



आई एफ सी आई लिमिटेड
(A Government of India Undertaking)
(भारत सरकार का उपक्रम)

May 29, 2024

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| No. IFCI/CS/2024-361 1. National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 <u>CODE:IFCI</u> | No. IFCI/CS/2024-362 2. BSE Limited Department of Corporate Service Phiroze JeeJeebhoy Tower Dalal Street, Fort Mumbai – 400 001 <u>CODE:500106</u> |
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Sir/Madam,

Subject: Annual Secretarial Compliance Report for the FY 2023-24.

Pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Secretarial Compliance Report of the Company for the Financial Year 2023-24 is enclosed herewith.

Kindly acknowledge receipt.

Thanking you

For **IFCI Limited**

(Signature) **(Priyanka Sharma)**
Company Secretary

Encl.: As above

आई एफ सी आई लिमिटेड
पंजीकृत कार्यालय:
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वेबसाइट: www.ifcilttd.com
सीआईएन: L74899DL1993GOI053677

1948 से राष्ट्र के विकास में

IFCI Limited

Regd. Office:

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Website: www.ifcilttd.com
CIN: L74899DL1993GOI053677

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Secretarial Compliance Report of
IFCI LIMITED
For the year ended 31st March, 2024

We, Agarwal S. & Associates, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **IFCI LIMITED** ("the listed entity" or "IFCI"),
- (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 Report, for the financial year ended 31st March, 2024 ("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) Regulation, 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 Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

and circulars/ guidelines issued thereunder;

and based on the above 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 below: -

| Sr. No. | Compliance Requirement (Regulations /circulars/ guidelines Including Specific clause) (i) | Regulation /Circular No. (ii) | Deviations (iii) | Action Taken by (iv) | Type of Action Advisory / Clarification/Fine/ Show Cause Notice/ Warning, etc. (v) | Details of Violation (vi) | Fine Amount (vii) | Observations/Remarks of the Practicing Company Secretary (PCS) (viii) | Management Response (ix) | Remarks (x) |
|---------|---|--|---|--|--|---|-------------------------------------|---|--|---|
| 1. | Regulation 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/20(2A) and 21(2) | Regulation 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/20(2A) and 21(2) | Non-compliance with respect to the Composition of the board, quorum of meetings and constitution of Committees of Directors | BSE Limited National Stock Exchange Limited (NSE) for the quarter ended March 31, 2023 | Fine | Non-compliance with respect to the Composition of the board, quorum of meetings and constitution of Committees of Directors | ₹14,04,200/- each inclusive of GST. | Refer Column (vi) of Table (a) | The Company has submitted response to NSE and BSE letters dated 24.05.2023 and 29.08.2023 and 30.11.2023 and 01.03.2024 respectively, for the quarter ended March 31, 2023 and June 30, 2023 and Sep 30, 2023 and Dec 31, 2023 and | Due to non appointment of requisite number of the independent Directors; consequential non compliance of Regulation 18(2)(b) and 19(2A) of SEBI (LODR) Regulation |
| 2. | Regulation 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/20(2A) | Regulation 17(1), 17(2A), 18(1), 19(1)/ | Non-compliance with respect to the | BSE Limited National Stock | Fine | Non-compliance with respect to the | ₹14,07,740/- each inclusive of GST | | and Dec 31, 2023 and | 2015 has requested the Stock |

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| | and 21(2). | 19(2), 20(2)/20(2A)) and 21(2). | Compositi on of the board, quorum of the meetings and constitutio n of Committee es of Directors | Exchange Limited (NSE) for the quarter ended June 30, 2023 | | Compositi on of the board, quorum of meetings and constitutio n of Committee s of Directors | | Exchanges not to impose the fine and take any other subsequent actions on the Company, since the appointment of Independent Directors on the Board of Company is done by Department of Financial Services (DFS), Ministry of Finance (MOF) being the Department/ Ministry Administrati vely in charge of the Company. |
| 3. | Regulation 17(1),18(1), 19(1)/ 19(2), 20(2)/20(2A) and 21(2) | Regulation 17(1), 18(1), 19(1)/ 19(2), 20(2)/20(2A)) and 21(2) | Non- compliance with respect to the Compositi on of the board, quorum of the meetings and constitutio n of Committee es of Directors | BSE Limited and National Stock Exchange Limited (NSE) for the quarter ended Sep 30, 2023 | Fine | Non- compliance with respect to the Compositi on of the board, quorum of meetings and constitutio n of Committee s of Directors | ₹11,56,400 /- each inclusive of GST | |
| 4. | Regulation 17(1), 18(1) and 19(1)/ 19(2) | Regulation 17(1), 18(1) and 19(1)/ 19(2) | Non- compliance with respect to the Compositi on of the board, quorum of the meetings and constitutio n of Committee es of Directors | BSE Limited and National Stock Exchange Limited (NSE) for the quarter ended Dec 31, 2023 | Fine | Non- compliance with respect to the Compositi on of the board, quorum of meetings and constitutio n of Committee s of Directors | ₹9,77,040/- each inclusive of GST | |

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| 5. | Regulation 25(3) | Regulation 25(3) | The Independent Directors of the listed entity did not hold at least one meeting during the financial year, without the presence of Non-Independent Directors and members of the management, as there is only one Independent Director on the Board of the Company. | Not Applicable | The Management informed that view of absence of requisite number of Independent Directors on the Board of the Company, no separate Meeting of Independent Directors was held during the year. Since, the appointment of Independent Directors on the Board of Company is done by DFS, MOF being the Department/Ministry Administratively in charge of the Company. Requests have been made to DFS, MOF for appointment / nomination of requisite number of Independent Directors. |
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| 6. | Regulation 24(1) | Regulation 24(1) | At least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary. However, the Company is in non-compliance of the same during the whole financial year as the material subsidiaries i.e Stock holding Corporation of India Ltd. does not have on its Board any ID of Company. | Not Applicable | | In view of absence of requisite number of Independent Directors on the Board of the Company, the requirement could not be met. DFS, MOF being the Department/Ministry Administratively in charge of the Company. Requests have been made to DFS, MOF for appointment / nomination of requisite number of Independent Directors. |
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Observations/Remarks of the Practicing Company Secretary in the previous reports (i) | Observations made in the secretarial compliance report for the year ended March 31, 2023 (ii) | Compliance Requirement (Regulations/Circulars/guidelines including specific clause) (iii) | Details of violation/deviations and actions taken/penalty imposed, if any, on the listed entity (iv) | Remedial actions, if any, taken by the listed entity (v) | Comments of PCS on the actions taken by the listed entity (vi) |
|---------|---|---|---|--|--|--|
| 1. | Non-compliance with respect to the Composition of the board, quorum of meetings and constitution of Committees of Directors | Refer to column no. (i) of table (b) | Regulation 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/20(2A) and 21(2) | The Composition of the Board, quorum of the meetings and constitution of Committees of Directors are not in compliance for the quarter ended March 31, 2022, June 30, 2022, Sep 30, 2022 and Dec 31, 2022 respectively. Action taken by BSE Limited and National Stock Exchange Limited (NSE). BSE and NSE | The Company has submitted a response to NSE and BSE vide their letters dated 27.05.2022 and 29.08.2022 and 30.11.2022 and 22.02.2023 respectively, for the quarter ended March 31, 2022 and June 30, 2022 and Sep 30, 2022 and Dec 31, 2022 and has requested the Stock Exchanges not to impose the fine and any other | Refer to column no. (v) of table (b) |

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| | | | <p>imposed a fine of ₹14,16,000/- , ₹14,19,540/- , ₹14,34,880/- and ₹14,23,080/-each inclusive of GST respectively for the quarter ended March 31, 2022, June 30, 2022, Sep 30, 2022 and Dec 30, 2022.</p> | <p>subsequent actions on the Company, since the appointment of Independent Directors on the Board of Company is done by DFS, MOF, being the Department/ Ministry Administratively in charge of the Company. Accordingly, Company has been requesting the DFS, MOF of Government of India being the Department/ Ministry Administratively in charge for appointment of requisite number of Independent Directors on the Board of the Company. Considering our requests DFS, MOF vide letter dated May 10, 2023 had appointed Shri Umesh Kumar Garg as Independent Director on the Board of the Company w.e.f. May 10, 2023.</p> | |
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| | | | | | <p>Subsequently, on August 08, 2023 Shri Umesh Kumar Garg had been inducted in the Committees of Directors.</p> <p>Consequently the Composition of Stakeholders' Relationship Committee and Risk Management Committee have been complied with. Also, NSE being the designated exchange vide letter dated April 15, 2024 had waived the fines in respect of Stakeholders' Relationship Committee and Risk Management Committee as composition of these Committees were made complied with SEBI Listing Regulations after induction of one Independent Director.</p> <p>However, there is still absence of requisite number of Independent Directors on the Board of the Company.</p> | |
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| 2. | Non submission of the Annual Return within the period prescribed under Regulation 34 | Refer to column no. (i) of table (b) | Regulation 34 | Non submission of the Annual Return within the period prescribed under Regulation 34. Action taken by BSE Limited (BSE). BSE imposed a fine of ₹94,400/- inclusive of GST. | The Management of the company had submitted a reply dated October 21, 2022 stating that the company had obtained an extension from Registrar of Companies for convening AGM. Hence, based on the submissions made by the Company, BSE vide communication dated March 13, 2023, had withdrawn said fine. | Refer column (v) of table (b) |
| 3. | Delay in furnishing prior intimation with respect to date of payment of interest/ redemption amount or intimation regarding board meeting effecting the rights or interest of holders of NCDs/NCRPS | Refer column no. (i) of table (b) | Regulation 50 | Delay in furnishing prior intimation with respect to date of payment of interest/ redemption amount or intimation regarding board meeting effecting the rights or interest of holders of NCDs/NCRPS. Action taken by BSE Limited (BSE). BSE imposed a fine of ₹2,360/- inclusive of GST. | The management of the company had submitted a response dated January 16, 2023 along with the request to waive fines imposed on the Company and not to take any other action on the Company. The Company has been continuously following with BSE. | Refer to column no. (v) of table (b) |

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| 4. | Delay in submission of the notice of Record date | Refer to column no. (i) of table of (b) | Regulation 60(2) | Delay in submission of the notice of Record date Action taken by BSE Limited (BSE). BSE imposed a fine of ₹11,800/- inclusive of GST. | The management of the company had filed a reply dated January 16, 2023 along with the request to waive fines imposed on the Company and not to take any other action on the Company. Fine has been since paid. | Refer to column no. (v) of table (b) |
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(c) We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

| Sr. No. | Particulars | Compliance Status (Yes/No/NA) | Observations / Remarks by PCS |
|---------|---|----------------------------------|----------------------------------|
| 1. | <u>Secretarial Standards</u> 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) | Yes | Generally Complied with |
| 2. | <u>Adoption and timely updation of the Policies:</u> <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 has been reviewed & timely updated as per the regulations /circulars/guidelines issued by SEBI | Yes Yes | None None |
| 3. | <u>Maintenance and disclosures on Website:</u> <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 | None None None |

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| 4. | <p><u>Disqualification of Director:</u></p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013</p> | Yes | None |
| 5. | <p><u>To examine details related to Subsidiaries of listed entities:</u></p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Requirements with respect to disclosure of material as well as other subsidiaries</p> | Yes | Two Material Subsidiaries i.e. Stock Holding Corporation of India Limited and IFCI Infrastructure Development Limited. |
| 6. | <p><u>Preservation of Documents:</u></p> <p>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</p> | Yes | None |
| 7. | <p><u>Performance Evaluation:</u></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p> | Yes | However, in the absence of requisite number of Independent Directors, no separate meeting of Independent Directors was held during the financial year, to carry out the performance evaluation. |
| 8. | <p><u>Related Party Transactions:</u></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions</p> <p>(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit committee</p> | Yes NA | None |

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| 9. | <u>Disclosure of events or information:</u> 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 there under. | Yes | None |
| 10. | <u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 | Yes | None |
| 11. | <u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions 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. | No | Mentioned in Table (a) above |
| 12. | <u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/or its material subsidiary(ies) has/have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the SEBI LODR Regulations, 2015 by the listed entity. | NA | No case of resignation of Statutory auditor from the listed entity and/or its material subsidiaries during the review period. |
| 13. | <u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc. | Yes | None |

Assumptions & 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. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) 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.

For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

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GARIMA GROVER
GROVER Date: 2024.05.28
17:50:53 +05'30'

CS Garima Grover
Partner
ACS No.: 27100
CP No.: 23626

Date: 28.05.2024
Place: New Delhi
UDIN: A027100F000474316