of December 2022.
<i>Action taken by</i>	BSE Limited
<i>Type of action (Advisory/ clarification/ fine/ show cause notice/ warning, etc)</i>	SOP Fine
<i>Details of violation</i>	Not applicable
<i>Fine amount</i>	Rs. 3,72,000/- (Rupees Three Lakhs Seventy Two Thousand only) plus GST
<i>Observations/ Remarks of the Practising Company Secretary</i>	The company has submitted necessary documents for compliance on 1 st October 2022, 12 th October 2022 and 10 th November 2022 to BSE Limited.
<i>Management Response</i>	Based on the personal appearance before the officials of the BSE Limited, by e-mail dated 24 th March 2023 BSE Limited has withdrawn the entire fine amount.
<i>Remarks</i>	Nil



**ANNEXURE - B TO THE SECRETARIAL COMPLIANCE REPORT
FOR THE YEAR ENDED 31.03.2023 OF SAKTHI FINANCE LIMITED**

Sr. No. 5

<i>Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)</i>	SEBI LODR Regulations, 2015
<i>Regulation / Circular No.</i>	Regulation 60 (2)
<i>Deviations</i>	Delay in submission of the notice of Record Date for the month of April 2022
<i>Action taken by</i>	BSE Limited
<i>Type of action (Advisory/ clarification/ fine/ show cause notice/ warning, etc)</i>	SOP Fine
<i>Details of violation</i>	Not applicable
<i>Fine amount</i>	Rs. 40,000/- (Rupees Forty Thousand only) plus GST
<i>Observations/ Remarks of the Practising Company Secretary</i>	The company has submitted necessary documents for compliance on 1 st October 2022, 12 th October 2022 and 10 th November 2022 to BSE Limited.
<i>Management Response</i>	Based on the personal appearance before the officials of the BSE Limited, vide e-mail dated 24 th March 2023 BSE Limited has waived the entire fine amount.
<i>Remarks</i>	Nil

Place: Coimbatore
Date: 29th May 2023



For **S KRISHNAMURTHY & CO.,**
Company Secretaries
[Firm Unique Identification No. **P1994TN045300**]
(Peer Review Certificate No. **733/2020**)

R Sivasubramanian

R.Sivasubramanian
Partner.
Membership No: **A22289**
Certificate of Practice No: **12052**
UDIN: **A022289E000402207**