

**VLS****VLS FINANCE LTD.**

Regd. Office : Ground Floor, 90, Okhla  
Industrial Estate, Phase III, New Delhi-110020  
Tel. : 91-11-46656666  
Fax : 91-11-46656699  
Email : vls@vlsfinance.com  
Web : www.vlsfinance.com  
CIN : L65910DL1986PLC023129

May 25, 2023

Listing Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.

Scrip Code: 511333

Dear Sir,

In terms of Regulation 24A the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the Secretarial Compliance Report dated 8<sup>th</sup> May 2023 issued by a Practicing Company Secretary for the year ended 31<sup>st</sup> March, 2023. You are requested to take it on record.

Kindly acknowledge the receipt.

Thanking you,  
for VLS Finance Ltd.

(H. Consul)  
Company Secretary  
M. No. A11183 ✓



- Copy to:
- 1) The National Stock Exchange of India Ltd., Exchange Plaza, 5<sup>th</sup> Floor Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051
  - 2) The Calcutta Stock Exchange Association. Ltd., 7, Lyons Range, Kolkata- 700 001

Scrip Code:  
**VLSFINANCE**

032019



**Secretarial Compliance Report of VLS Finance Limited for the Financial Year ended March 31, 2023 in terms of Regulation 24A (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by VLS Finance Limited (hereinafter referred as 'the Listed Entity'), having its Registered Office at Ground Floor, 90, Okhla Industrial Estate, Phase -III, New Delhi-110020. Secretarial Review 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 Listed Entity's books, papers, minutes books, forms and returns filed and other records maintained by the Listed Entity and also the information provided by the Listed Entity, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Review, I hereby report that in my opinion, the Listed Entity has, during the review period covering the Financial Year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Listed Entity 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: -

- (a) All the documents and records made available to me and explanation provided by VLS Finance Limited ("the Listed Entity"),
- (b) The filings / submissions made by the Listed Entity to the Stock Exchanges,
- (c) Website of the Listed Entity,
- (d) Any other document / filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 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");

The specific Regulations, whose provisions and the Circulars / Guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;



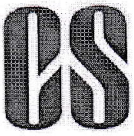


- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992.
- (j) The Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;

I hereby report that, during the Period under Review the compliance status of the Listed Entity is as below: -

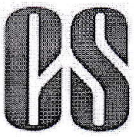
Sl.No.	Particulars	Compliance Status	Observations
1	<b>Secretarial Standards:</b> The compliances of the Listed Entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.	YES	NIL





2	<b>Adoption and timely updating of the Policies:</b> <ul style="list-style-type: none"><li>All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the Listed Entity</li><li>All the policies are in conformity with SEBI Regulations and have been reviewed and updated on time, as per the Regulations / Circulars / Guidelines issued by SEBI</li></ul>	YES  YES	NIL  NIL
3	<b>Maintenance and disclosures on Website:</b> <ul style="list-style-type: none"><li>The Listed Entity is maintaining a functional website</li><li>Timely dissemination of the documents / information under a separate section on the website</li><li>Web-links provided in Annual Corporate Governance Report under Regulation 27(2) are accurate and specific which re- direct to the relevant document(s) / section of the website</li></ul>	YES  YES  YES	NIL  NIL  NIL
4	<b>Disqualification of Directors:</b> None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the Listed Entity.	YES	NIL
5	<b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b> (a) Identification of material Subsidiary Companies (b) Disclosure requirement of material as well as other Subsidiaries	YES  YES	NIL  NIL
6	<b>Preservation of Documents:</b> The Listed Entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival Policy prescribed under SEBI LODR Regulations, 2015.	YES	NIL

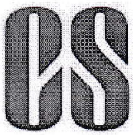




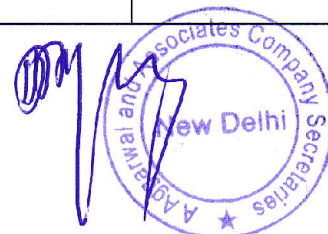
7	<b>Performance Evaluation:</b> The Listed Entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every Financial Year / during the Financial Year as prescribed in SEBI Regulations.	YES	NIL
8	<b>Related Party Transactions:</b> (a) The Listed Entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The Listed Entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit Committee, in case no prior approval has been obtained.	YES  NA	All related party transactions are on the basis of prior approval of Audit Committee
9	<b>Disclosure of events or information:</b> 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	<b>Prohibition of Insider Trading:</b> The Listed Entity is in compliance with Regulations 3(5) and 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	YES	NIL
11	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> 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 (**).	YES	NIL
12	<b>Additional Non-compliances, if any:</b> No additional non-compliance observed for any SEBI Regulation / Circular / Guidance Note etc.	YES	NIL

Compliances related to resignation of Statutory Auditors from Listed Entities and their material Subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:





Sl.No.	Particulars	Compliance Status	Observations
1	<p><b>Compliances with the following conditions while appointing / re-appointing an Auditor</b></p> <p>i. If the Auditor has resigned within 45 days from the end of a quarter of a Financial Year, the Auditor before such resignation, has issued the Limited Review / Audit Report for such quarter; or</p> <p>ii. If the Auditor has resigned after 45 days from the end of a quarter of a Financial Year, the Auditor before such resignation, has issued the Limited Review / Audit Report for such quarter as well as the next quarter; or</p> <p>iii. If the Auditor has signed the Limited Review / Audit Report for the first three quarters of a Financial Year, the Auditor before such resignation has issued the Limited Review / Audit Report for the last quarter of such Financial Year as well as the Audit Report for such Financial Year.</p>	NA  NA  NA	The Auditor has not resigned during the Financial Year 2022-23
2	<p><b>Other conditions relating to resignation of Statutory Auditor</b></p> <p>i. Reporting of concerns by Auditor with respect to the Listed Entity / its material Subsidiary to the Audit Committee: -</p> <p>a. In case of any concern with the Management of the Listed Entity / material Subsidiary such as non-availability of information / noncooperation by the Management which has hampered the Audit process, the Auditor has approached the Chairman of the Audit Committee of the Listed Entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee Meetings.</p> <p>b. In case the Auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents have been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the Company, the Auditor has informed the Audit Committee the details of information / explanation sought and not provided by the Management, as applicable.</p>	NA  NA  NA	The Auditor has not resigned during the Financial Year 2022-23



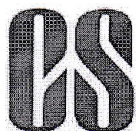


	<p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the Auditor relating to the proposal to resign as mentioned above and communicate its views to the Management and the Auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The Auditor has provided an appropriate disclaimer in its Audit Report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the Listed Entity / its material Subsidiary has not provided information as required by the Auditor.</p>	NA	The Auditor has not resigned during the Financial Year 2022-23
3	The Listed Entity / its material Subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019.	NA	The Auditor has not resigned during the Financial Year 2022-23

(a) (\*\*) The Listed Entity has complied with the provisions of the above Regulations and Circulars / Guidelines issued thereunder, except in respect of matters specified below: -

<b>Sl.No.</b>	1
<b>Compliance Requirement (Regulations/ Circulars/ Guidelines Including specific clause)</b>	SEBI (Stock Brokers) Regulations, 1992
<b>Regulation/ Circular No.</b>	MIRSD/DFS111/CIR-26/08 dated 22.08.2008
<b>Deviations</b>	Adverse observations of the Internal Auditor in its Report for the period ended 30.09.2021
<b>Action Taken by</b>	BSE Limited
<b>Type of Action</b>	Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.
<b>Details of Violation</b>	Delay in reporting of closure of a securities account i.e. beyond prescribed time
<b>Fine Amount</b>	Rs. 6,000/-
<b>Observations/ Remarks of the Practicing Company Secretary</b>	NIL
<b>Management Response</b>	NIL
<b>Remarks</b>	NIL





(b) The Listed Entity has taken the following actions to comply with the observations made in previous Reports: -

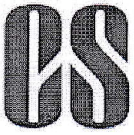
SI.No.	1
Compliance Requirement (Regulations/ Circulars/ Guidelines Including specific clause)	Listing Agreement
Regulation/ Circular No.	Clause 31
Deviations	Late submission of Annual Report 2014
Action Taken by	National Stock Exchange of India Limited (NSE)
Type of Action	Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.
Details of Violation	Late submission of Annual Report 2014
Fine Amount	Rs. 2,000/-
Observations/ Remarks of the Practicing Company Secretary	After representation of the Listed Entity denying alleged non-compliance, the matter has not been followed by NSE for more than one year now, presumed to be closed
Management Response	Representation made for contesting levy of penalty appears to be adequate and acceptance thereof by Exchange is expected
Remarks	No further action is desirable on part of Listed Entity

**Assumptions and Limitation of Scope and Review: -**

1. Compliance of the applicable Laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the Management of the Listed Entity.
2. My responsibility is to certify based upon my examination of relevant documents and information. This is neither an Audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Listed Entity.







**A Aggarwal and Associates**  
Company Secretaries

35, Tyagi Vihar – B,  
Dharam Colony, Nangloi  
Delhi 110041

Mobile: 9818307204

Mail ID: aagarwal\_cs@yahoo.com

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Listed Entity nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Listed Entity.

Place: New Delhi  
Date: 08.05.2023



Ashutosh Aggarwal  
A Aggarwal and Associates  
Company Secretaries  
ACS 9972 CP No. 7467  
P.R. Certificate No. 1097 / 2021  
UDIN A009972E000270595