



SECRETARIAL COMPLIANCE REPORT

of

TCI FINANCE LIMITED

for the Financial Year ended March 31, 2022

We, Tapasvilal Deora & Associates, Practising Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by **TCI FINANCE LIMITED**, a Company under the Companies Act, 2013 having its registered office at Plot No. 20, Survey No. 12, 4th Floor Kothaguda, Kondapur, Hyderabad - 500081, Telangana, hereinafter referred to as **"the listed entity"** and **"Company"**;
- (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, 2022 (**"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 during the review period;
- (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 - Not Applicable during the review period;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable during the review period;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable during the review period;



Page 1 of 6

EXPERTISE

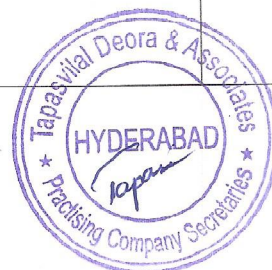
- Mergers, Acquisitions & Transaction Advisory
- Corporate Litigation & Representations
- Corporate Secretarial Services
- Corporate Advisory & Restructuring
- Insolvency & Bankruptcy
- Companies Act & LLP
- FEMA & FDI
- NCLT
- Legal Due Diligence
- Capital Markets
- Family Structuring

- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable during the review period;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2008;
- (j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (k) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

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:-

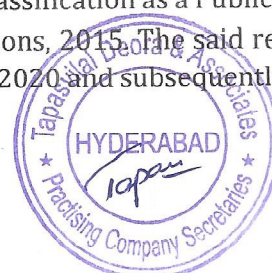
S. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
1	Regulation 14 of SEBI (LODR) Regulations, 2015	Payment of fees to Stock Exchanges	The Company has not paid the annual listing fees to NSE for FY 2021-22
2	Regulation 23 of SEBI (LODR) Regulations, 2015	Related party transactions without the prior approval of audit committee and shareholders	The Company has entered into related party transactions in FY 2021-22 without obtaining the prior approval of the Audit Committee and the shareholders.
3	Regulation 30 of SEBI (LODR) Regulations, 2015	Not disclosed/ delay in disclosure of material events as per Regulation 30	The Company has not given intimation/ disclosures to stock exchanges regarding the following: <ul style="list-style-type: none"> 1. Certain bank and lender defaults made during the year. 2. Penalty levied by SEBI on the Company (as promoter of Gati Limited) for non-compliance of provisions of Regulation 13(2)(a) read with Regulation 3(2) SEBI (SAST) Regulations in FY 2014-15. The said penalty has been paid by one of the Promoters.



			The Company has further delayed in submission of outcome of Board Meeting held on 11.11.2021 and 10.02.2022 for approval of unaudited financials for the quarter ended 30.09.2021 and 31.12.2021 respectively, (i.e., outcome submitted after 30 minutes of conclusion of Board Meeting as required under Schedule III of SEBI (LODR) Regulations.)
4	Regulation 48 of SEBI (LODR) Regulations, 2015	The Company has not complied with Indian Accounting Standards w.r.t to accounting of non-current investments, recognition of claims due to invocation of corporate guarantees and creation of provision of Income Tax considering the gain realized on the accounting of the investments pledged as security	The Company has not complied with Indian Accounting Standards w.r.t to accounting of non-current investments and recognition of claims due to invocation of Corporate Guarantees and creation of provision of Income Tax considering the gain realized on the accounting of the investments pledged as security
5	SEBI Circular SEBI/HO/CFD/CMD1/CI R/P/2019/140 dated November 21, 2019	The Company has not disclosed details of default	The Company has not disclosed details of defaults made on loans as required under the said circular

We further report that:

- Ms. Srishti Soni resigned as Company Secretary and Compliance Officer w.e.f June 30, 2021 and subsequently Ms. Deeksha Verma was appointed as the Company Secretary and Compliance Officer w.e.f September 30, 2021;
- The Company has paid the annual listing fees for FY 2021-22 to BSE on 15.07.2021;
- The Company has made an application for delisting of its shares from NSE. The said application has currently been put on hold by NSE due to outstanding fines to be paid to NSE for non-compliance of Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015. The Company had made a request to NSE to waive off the said fines. NSE vide their order dated February 02, 2022 have waived off certain amount of penalty and has directed the Company to pay the remaining amount. The Company is yet to pay the same;
- The Company received a request dated December 04, 2019 from Gati Limited, Promoter Group Company for their re-classification as a Public shareholder in terms of Regulation 31A of SEBI (LODR) Regulations, 2015. The said request was approved by the Board in its meeting held on July 31, 2020 and subsequently by the shareholders in



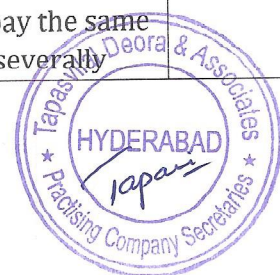
their extra ordinary general meeting held on January 30, 2021. The Company has made an application to BSE and NSE and same is currently under process;

- There are few cases filed/ pending against the Company and Directors, both civil and criminal in nature. The management of the Company have confirmed that the same is in the ordinary course of business and not material in nature. Hence, disclosures regarding the same to exchanges are not required. Further, the Management has confirmed that, except as stated above, the Company timely disseminates all the information to stock exchanges based on its materiality as determined by the authorized KMP's of the Company;

(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) 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:

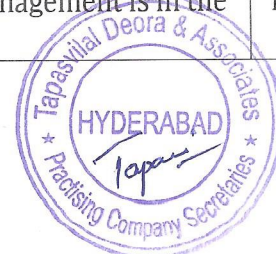
S. No.	Action taken by	Details of violation	Details of action taken Eg. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	NSE	Regulation 17(1) (c) of SEBI (LODR) Regulations, 2015 for the quarters ended June 2020, September 2020 and December 2020	Fine of: <ul style="list-style-type: none"> • Rs. 5,36,900/- levied for June 2020 • Rs. 5,42,800/- levied for September 2020 • Rs. 2,47,800/- levied for December 2020 	The Company has complied with the said provisions w.e.f November 12, 2020. The Company had made a request for waiver of the said penalty. NSE has waived off the penalty for the period from September 08, 2020 to September 30,2020 and the fine levied for the quarter ended December 31, 2020. The Company is required to pay a total fine of Rs. 9,44,000/- (including GST). The Company is yet to pay the same.
2	SEBI	Non- compliance of the provisions of Regulation 13(2)(a) read with Regulation 3(2) SEBI (SAST)	Penalty of Rs. 10,00,000/- under Section 15H(ii) of the SEBI Act 1992 on the Noticees and that they were liable to pay the same jointly and severally	The said penalty has been paid by one of the Promoters on May 03, 2022.



		Regulations in FY 2014-15. (As promoter of Gati Limited)	(The Company was 1 of the 9 Noticees)	
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(d) The Listed entity has taken the following actions to comply with the observations made in previous reports::

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Regulation 17 (1) (c) of SEBI LODR Regulations, 2015 (Appointment of 6 Directors)	31.03.2021	The Company has complied with the said provision w.e.f November 12, 2020	The Company has complied with the said provision w.e.f November 12, 2020. The Company is yet to pay the penalty levied by NSE for the said non-compliance.
2	Regulation 30 of SEBI (LODR) Regulations, 2015 (Disclosure of material events)	31.03.2019, 31.03.2020 and 31.03.2021	The Company is in the process of devising proper checks and balances in place to avoid these lapses	The Company should strengthen its internal systems to avoid such lapses in the future.
3	Regulation 48 of SEBI (LODR) Regulations, 2015 (Compliance with Accounting Standards)	31.03.2021	The Company has exposure to certain companies for which CIRP has been initiated. Further pledge on certain investments of the Company have been invoked. The Company has taken necessary steps/recourse in this regard and has accordingly followed accounting practices which in the opinion of the management is in the	The Company has informed us that the accounting practices followed are in the best interest of the Company. The Company has taken necessary steps/recourse in this connection. We have relied on the Auditors Report/ explanations in this regard. Disclosure/explanation are detailed in the Audited financials of the Company for FY 2020-21.



			best interest of the Company	
4	SEBI Circular SEBI/HO/CFD/ CMD1/CIR/P/2019/ 140 dated 21.11.2019 (Disclosure of lender defaults)	31.03.2020 and 31.03.2021	The Company is in the process of devising proper checks and balances in place to avoid these lapses	The Company should strengthen its internal systems to avoid such lapses in the future.

- (e) Compliance under SEBI Circular CIR/CFD/CMD1/114/2019 October 18, 2019 regarding resignation of auditors:
The statutory auditors were already appointed on August 14, 2019, prior to the issuance of this circular. Accordingly, the terms of appointment of the auditors have been suitably modified to give effect to Point 6(A) and 6(B) of the said circular. The same was taken note by the Audit Committee and the Board in their meeting held on November 8, 2019.

for Tapasvilal Deora & Associates
Practising Company Secretaries



Tapasvilal

Tapasvilal Deora

C.P. No.: 13087

M. No.: F9813

UDIN: F009813D000431586

May 30, 2022
Hyderabad