

June 03, 2021

To,
The Manager
Department of Corporate Services
Bombay Stock Exchange Limited
Phiroze, Jeejeebhoy Towers
Dalal Street, Mumbai-400001

Scrip code: 530067

Sub: Annual Secretarial Compliance Report for the year ended March 31, 2021

Dear Sir/Madam,

Pursuant to the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Secretarial Compliance Report for the year ended March 31, 2021.

Kindly take the same on records.

Thanking you,
For **CSL Finance Limited**

ROHIT Digitally signed
by ROHIT GUPTA
GUPTA Date: 2021.06.03
10:32:30 +05'30'

Rohit Gupta
Managing Director
DIN: 00045077



**Secretarial Compliance Report of CSL FINANCE LIMITED for the year
ended 31st March, 2021**

I Naveen Kumar, Practicing Company Secretary have examined:

- (a) all the documents and records made available to us and explanation provided by **CSL FINANCE LIMITED**,
- (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 **31st March, 2021** 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



Regulations, 2018; **(Not Applicable)**

- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (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 and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued thereunder;
- (i) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulations of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

And based on the above examination, I 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)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 17 (1) of Listing Regulations, the Board of Directors of top 2000 listed entities, based on capitalization, were required to have at least 6 directors w.e.f 01.04.2020.	As on 01.04.2020 Company's Board Comprised of 4 Directors (with 2 Independent Directors, including 1 Women Director).	The Company was not aware that it has fallen into the top 2000 entities. As soon as the Company became aware of the said fact, it instantly identified 2 persons and appointed them on its board w.e.f 30.12.2020.



(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 my examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	Stock Exchange (BSE)	Regulation 17 (1) of Listing Regulations, the Board of Directors of top 2000 listed entities, based on market capitalization, were required to have at least 6 directors w.e.f 01.04.2020.	An aggregate fine amounting to Rs. 16,10,700/- for alleged of regulation 17 (1) of Listing Regulations.	<p>The Company received e-mail on 20.08.2020 from Stock Exchange (BSE) for non-compliance of Regulation 17 (1) of Listing Regulations. The Company was under genuine impression that the said notice pertained to the appointment of Women Director on the Board of the Company. Hence, the Company on 24.08.2020 duly replied to the Stock Exchange, informing that the Company is well compliant with the provision of Reg. 17.</p> <p>Further there was no correspondence from the Stock Exchange for the next 3 months and the company presumed that the submission made by the Company were duly accepted.</p> <p>However 2nd e-mail was received from the Stock Exchange on</p>



				<p>17.11.2020 again stating the same non-compliance of Regulation 17 (1) of Listing Regulations. Even in this time, the Company in the same impression that the same pertains to the appointment of Women Director and accordingly the Company reply to the email stating the same facts as above on 18.11.2020.</p> <p>On 22.12.2020, the Stock Exchange clarified that the non-compliance was regarding the Board of Director of top 2000 listed entities, based on the Market Capitalization, were required to have at least 6 directors on the Board w.e.f. 01.04.2020. The Company could not even perceive that it was falling under the Top 2000 companies. The Company, on a routine basis, was not keeping a track of its placement in the Top Companies list.</p> <p>As soon as clarification was received, the Company instantly identified 2 persons and appointed them on its Board w.e.f 30.12.2020.</p> <p>However Company received another e-mail from Stock Exchange on 15.02.2021 regarding the same non-compliance and Company duly submit a representation letter to Stock Exchange for urge to waiver of the fine an aggregate of Rs. 16,10,700/- as lapse happened for reason beyond the control of the Company.</p>
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2.	Stock Exchange (BSE)	Non-Compliances for two consecutive quarters of Reg. 17(1).	Scripts transferred to "Z" group with effect from 28.12.2020	Company rectify the Non-Compliance and scrips move out from "Z" group to "X" w.e.f 01.02.2021.
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(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
N.A				

N. KUMAR & ASSOCIATES


CS NAVEEN KUMAR



Practicing Company Secretary,
H. No. 98, Ram Nagar, Talik Nagar, New Delhi-110018
M. NO.: 58452
C.P NO.: 22084

Dated : 28.05.2021

Place : New Delhi

UDIN : A058452C000385449

Note: Due to restricted movement amid COVID-19 pandemic, we conducted the Secretarial Compliance Audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2021 pertaining to Financial Year 2020-21.