



Secretarial Compliance Report of CITICORP FINANCE (INDIA) LIMITED for the financial year ended March 31, 2023

I, Vijay Babaji Kondalkar, Practising Company Secretary, partner of VKMG & Associates LLP, Company Secretaries, have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by CITICORP FINANCE (INDIA) LIMITED ("the Company"), having its Registered Office at B7, 5th Floor, Nirlon Knowledge Park Goregaon (East) Mumbai - 400063.

Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon. Based on my verification of the Company's books, papers, minutes books, forms and returns filed 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 Review, I hereby report that the Company has, during the review period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter.

I have examined:

- (a) all the documents and records made available to us and explanation provided by the Company,
- (b) the filings/ submissions made by the Company to the stock exchanges,
- (c) website of the Company,
- (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; (Not applicable to the Company during the review period)
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the review period)

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&amp; Associates LLP

Company Secretaries

- (d) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; (Not applicable to the Company during the review period)
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the review period)
  - (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;
  - (i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- and circulars/ guidelines issued thereunder including below;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified in **Annexure A** forming part of this report.
- (b) The details of action taken by the Company to comply with the observations made in previous reports are specified in **Annexure B** forming part of this report.
- (c) The reporting of clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

I hereby report that, during the review period the Compliance status of the Company is appended in **Annexure C** forming part of this report

**For VKMG & Associates LLP**  
**Company Secretaries**  
**FRN: L2019MH005300**

**Date:30-05-2023**

**Place: Mumbai**

**UDIN: A015697E000428824**

**Vijay Babaji Kondalkar**  
**Partner**  
**ACS-15697**  
**CP-4597**  
**PRN:1279/2021**

This report is to be read with my letter of even date which is annexed as '**Annexure D**' and forms an integral part of this report.

**Secretarial Audit Report FY 2022-23**

**Annexure A**

Sr. No.	Sub-Sr. no.	Compliance Requirement (Regulations / circulars / guidelines including specific Clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action (Advisory / Clarification / Fine / Show Cause Notice / Warning, etc.)	Details of Violation	Fine Amount	Observations / Remarks of the PCS	Management Response	Remarks
<b>Key Obesevation under SEBI PIT Regulation</b>											
1	a	Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 - Requirement to maintain Structured Digital Database (SDD) and submission of quarterly compliance certificate with the stock exchange.	Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and NSE Circular Ref No. NSE/CML/2022/23 dated October 28, 2022	The Company has not maintained structured digital database in the manner as prescribed in Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 and have not submitted quarterly certificates with the exchange.	-	-	Non Compliance of provision of Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	-	The Management response is self explanatory they have taken on record observation and committed to comply the same, hence do call any further comments.	The Company currently maintains an excel database of the UPSI generated by CFIL. The excel database is managed by the finance team in CFIL. It is to be noted that material UPSI in CFIL largely consists of the financial information (Balance Sheet, Profit and Loss) and the same is maintained by Finance in a secured EUC (End user computing) tool. The EUC file is password protected and has the functionality of generating audit trail. Also the access is provided only on a need to know basis.  While a systemic solution is being reviewed for CFIL, the above mentioned excel templates are being maintained to comply with the minimum set of requirements. CFIL management team is in the process of evaluating system solutions available to identify a sustainable systemic database to ensure full compliance to this regulatory requirement. Meanwhile, CFIL will submit the compliance certificate to NSE for the quarter ended September and December 2022 based on the existing manual controls.	-
<b>Key Obesevations under Securities and Exchange Board of India (Listing Obligation and Disclosure Requirments), Regulation 2015 ["SEBI (LODR)"]</b>											
2	a	The Company shall give prior intimation to the stock exchange of at least two working days in advance, excluding the date of the intimation and the date of the meeting of the board of directors, about the Board meeting in which financial results viz. quarterly or annual is to be considered.	Regulation 50(1)(C) of SEBI (LODR)	There was a delay of one day in respect of prior intimation to stock exchange about the Board meeting held on November 11, 2022.	National Stock Exchange of India Limited	Fine	Non Compliance of provision of Regulation 50(1)(c) of SEBI (LODR)	Rs.5000/- plus GST	The Management response is self explanatory and paid also paid fine for such non-compliance, hence do call any further comments.	In accordance with regulation 50 (1) (C), the Company was required to intimate NSE on November 8, 2022 about its Board Meeting scheduled on November 11, 2022. However, since November 8, 2022 was a public holiday (stock exchange holiday as well) on account of Guru Nanak Jayanti, the intimation was given to NSE on November 9, 2022. We have written to Stock Exchange for waiver of penalty and simultaneously has made the payment of Rs. 5000+ GST. We are awaiting response from NSE on waiver request.	-
	b	The Chairperson of the audit committee shall be an independent director and he /she shall be present at Annual general meeting to answer shareholder queries.	Regulation 18(1)(d) of SEBI (LODR)	The Chairman of the Audit Committee has not attended the Annual General Meeting held on September 29, 2022	-	-	Non-Compliance of provision of Regulation 18(1)(d) of SEBI (LODR)	-	The Management response is self explanatory, hence do call any further comments.	The Chairman of Audit Committee was unable to attend the meeting due to some personal exigencies. Further, this requirement was not under mandatory compliance in September 2022.	-

c	<p>The Company shall forward to the debenture trustee promptly along with copy of Annual Report, a copy of certificate from the auditors in respect of utilisation of funds during the implementation period of the project for which the funds have been raised and as per regulation 56 (1) (d) a half-yearly certificate regarding maintenance of hundred percent security cover or higher security cover as per the terms of offer document/ Information Memorandum and/or Debenture Trust Deed, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial results, in the manner and format as specified by the Board.</p>	<p>Regulation 56(1)(a) and (d) of SEBI (LODR)</p>	<p>The Company had not submitted a copy of certificate from the auditors in respect of utilisation of funds during the implementation period of the project for which the funds have been raised and there was delay in submission a half-yearly certificate regarding maintenance of hundred percent security cover for half year ended September 30, 2022.</p>	-	-	Non Compliance of provision of Regulation 56(1)(a) and (d) of SEBI (LODR)	-	<p>The Management response is self explanatory they have taken on record observation and committed to comply the same, hence do call any further comments.</p>	<p>We have taken note of your point.</p> <p>In relation to your observation under Regulation 56(1)(a), the company has already raised requirement with Statutory Auditor for Utilization Certificate and the same will be submitted to the Debenture Trustee along with Financial/Auditor Report as soon as it is submitted to Stock Exchange.</p> <p>In relation to your observation under Regulation 56(1)(d), going forward the Company will submit the Auditor Certificate in relation to security cover, along with Financial Results to the Debenture Trustee immediately as soon as it is submitted to Stock Exchange.</p>	-
d	<p>The Company shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within twenty one days from the end of each quarter.</p>	<p>Regulation 27(2)(a) of SEBI (LODR)</p>	<p>Corporate Governance report filed with NSE for all quarters, category of chairperson as required as per CG report was not specified for both Board and Committee.</p>	-	-	Non Compliance of provision of Regulation 27(2)(a) of SEBI (LODR)	-	<p>The Management response is self explanatory they have taken on record observation and going forward committed to comply the same, hence do call any further comments.</p>	<p>In terms of compliances with respect to Regulation 27(2)(a), the details were filled of Chairperson/designation basis our understanding and interpretation. However, we have noted your suggestion on specific mention about Chairperson, which we shall follow going forward.</p>	-
e	<p>A copy of the financial results submitted to stock exchanges shall also be provided to Debenture Trustees on the same day.</p>	<p>Regulation 52(1) proviso of SEBI (LODR)</p>	<p>There was a delay in submission of copy of the financial result for June 2022 quarter to Debenture Trustee.</p>	-	-	Non Compliance of provision of Regulation 52(1) of SEBI (LODR)	-	<p>The Management response is self explanatory they have taken on record observation and going forward committed to comply the same, hence do call any further comments.</p>	<p>We have taken note of your point.</p> <p>Going forward the Company will submit the Financial Results to the Debenture Trustee immediately as soon as it is submitted to Stock Exchange.</p>	-

f	The Company shall within five working days prior to the beginning of the quarter provide details for all the non-convertible securities for which interest/dividend/principal obligations shall be payable during the quarter, to the Stock Exchange.	Regulation 57(4) of SEBI (LODR)	The submission of disclosure for quarter ended June, 2022 and December 2022, was made before five working days prior to the beginning of the quarter.	-	-	Non Compliance of provision of Regulation 57(4) of SEBI (LODR)	-	The Management response is self explanatory they have taken on record observation and going forward committed to comply the same, hence do call any further comments.	We have taken note of your point. Going forward the Company will submit the said report to the Stock Exchange within five working days prior to the beginning of the quarter.	-
g	The Company shall submit to the stock exchange(s), along with the quarterly financial results, a statement indicating the utilisation of the issue proceeds of non-convertible securities, in such format as may be specified by the Board, till such proceeds of issue have been fully utilised or the purpose for which the proceeds were raised has been achieved and shall also submit a statement disclosing material deviation(s) (if any) in the use of issue proceeds of non-convertible securities from the objects of the issue, in such format as may be specified by the Board, till such proceeds have been fully utilised or the purpose for which the proceeds were raised has been achieved.	Regulation 52(7)&7(a) of SEBI (LODR)	The submission of disclosure for quarter ended December 2022 and March 2023, was made in advance before the submission of financial result and also in all disclosure made during the year in the column of fund utilised instead of amount utilized, the date of utilisation of fund have been reported	-	-	Non Compliance of provision of Regulation 52(7) & 7(a) of SEBI (LODR)	-	The Management response is self explanatory they have taken on record observation and going forward committed to comply the same, hence do call any further comments.	We have taken note of your point. Going forward the Company will submit the utilization statement along with Financial result (no separate advance submission will be done). Statement will be updated with Utilization Amount instead of Utilization Date.	-

(b)The Company has taken the following actions to comply with the observations made in previous reports:

**Secretarial Audit Report FY 2022-23**  
**Annexure B**

Sr. No	Compliance Requirement (Regulations/ circulars/guid elines including specific	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action (Advisory/Clarification/Fine/Show Cause Notice/ Warning, etc.)	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Pursuant to Reg 17(1)(c) of SEBI LODR, the Board of Directors of the top 1000 and top 2000 listed entities shall comprise of not less than six directors	Reg 17(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015	Deviations For a period of 3 months from December 07, 2021 to March 15, 2022, there were only 5 Directors as Priti Goel resigned effective December 07, 2021 and Mr. Rajeev Mantri was appointed as Additional Director on 15/03/2022.	-	-	Non compliance of provision of Regulation 17(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	-	The Management response is self explanatory, hence do call any further comments.	The Management has already justified in previous report that the Company being the debt listed company is under the 'comply and explain' regime till March 31, 2023, after which compliance will be mandatory. The Company has given due explanation in the quarterly governance report for the quarter ended December 31, 2021. Also, there is no clarity on applicability of the said regulation on debt listed company as top 1000 and top 2000 listed Companies criteria are for equity listed Companies.	-
2	Regulation 20(3A) of SEBI (LODR) Regulations, 2015- The Stakeholders relationship committee shall meet at least once in a year.	Reg 20(3A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	No meeting was held by the Committee during the period 2021-2022.	-	-	Non compliance of provision of Regulation 20 (3A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	-	The Management response is self explanatory, hence do call any further comments.	The Management has already justified in previous report that the Post applicability of LODR in September 2021, the Company reconstituted the Stakeholders Relationship Committee in its Board Meeting held on February 11, 2022. However, no meeting was held by the Committee and Management has confirmed that it shall comply with the said provisions in the current financial year. Further, the Company being the debt listed company is under the 'comply and explain' regime till March 31, 2023, after which compliance will be mandatory. The Company has given due explanation in the quarterly governance report for the quarter ended March 31, 2022.	-

### Annexure C

Sr No.	Particulars	Compliance Status (Yes/No/NA)	Observation/Remarks by PCS
1.	<p><u>Secretarial Standards:</u></p> <p>The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)</p>	Yes	
2.	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company.</li> <li>• All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes	
3.	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> <li>• The Company 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 reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website</li> </ul>	Yes	
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	
5.	<p><u>To examine details related to Subsidiaries of Company:</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>	NA	The Company does not have any subsidiary.
6.	<p><u>Preservation of Documents:</u></p> <p>The Company 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	
7.	<p><u>Performance Evaluation:</u></p> <p>The Company 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	
8.	<p><u>Related Party Transactions:</u></p> <p>(a) The Company has obtained prior approval of Audit Committee for all Related party transactions; or</p> <p>(b) In case no prior approval obtained, the Company shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee</p>	Yes	

9.	<p><u>Disclosure of events or information:</u></p> <p>The Company 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.</p>	NA	<p>The Company being a Debt Listed Company provision of Regulation 30 is not applicable however complied the provision of Regulation 51 along with Schedule III of SEBI LODR Regulations, 2015.</p>
10.	<p><u>Prohibition of Insider Trading:</u></p> <p>The Company is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	No	<p>Refer observation as provided in Annual Secretarial Compliance Report</p>
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>No Actions taken against the Company/ 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</p>	<p>Yes, during the year 2022-2023, the National Stock Exchange of India Limited had levied the Fine of 89,000/- plus GST for non-compliance of provision of regulation 50(1), 57(1) &amp; 60(2) of SEBI LODR and the particular of the same are provided in detail below to this table.</p>	<p>Refer observation as provided in Annual Secretarial Compliance Report</p>
12.	<p><u>Additional Non-compliances, if any:</u></p> <p>No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.</p>	<p>None, the details of non-compliance observed for all SEBI regulation/circular/guidance note etc already covered in annual secretarial compliance report.</p>	<p>Refer observation as provided in Annual Secretarial Compliance Report</p>



Actions taken by National Stock Exchange of India Limited:

<b>Sr No</b>	<b>Regulation</b>	<b>Particular</b>	<b>Amount of Fine</b>	<b>Fine Payment Status</b>
1.	50 (1)	The Company is required to provide prior intimation to the stock exchange(s) at least eleven working days before the date on and from which the interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds shall be payable. NSE has highlighted delay in this reporting for 7 events.	7,000.00	Paid
2.	57 (1)	The Company is required to give notice in advance of at least seven working days to the stock exchange(s) of the record date. NSE has highlighted delay in this intimation to them for 1 event.	67,000.00	Paid
3.	60 (2)	The Company is required to submit a certificate to the stock exchange within two days of the interest or principal or both becoming due that it has made timely payment of interests or principal obligations or both in respect of the non-convertible debt securities. NSE has highlighted delay in this intimation to them for 5 events.	10,000.00	Paid
4.	50 (1)	The Company is required to give prior intimation to the stock exchange at least two working days in advance, excluding the date of the intimation and the date of the meeting of the board of directors, about the Board meeting in which financial results viz. quarterly or annual is to be considered.  There was a delay of one day in respect of prior intimation to stock exchange about the Board meeting held on November 11, 2022.	5,000.00	Paid

## **ANNEXURE D**

My report of even date is to be read along with this letter.

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. My responsibility is to report 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 Company.
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 Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VKMG & Associates LLP  
Company Secretaries  
FRN: L2019MH005300**

**Date: 30-05-2023**

**Place: Mumbai**

**UDIN: A015697E000428824**

**Vijay Babaji Kondalkar  
Partner  
ACS-15697  
CP-4597  
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