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BSE ACKNOWLEDGEMENT

Acknowledgement Number	3730675
Date and Time of Submission	2/14/2022 7:24:57 PM
Scripcode and Company Name	511066 - SAKTHI FINANCE LTD.
Subject / Compliance Regulation	Board Meeting Outcome for Outcome Of The Board Meeting Held On 14 February 2022
Submitted By	S.Venkatesh
Designation	Company Secretary & Compliance Officer

Disclaimer : - Contents of filings has not been verified at the time of submission.

BSE Limited
(Scrip Code : 511066)
Floor 25, P J Towers
Dalal Street, Fort
Mumbai – 400 001

On-line submission through Listing Centre

Dear Sir / Madam,

Outcome of the Board Meeting held on 14 February 2022

1. We refer to our Letter Nos SFL:BSE:BM:208:2021-2022 dated 7 February 2022 and SFL:BSE:BM:212:2021-2022 dated 9 February 2022 intimating you of convening of Board Meeting on **Monday, 14 February 2022** for considering Unaudited Financial Results ("UFR") for the quarter and nine months period ended 31 December 2021 and for reduction in proposed NCD Public Issue size from ₹ 20,000 lakhs to ₹ 10,000 lakhs and other items.
2. We now wish to inform that the Board of Directors have, at their meeting held today (i.e. **Monday, 14th February 2022**), considered and approved the following proposals and in this regard, we enclose / provide the following documents / details:

A. UNAUDITED FINANCIAL RESULTS

Sl No	Details of document	Annexure No
1	The detailed format of Unaudited Financial Results for the quarter and nine months ended 31 December 2021	A
2	<p>A copy of Limited Review Report given by our Statutory Auditors, M/s C S K Prabhu & Co, (ICAI Regn No: 002485S), Chartered Accountants on the Unaudited Financial Results for the quarter and nine months ended 31 December 2021.</p> <p>The extract of results in the prescribed format under Listing Regulations will be published within the stipulated time in the manner laid down under Regulation 47(1)(b) of Listing Regulations in English and Tamil newspapers.</p> <p>The Unaudited Financial Results would also be made available on the website of the Company, www.sakthifinance.com as well as on the website of the BSE Limited, www.besindia.com.</p>	B



SI No	Details of document	Annexure No
3	Disclosures in accordance with Regulation 52(4) of the Listing Regulations for the quarter and nine months ended 31 December 2021	C
4	An Asset Cover Certificate for the Secured and Unsecured, listed NCDs from the Statutory Auditors, M/s C S K Prabhu & Co, Chartered Accountants as required under Regulation 54(3) read with Regulation 56(1)(d) of the Listing Regulations	D
5	A statement indicating the utilization of the NCD Public Issue funds in the SEBI prescribed format in accordance with Regulation 52(7) of the Listing Regulations along with the Statutory Auditor's certificate	E

B. REDEMPTION OF NON-CONVERTIBLE DEBENTURES ("NCDs")

- i. Redemption of Non-Convertible Debentures ("NCDs") of face value of ₹ 1,000 each issued and allotted on 15 May 2019 under Options III, IV and V to the NCD holders, pursuant to the NCD Public Issue Prospectus dated 28 March 2019, on 15 May 2022. The details of NCD redemption is given below.

Option	ISIN	Scrip Code	Interest Payment Frequency	Redemption remarks	Amount (Principal) (₹ lakhs)
III	INE302E07193	936678	Monthly	100% of the principal amount plus interest for the month of May 2022 (up to 14 May 2022) to be paid along with the redemption proceeds as per the terms and conditions of the Prospectus dated 28 March 2019	592.26
IV	INE302E07201	936680	Annual	100% of the principal plus accrued interest up to 14 May 2022 (i.e. from 1 April 2022 to 14 May 2022) will be paid along with redemption proceeds as per the terms and conditions of the Prospectus dated 28 March 2019	268.93



V	INE302E07219	936682	Cumulative	100% of the principal amount plus accrued interest up to 14 May 2022 (i.e. for 3 years) will be paid along with redemption proceeds as per the terms and conditions of the Prospectus dated 28 March 2019	800.13
Total					1,661.32

- ii. Redemption of Non-Convertible Debentures ("**NCDs**") of face value of ₹ 1,000 each issued and allotted on 8 May 2020 under Options I and II to the NCD holders, pursuant to the Public Issue Prospectus dated 7 March 2020, on 8 May 2022. The details are given below.

Option	ISIN	Scrip Code	Interest Payment Frequency	Redemption remarks	Amount (Principal) (₹ lakhs)
I	INE302E07250	937171	Monthly	100% of the principal amount plus interest for the month of May 2022 (up to 7 May 2022) to be paid along with the redemption proceeds as per the terms and conditions of the Prospectus dated 7 March 2020	1,691.11
II	INE302E07268	937173	Cumulative	100% of the principal amount plus accrued interest up to 7 May 2022 (i.e. for 2 years will be paid along with the redemption proceeds as per the terms and conditions of the Prospectus dated 7 March 2020)	1,972.55
Total					3,663.66



- iii. As per the terms and conditions of the Prospectus dated 28 March 2019 and 7 March 2020, the record date shall be fifteen days prior to the redemption date. Accordingly, the Company has fixed, **Monday, 25 April 2022 and Monday, 2 May 2022** respectively, as the record date for the purpose of determining the Debenture holders who are eligible to receive the redemption proceeds along with interest.
- iv. As per the terms and conditions of the NCD Prospectus dated 28 March 2019 and 7 March 2020, the repayment of maturity amount to debentures holders will be made on **7 May 2022** (8 May 2022, being Sunday) and **13 May 2022** (14 and 15 May 2022, being bank holidays).

C. MODIFICATION TO THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS WITH REGARD TO THE PROPOSED NCD PUBLIC ISSUE FOR AN AMOUNT NOT EXCEEDING ₹ 20,000 LAKHS

The Board of Directors had, at their meeting held on 13 November 2021, passed a resolution for approving a proposed NCD Public Issue size of ₹ 20,000 lakhs (Base Issue : ₹ 10,000 lakhs + Over-subscription : ₹ 10,000 lakhs).

The Board of Directors decided to modify the resolution for Base Issues for amount **not exceeding** ₹ 10,000 lakhs with an option to retain over-subscription for amount **not exceeding** ₹ 10,000 lakhs, aggregating to an amount **not exceeding** ₹ 20,000 lakhs. This, the Board opines, would give enough flexibility to the Company for raising funds through proposed NCD Public Issues. The Unsecured, Redeemable, Non-Convertible Debentures will be in the nature of Sub-ordinated Debt and will be eligible for inclusion under Tier-II Capital.

3. The Board Meeting commenced at 4.30 p.m and concluded at 7.15 p.m.
4. We request you to take the above documents / information on record.

Yours faithfully
For Sakthi Finance Limited


S. Venkatesh
Company Secretary and
Chief Compliance Officer
FCS 7012



Encl: (5)

Statement of Unaudited Financial Results for the Quarter and Nine Months Period ended 31 December 2021

(₹ lakhs)

Sl No	Particulars	Quarter Ended			Nine months period ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations						
	Interest Income	4,510.12	4,468.07	4,247.19	13,136.18	12,207.73	16,597.96
	Rental Income	7.40	9.21	0.88	22.21	2.64	3.52
	Fees and Commission	103.77	64.54	122.09	203.58	195.66	313.23
	Bad debts recovery	4.97	11.27	5.03	16.24	16.53	37.01
	Sale of power	21.87	80.63	26.63	150.33	153.32	181.07
	Total revenue from operations	4,648.13	4,633.72	4,401.82	13,528.54	12,575.88	17,132.79
2	Other Income						
	Miscellaneous income	0.07	0.03	0.03	0.10	0.47	0.87
3	Total Income	4,648.20	4,633.75	4,401.85	13,528.64	12,576.35	17,133.66
4	Expenses						
	a. Finance Costs	2,757.15	2,780.87	2,645.08	8,078.88	7,794.68	10,532.96
	b. Fees and commission expense	44.69	56.56	53.44	144.89	173.29	188.08
	c. Impairment on Financial Instruments	243.87	293.00	201.51	801.54	586.91	787.71
	d. Employee benefits expenses	823.46	650.45	655.80	2,150.72	1,852.89	2,604.20
	e. Depreciation, amortisation and impairment	121.83	120.93	106.01	362.29	318.50	421.70
	f. Other Administrative Expenses	410.40	383.27	439.83	1,039.96	911.88	1,341.57
	Total Expenses	4,401.40	4,285.08	4,101.67	12,578.28	11,638.15	15,876.22
5	Profit/(Loss) before Exceptional items and Tax (3-4)	246.80	348.67	300.18	950.36	938.20	1,257.44
6	Exceptional items	-	-	-	-	-	-
7	Profit/(Loss) before tax (5-6)	246.80	348.67	300.18	950.36	938.20	1,257.44
8	Tax expense:						
	a Current Tax	138.69	149.89	124.81	473.43	369.44	508.42
	b Deferred Tax	(58.82)	(58.87)	(49.23)	(215.19)	(151.12)	(176.77)
9	Profit after Tax for the period from continuing operations (7-8)	166.93	257.65	224.60	692.12	719.88	925.79
10	Other Comprehensive Income:						
	(i) Items that will not be reclassified to profit or loss :						
	a) Fair value changes in Equity instruments	0.11	(17.41)	9.18	32.12	15.37	11.94
	b) Remeasurement Gain / (Loss) in defined benefit obligations	(1.95)	(3.90)	1.46	(5.85)	(17.00)	2.19
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.49	0.98	(0.37)	1.47	4.28	(0.55)
11	Other Comprehensive Income	(1.35)	(20.33)	10.27	27.74	2.65	13.58
12	Total Comprehensive Income for the period (9+11)	165.58	237.32	234.87	719.86	722.53	939.37
13	Earnings per equity share (Face Value : ₹ 10 each) : (Not Annualised)						
	- Basic (₹)	0.26	0.37	0.36	1.11	1.12	1.45
	- Diluted (₹)	0.26	0.37	0.36	1.11	1.12	1.45



Notes:

1. The above Unaudited Financial Results ("**UFR**") have been prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under Section 133 of the Companies Act 2013 ("**the Act**") read with the Companies (Indian Accounting Standards) Rules 2015 and accordingly, these financial results together with the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("**Ind AS 34**") in compliance with Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**"), as amended. Any application guidance / clarifications / directions issued by the Reserve Bank of India will be implemented as and when they are issued / applicable.
2. The above UFR for the quarter and nine months period ended 31 December 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 14th February 2022 respectively.
3. The Statutory Auditors of the Company have conducted a limited review on the UFR for the quarter ended 31 December 2021.
4. The second wave of the pandemic from March 2021 was severe in India and forced for another phase of lockdown in various States across the country. The extent to which the Covid-19 pandemic (including the outbreak of any new coronavirus variants) will affect the Company's operations is unknown. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic and future developments, if any. The Company is continuously monitoring the situation and economic factors affecting the business operations and financial implications including in respect of Expected Credit Loss and provisioning therefor.
5. The Company has considered the impact of COVID 19 in the expected credit loss model of impairment based on the Company's historical experience and other emerging forward-looking factors on account of the pandemic. The actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.
6. The Company has invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 6th August 2020 and 5th May 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board approved Policy in this regard.
7. In terms of the requirement as per the RBI notification no. RBI/2019-2020/170 DOR(NBFC).CC.PD.No109/22.10.106/2019-20 dated 13th March 2020 on implementation of Ind AS, Non-Banking Financial Companies are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning ("**IRACP**") norms (including provision on standard assets). As such the impairment allowances under Ind AS 109 made by the company exceeds the total provisions



required under IRACP (including standard assets provisioning) as at 31 December 2021 and accordingly, there is no amount required to be transferred to impairment reserve.

8. Expected Credit Loss on Financial Assets has been provided on estimated basis.
9. In terms of RBI Circular No. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6th August 2020 in relation to the Resolution Framework for COVID-19-related Stress, disclosure is as follows:

Type of Borrowers	Number of accounts where resolution plan has been implemented under this window	Exposure to such accounts before implementation of the plan (Amount in ₹ Lakhs)	Aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any including between invocation of the plan and implementation	Increase in provision on account of implementation of resolution plan (Amount in ₹ Lakhs)
Personal Loans	114	559.10	-	-	-
Corporate Loans	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	114	559.10	-	-	-

10. Disclosure on Resolution Framework 2.0 implemented in terms of RBI circulars RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22/31 and RBI/2021-22/32 dated 5th May 2021.

SI No	Description	Individual Borrowers		Small Businesses
		Personal Loans	Business Loans	
A	No of requests received for invoking resolution process under Part A of the above circular	460	-	-
B	No of accounts where resolution plan has been implemented under this window	167	-	-
C	Exposure to accounts mentioned at (B) before implementation of the plan (₹ Lakhs)	876.80	-	-
D	Of (C) aggregate amount of debt that was converted into other securities (₹ Lakhs)	Nil	-	-
E	Additional funding sanctioned, if any, including between invocation of the plan and implementation (₹ Lakhs)	Nil	-	-
F	Increase in provisions on account of the implementation of the resolution (₹ Lakhs)	Nil	-	-



11. The Company's Secured, Redeemable, Non-Convertible Debentures ("NCDs") are secured by mortgage of identified immovable properties and charge on the specified hire purchase receivables of the Company with a cover of 100%/110% of outstanding (principal and interest accrued thereon) as per the terms of the issue.
12. The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segments identified as per Ind AS 108 on 'Operating Segments'.
13. The Code on Social Security 2020 ("the Code") has been enacted and the effective date from which changes are applicable and the rules thereunder is yet to be notified. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.
14. Pursuant to RBI Circular RBI/2021-22/125 DOR/STR/REC.68/21.01.048/2021-22 dated November 12, 2021, on Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarification, the Company has aligned its processes in accordance with same. However the actual provision made in the books as per Ind AS – 109 is more than the requirement as per above Circular of RBI.
15. Disclosures required by Regulation 52(4) of the Listing Regulations 2015 is enclosed in **Appendix -1**.
16. Previous period / year figures have been regrouped / re-arranged / re-classified, wherever necessary to conform to the current period presentation.

14th February 2022
Coimbatore – 18



By Order of the Board
For Sakthi Finance Limited

M. Balasubramaniam
Vice Chairman and Managing Director
DIN : 00377053



CSK PRABHU & CO
Chartered Accountants

PARTNERS

CSK PRABHU BCom FCA

MAHESH PRABHU BCom FCA DISA

SWETHA G N MCom FCA

ANNEXURE - B

Limited Review Report on unaudited standalone financial results of Sakthi Finance Limited for the quarter and nine months ended 31st December, 2021 under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**Review Report to
The Board of Directors
Sakthi Finance Limited,
62, Dr.Nanjappa Road, Coimbatore – 641018**

Report on the Statement of Unaudited Financial Results

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sakthi Finance Limited ("the company") for the quarter and nine months ended 31st December 2021 ("the Statement").

Management Responsibility for the Unaudited Financial Results

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**"). Our responsibility is to express a conclusion on the Statement based on our review.

Auditor's Responsibility

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Contd....2.....

Limited Review Report on unaudited standalone financial results of Sakthi Finance Limited for the quarter and nine months ended 31st December, 2021 under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)

Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. We draw attention to Note No – 4, 5 & 6 of the accompanying statement, which explains the impact of the COVID 19 pandemic and management's assessment of the probable material impact on Company's operations and financial metrics, including company's estimate of impairment of loans and staging of accounts to which moratorium benefits has been granted. Our conclusion is not modified in respect of this matter.

Other Matter

6. The numbers and details pertaining to period(s) i.e. Quarter ended 31st December 2020, nine months ended 31st December 2020 have been traced from the review reports of Previous Auditor, in terms of Regulation 33 and Regulation 52 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Similarly, the numbers and details pertaining to year ended as at 31st March 2021 and notes related thereto in the Statement have been traced from the Financial Statements of the Company audited by the Previous Auditor vide their unmodified report dated 30-06-2021. Our report is not modified in respect of this matter.

For CSK Prabhu & Co
Chartered Accountants
ICAI Firm Registration No.002485S



CSK Prabhu (Membership No.: 019811)
Partner

UDIN : 22019811ACDB2F7120
Place : Coimbatore
Date : 14-02-2022

**Extract of Statement of Unaudited Financial Results for the
Quarter and Nine months period ended 31 December 2021**

(₹ lakh)

Particulars	Quarter Ended			Nine months period ended		Year Ended
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total Revenue from Operations (net)	4,648.13	4,633.72	4,401.82	13,528.54	12,575.88	17,132.79
Net Profit / (Loss) for the period (before tax and Exceptional Items)	246.80	348.67	300.18	950.36	938.20	1,257.44
Net Profit / (Loss) for the period before tax (after Exceptional Items)	246.80	348.67	300.18	950.36	938.20	1,257.44
Net Profit / (Loss) for the period after tax (after Exceptional Items)	166.93	257.65	224.60	692.12	719.88	925.79
Other Comprehensive Income (net of tax)	(1.35)	(20.33)	10.27	27.74	2.65	13.58
Total Comprehensive Income for the period [comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (net of tax)]	165.58	237.32	234.87	719.86	722.53	939.37
Paid-up equity share capital (Face value : ₹ 10 per share)	6,470.59	6,470.59	6,470.59	6,470.59	6,470.59	6,470.59
Reserves (excluding Revaluation Reserve)	10,174.18 (as on 31st March 2021)					
Securities Premium Account	1,429.80	1,429.80	1,430.92	1,429.80	1,430.92	1,429.80
Net worth	16,228.05	16,337.54	15,820.67	16,228.05	15,820.67	16,084.42
Paid up Debt Capital/ Outstanding Debt	6.42	6.21	6.43	6.42	6.43	6.59
Outstanding Redeemable Preference Shares	NA	NA	NA	NA	NA	NA
Debt Equity Ratio	6.21	6.38	6.36	6.21	6.36	6.10
Earnings per share (₹ 10 each) (for continuing operations) :						
a. Basic (₹)	0.26	0.37	0.36	1.11	1.12	1.45
b. Diluted (₹)	0.26	0.37	0.36	1.11	1.12	1.45
Capital Redemption Reserve	NA	NA	NA	NA	NA	NA
Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
Debt Service Coverage Ratio	NA	NA	NA	NA	NA	NA
Interest Service Coverage Ratio	NA	NA	NA	NA	NA	NA

Notes :

- The above is an extract of the detailed format of the Unaudited Financial Results filed with Stock Exchange under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The full format of the Unaudited Financial Results are available on the BSE Ltd website ([URL:www.bseindia.com/corporates](http://www.bseindia.com/corporates)) and company's website, www.sakthifinance.com.
- Disclosures in accordance with Regulation 52(4) of the Listing Regulations have been submitted to BSE Limited and the disclosures can be accessed on the BSE website ([URL : www.bseindia.com/corporates](http://www.bseindia.com/corporates)).

By Order of the Board
For Sakthi Finance Limited



M Balasubramaniam
Vice Chairman and Managing Director
DIN 00377053

Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52(4) of the Listing Regulations

(₹ lakhs)

SI No	Particulars	Quarter Ended			Nine months period Ended		Year Ended
		31st December 2021	30th September 2021	31st December 2020	31st December 2021	31st December 2020	31st March 2021
1	Debt - Equity Ratio (Refer Note 2)	6.21	6.38	6.36	6.21	6.36	6.10
2	Debt Service Coverage Ratio	NA	NA	NA	NA	NA	NA
3	Interest Service Coverage Ratio	NA	NA	NA	NA	NA	NA
4	Outstanding Redeemable Preference Shares (quantity and value)	NA	NA	NA	NA	NA	NA
5	Capital Redemption Reserve	NA	NA	NA	NA	NA	NA
6	Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
7	Net Worth (Refer Note 3)	16,228.05	16,337.54	15,820.67	16,228.05	15,820.67	16,084.42
8	Net Profit / (Loss) After Tax	166.93	257.65	224.60	692.12	719.88	925.79
9	Earnings per Share:						
	- Basic	0.26	0.37	0.36	1.11	1.12	1.45
	- Diluted	0.26	0.37	0.36	1.11	1.12	1.45
10	Current Ratio	NA	NA	NA	NA	NA	NA
11	Long Term debt to Working Capital	NA	NA	NA	NA	NA	NA
12	Bad Debts to Accounts Receivable Ratio	NA	NA	NA	NA	NA	NA
13	Current Liability Ratio	NA	NA	NA	NA	NA	NA
14	Total Debts to Total Assets (Refer Note 4)		0.67				0.59



SI No	Particulars	Quarter Ended			Nine months period Ended		Year Ended
		31st December 2021	30th September 2021	31st December 2020	31st December 2021	31st December 2020	31st March 2021
15	Debtor Turnover	NA	NA	NA	NA	NA	NA
16	Inventory Turnover	NA	NA	NA	NA	NA	NA
17	Operating Margin (%)	NA	NA	NA	NA	NA	NA
18	Net Profit Margin (%) (Refer Note 5)		0.06				0.05
19	Sector specific equivalent ratios, as applicable						
	i) Gross Non-performing Assets (GNPA) % (Refer Note 6)	4.91	5.68	5.13	4.91	5.13	4.95
	ii) Net Non-Performing Assets (NNPA) % (Refer Note 7)	1.81	2.55	2.53	1.81	2.53	2.30
	iii) Provision Coverage Ratio (PCR %) (Refer Note 8)	64.24	56.55	51.92	64.24	51.92	54.90
	iv) Capital Adequacy Ratio (%) (Refer Note 9)	22.81	23.03	21.62	22.81	21.62	22.52

Notes :

1. Certain ratios/line items marked with remark "NA" are not applicable since the Company is a Non Banking Financial Company registered with the Reserve Bank of India
2. Debt - Equity ratio = [Debt Securities + Borrowings (Other than Debt Securities) + Deposits + Subordinated Liabilities] / [Equity Share Capital + Other equity]
3. Net worth = [Equity shares capital + other equity]
4. Total debts to total assets = [Debt Securities + Borrowings (Other than Debt Securities + Deposits + Subordinated Liabilities] / Total assets
5. Net profit margin (%) = Profit after tax / Total Income
6. Gross Non-performing Assts (GNPA) % = Gross Stage III assets / Gross loan assets
7. Net Non-performing Assts (NNPA) % = [Gross Stage III assets - Impairment loss allowance for Stage III assets] / [Gross Loan Assets - Impairment loss allowance for Stage III assets]
8. Provision Coverage Ratio (PCR %) = Impairment loss allowance for Stage III assets / Gross Stage III assets
9. Capital Adequacy Ratio has been computed as per relevant RBI guidelines





CSK PRABHU & CO
Chartered Accountants

PARTNERS

CSK PRABHU BCom FCA

MAHESH PRABHU BCom FCA DISA

SWETHA G N MCom FCA

ANNEXURE D

Independent Auditor's Report on Asset Cover and Compliance with all Covenants as at December 31, 2021 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to Catalyst Trusteeship Limited (the 'Debenture Trustee')

To
The Board of Directors
Sakthi Finance Limited
62, Dr. Nanjappa Road
Coimbatore - 641 018.

1. This report is issued in accordance with the terms of the Engagement Letter Dated 04th February 2022, with Sakthi Finance Limited (hereinafter the "**Company**").

2. We, CSK Prabhu & Co, Chartered Accountants (ICAI FRN:002485S), are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Asset Cover as per the terms of Information Memorandum and Debenture Trust Deed and Compliance with Covenants' for listed non-convertible debt securities as at December 31, 2021' (the "**Statement**"), which has been prepared by the Company from the standalone financial statements and other relevant records and documents maintained by the Company as at and for the period ended December 31, 2021 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "**SEBI Regulations**"), and has been initiated by us for identification purpose only.

This Report is required by the Company for the purpose of submission with Catalyst Trusteeship Limited (the "**Debenture Trustee**") of the Company to ensure compliance with the SEBI Regulations in respect of its listed non-convertible debt securities as at December 31, 2021 ("**Debentures**"). The Company has entered into agreements with the Debenture Trustee ("**Debenture trust Deed**") in respect of such Debentures, as indicated in the Statement.



Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustee and for complying with all the covenants as prescribed in the Debenture Trust Deed entered into between the Company and the Debenture Trustee ('**Trust Deed**').

Auditor's Responsibility

5. Pursuant to the requirements of the SEBI Regulations, it is our responsibility is to provide limited assurance as to whether:

- a) The Company has maintained hundred percent asset cover or asset cover as per the terms of the information memorandum and Debenture Trust Deed; and
- b) the Company is in compliance with all the covenants as mentioned in the Debenture Trust Deed as indicated in the Statement.

6. We have reviewed the standalone Ind-AS financial statements of the Company for the period ended December 31, 2021 and issued an unmodified audit opinion vide our Limited Review report dated February 14, 2022. Our review of such financial statements was conducted in accordance with the Standards on Review Engagement and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("**ICAI**"). A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review may bring significant matters affecting the interim financial information to the auditor's attention, but it does not provide all of the evidence that would be required in an audit.



7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in Paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement.

a) Obtained and read the Debenture Trust Deeds and Prospectus on a test check basis and noted that the asset cover percentage required to be maintained by the Company in respect of Debentures, as indicated in Part A of the Statement.

b) Traced and agreed the principal amount of the Debenture outstanding as on December 31, 2021 to the standalone Ind AS financial statements of the Company as at December 31, 2021 referred to in paragraph 6 above and other relevant records maintained by the Company

c) Obtained and read the particulars of asset cover required to be provided in respect of Debentures as indicated in the Debenture Trust Deeds and the Prospectus on a test check basis and compared it with the information furnished in Part A of the Statement.



d) Traced the value of assets indicated in Part A of the Statement to the standalone Ind-AS financial statements of the Company as at December 31, 2021, referred to in paragraph 6 above, and other relevant records maintained by the Company.

e) Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Asset Cover in respect of listed non-convertible debt securities.

f) Examined and verified the arithmetical accuracy of the computation of Asset Cover indicated in Part A of the Statement.

g) Compared the Asset Cover with the Asset Cover required to be maintained as per Trust Deeds/ Prospectus on a test basis.

h) The management has represented and confirmed that the Company has complied with all covenants including affirmative, informative, special and negative covenants, as prescribed in the Debenture Trust Deed, as at and for the nine months ended December 31, 2021. We have relied on the same.

i) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

11. Based on the procedures performed by us, as referred to in Paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:

a) The Company has not maintained hundred percent asset cover or asset cover as per the terms of the offer document and Debenture Trust deed; and


b) The Company is not in compliance with all the covenants as mentioned in the Debenture Trust Deed as on December 31, 2021.



Restriction on Use

12. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in Paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

For CSK PRABHU & CO**Chartered Accountants****Firm Registration Number : 002485S**


CSK PRABHU
PARTNER
MEMBERSHIP NO:019811
UDIN: 22019811ACDEJV5485

**Coimbatore****14-02-2022**

PART A
ASSET COVER CERTIFICATE
ASSET COVER AS PER THE TERMS OF PROSPECTUS AND DEBENTURE TRUST
DEEDS AND COMPLIANCE WITH COVENANTS FOR LISTED
NON-CONVERTIBLE DEBT SECURITIES AS AT DECEMBER 31, 2021

Based on examination of books of account and other relevant records/documents, we hereby certify that:

- a) The listed entity has vide its Board Resolution and Prospectus and under various Debenture Trust Deeds, has issued the following listed debt securities:

Sl No	ISIN	Type of Issue	Secured / Unsecured	Sanctioned Amount (Rs lakhs)
1	INE302E07193	Public Issue III	Secured	592.26
2	INE302E07201	Public Issue III	Secured	268.93
3	INE302E07219	Public Issue III	Secured	800.13
4	INE302E07227	Public Issue III	Secured	1,909.01
5	INE302E07235	Public Issue III	Secured	292.14
6	INE302E07243	Public Issue III	Secured	1,541.34
7	INE302E08027	Public Issue III	Unsecured	2,084.53
8	INE302E08035	Public Issue III	Unsecured	106.70
9	INE302E08043	Public Issue III	Unsecured	2,183.57
10	INE302E07250	Public Issue IV	Secured	1,691.11
11	INE302E07268	Public Issue IV	Secured	1,972.55
12	INE302E07276	Public Issue IV	Secured	811.80
13	INE302E07284	Public Issue IV	Secured	141.50
14	INE302E07292	Public Issue IV	Secured	793.53
15	INE302E07300	Public Issue IV	Secured	1,894.23



Sl No	ISIN	Type of Issue	Secured / Unsecured	Sanctioned Amount (Rs lakhs)
16	INE302E07318	Public Issue IV	Secured	248.73
17	INE302E07326	Public Issue IV	Secured	1,129.16
18	INE302E08050	Public Issue IV	Unsecured	738.88
19	INE302E08068	Public Issue IV	Unsecured	66.60
20	INE302E08076	Public Issue IV	Unsecured	798.22
21	INE302E07334	Public Issue V	Secured	2,948.94
22	INE302E07342	Public Issue V	Secured	3,213.84
23	INE302E07359	Public Issue V	Secured	1,663.12
24	INE302E07367	Public Issue V	Secured	1,595.15
25	INE302E07375	Public Issue V	Secured	3,566.23
26	INE302E07383	Public Issue V	Secured	2,106.90
27	INE302E08084	Public Issue V	Unsecured	3,088.94
28	INE302E08092	Public Issue V	Unsecured	1,670.53
Total				39,918.57

b) Asset Cover for listed debt securities:

- i) The financial information as on 31-12-2021 has been extracted from the books of accounts for the quarter ended 31-12-2021 and other relevant records of the listed entity.
- ii) The assets of the listed entity provide coverage of 1.03 times of the interest and principal amount, which is in accordance with the terms of issue/debenture trust deed (calculation as per statement of asset cover ratio for the Secured debt Securities – Table -I)
- iii) The total assets of the listed entity provide coverage of 1.11 times of the principal, which is in accordance with the terms of issue (calculation as per statement of asset coverage ratio available for the unsecured debt securities – Table II) (as per requirement of Regulation 54 read with Regulation 56(1)(d) of LODR Regulations)



Table I: Asset cover in respect of Secured Debt Securities**As at 31st December 2021**

S No	Particulars		Amount Rs. In Lakhs
i.	Total assets available for secured Debt Securities - (secured by exclusive charge on assets)	A	
	Property Plant & Equipment (Fixed Assets) - movable /Immovable property etc		93.12 #
	Loans / advances given (net provisions, NPAs and sell down portfolio) Debt Securities other credit extended etc.,		31284.96
	Receivables including interest accrued on Term loan/Debt Securities etc		Nil
	Investment(s)		Nil
	Cash and cash equivalents and other current / Non-current assets		Nil
	Total (A)		31378.08
ii .	Total borrowing through issue of secured Debt Securities- Secured by exclusive charge on assets	B	
	Debt Securities (Provide details as per table below)		29180.60
	IND AS adjustment for effective interest rate on secured Debt Securities		(393.22)
	Interest accrued/payable on secured Debt Securities		1716.51
	Total (B)		30503.89
iii.	Assets Coverage Ratio (A/B) - (100% or higher as per terms of offer document/information memorandum/debenture trust deed)	(A/B)	102.87%

The value of immovable property has been considered as per the charge created in favour of Debenture Trustee



ISIN Wise Details

S. No	Series	ISIN	Facility	Type of Charge	Sanctioned Amount (Rs lakh)	Interest Accrued (Rs lakh)	Outstanding Amount (Rs lakh)	Cover Required (Rs lakh)	Assets Required (Rs lakh)
1	NCD Public Issue - III	INE302E07193	Non Convertible Debentures	Exclusive	592.26	-	592.26	592.26	592.26
2	NCD Public Issue - III	INE302E07201	Non Convertible Debentures	Exclusive	268.93	20.15	289.08	289.08	289.08
3	NCD Public Issue - III	INE302E07219	Non Convertible Debentures	Exclusive	800.13	230.66	1,030.79	1,030.79	1,030.79
4	NCD Public Issue - III	INE302E07227	Non Convertible Debentures	Exclusive	1,909.01	-	1,909.01	1,909.01	1,909.01
5	NCD Public Issue - III	INE302E07235	Non Convertible Debentures	Exclusive	292.14	22.46	314.60	314.60	314.60
6	NCD Public Issue - III	INE302E07243	Non Convertible Debentures	Exclusive	1,541.34	457.11	1,998.45	1,998.45	1,998.45
7	NCD Public Issue - IV	INE302E07250	Non Convertible Debentures	Exclusive	1,691.11	-	1,691.11	1,691.11	1,691.11
8	NCD Public Issue - IV	INE302E07268	Non Convertible Debentures	Exclusive	1,972.55	330.26	2,302.81	2,302.81	2,302.81
9	NCD Public Issue - IV	INE302E07276	Non Convertible Debentures	Exclusive	811.80	-	811.80	811.80	811.80
10	NCD Public Issue - IV	INE302E07284	Non Convertible Debentures	Exclusive	141.50	10.60	152.10	152.10	152.10
11	NCD Public Issue - IV	INE302E07292	Non Convertible Debentures	Exclusive	793.53	136.58	930.11	930.11	930.11
12	NCD Public Issue - IV	INE302E07300	Non Convertible Debentures	Exclusive	1,894.23	-	1,894.23	1,894.23	1,894.23
13	NCD Public Issue - IV	INE302E07318	Non Convertible Debentures	Exclusive	248.73	19.12	267.85	267.85	267.85
14	NCD Public Issue - IV	INE302E07326	Non Convertible Debentures	Exclusive	1,129.16	199.69	1,328.85	1,328.85	1,328.85
15	NCD Public Issue- V	INE302E07334	Non Convertible Debentures	Exclusive	2,948.94	-	2,948.94	2,948.94	2,948.94
16	NCD Public Issue - V	INE302E07342	Non Convertible Debentures	Exclusive	3,213.84	131.77	3,345.61	3,345.61	3,345.61



17	NCD Public Issue - V	INE302E07359	Non Convertible Debentures	Exclusive	1,663.12	-	1,663.12	1,663.12	1,663.12
18	NCD Public Issue - V	INE302E07367	Non Convertible Debentures	Exclusive	1,595.15	67.14	1,662.29	1,662.29	1,662.29
19	NCD Public Issue - V	INE302E07375	Non Convertible Debentures	Exclusive	3,566.23	-	3,566.23	3,566.23	3,566.23
20	NCD Public Issue - V	INE302E07383	Non Convertible Debentures	Exclusive	2,106.90	90.98	2,197.88	2,197.88	2,197.88
Total					29,180.60	1,716.51	30,897.12	30,897.12	30,897.12



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Table II Statement of asset coverage ratio available for the Unsecured Securities

As at 31st December 2021

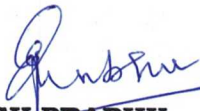
S No	Particulars		Amount Rs. In Lakhs
i.	Net assets of the listed entity available for unsecured lenders	A	
	· Property Plant & Equipment (excluding intangible assets and prepaid expenses)		5979.87
	· Investments		2697.90
	· Cash & Bank Balances		6576.48
	- Loans		107527.90
	· Other current/ Non-current assets excluding deferred tax assets		4454.51
	Less:		
	Total assets available for secured lenders/creditors on pari passu/exclusive charge basis under the above heads		71762.46
	· Unsecured current/ non-current liabilities		1724.73
	· Interest accrued/payable on unsecured borrowings		4617.56
	Net assets of the listed entity available for unsecured lenders (A)		49131.93
ii.	Total Borrowings (unsecured)	B	
	· Term loan		Nil
	· Non-convertible Debt Securities		10737.97
	· CC/ OD Limits		Nil
	· Other Borrowings		33799.74
	· IND - AS adjustment for effective Interest rate on unsecured borrowings		(286.47)
	Total (B)		44251.24
iii.	Assets Coverage Ratio (A/B) - (100% or higher as per terms of offer document/information memorandum/debenture trust deed)	(A/B)	111.03%



- c) Compliance of all the covenants/terms of the issue in respect of listed debt securities of the listed entity

We have examined the compliances made by the listed entity in respect of the covenants/terms of the issue of the listed debt securities (NCD's) and certify that such covenants/terms of the issue have been complied by the listed entity.

For CSK PRABHU & CO
Chartered Accountants
Firm Registration Number : 002485S


CSK PRABHU
PARTNER
MEMBERSHIP NO:019811
UDIN: 22019811ACDEJV5485



Coimbatore,
14-02-2022

SFL:BSE:NCDPI5:214:2021-22

14 February 2022

BSE Limited
(Stock Code : 511066)
Floor 25, P J Towers
Dalal Street
Fort
Mumbai – 400 001

Through : BSE on-line filing system

Dear Sir / Madam,

Statement of deviation or variation in utilisation of funds, if any, raised through Public Issue of NCDs

In terms of Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") read with SEBI Circular No. SEBI/HO/DDHS/08/2020 dated 17 January 2020, we hereby confirm that there is no deviation or variation in the use of utilization of funds raised through Public Issue of NCDs during the quarter ended 31 December 2021 from the objects stated in the NCD Public Issue Prospectus dated 25 June 2021.

A Nil statement of deviation, duly reviewed by the Audit Committee of the Company, is enclosed as "Annexure A".

A Statutory Auditor's Certificate on the utilization of NCD Public Issue funds for the quarter ended 31 December 2021 is also enclosed ("Annexure – B").

We request you to take the information on record.

Yours faithfully

For Sakthi Finance Limited


S Venkatesh
Company Secretary and
Compliance Officer
FCS 7012



Enc: (2)

SAKTHI FINANCE LIMITED
COIMBATORE - 18

Statement of Deviation or Variation in utilisation of funds raised						
Name of listed entity		Sakthi Finance Limited				
Mode of Fund Raising		Public Issue				
Type of instrument		Non-Convertible Debentures				
Date of Raising Funds		29th July 2021				
Amount Raised		₹ 198.54 (INR Crores)				
Report filed for quarter year ended		31.12.2021				
Is there a Deviation / Variation in use of funds raised?		No				
Whether any approval is required to vary the objects of the issue stated in the prospectus / offer document?		No				
If yes, details of the approval so required?		NA				
Date of approval		NA				
Explanation for the Deviation / Variation		NA				
Comments of the audit committee after review		Nil				
Comments of the auditors, if any		Nil				
Objects for which funds have been raised and where there has been a deviation, in the following table						
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/ Variation for the half year according to applicable object (₹ lakhs and in %)	Remarks, if any
For the purpose of on-ward lending, financing and for repayment/prepayment of principal and interest	NA	atleast 75%	NA	14,696.38	NA	Nil
For general corporate purposes	NA	Up to 25%	NA	-	NA	Nil
Note: An amount of ₹ 4,750 lakhs has been deposited in the Short-Terms Deposit of banks, which is pending utilisation. Deviation could mean: (a) Deviation in the objects or purposes for which the funds have been raised (b) Deviation in the amount of funds actually utilized as against what was originally disclosed.						

Name of Signatory : Srinivasan Anand
Designation : Chief Financial Officer





CSK PRABHU & CO
Chartered Accountants

PARTNERS

CSK PRABHU BCom FCA

MAHESH PRABHU BCom FCA DISA

SWETHA G N MCom FCA

Annexure B

Independent Auditor's Certificate on the manner of utilization of the funds raised through the Public issue of Secured and Unsecured Redeemable Non-Convertible Debentures as required by Regulation 52(7) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, (the "SEBI LODR Regulations")

To

Catalyst Trusteeship Limited
"GDA house" Plot No.85
Bhusari Colony (Right)
Paud Road
Pune - 411038.

Dear Sirs / Madam,

We, CSK Prabhu & Co., Chartered Accountants (ICAI FRN:002485S), the Statutory Auditors of Sakthi Finance Limited (hereinafter referred as "**the Company**") have been requested by the Company to verify and certify the utilization of funds raised through Public Issue of Secured and Unsecured Redeemable Non-Convertible Debentures (hereinafter referred to as "**the NCD Public Issue-5**") in terms of prospectus dated 25th June 2021 for the purpose for which it was raised, as required by Regulation 52(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "**SEBI LODR Regulations**").

The accompanying statement of utilization of proceeds of the NCD Public Issue-5 (the "**Statement**") during the period from 29.07.2021 to 31.12.2021 as per the requirement of the SEBI LODR Regulations has been prepared by the Management of the Company, which we have initiated for identification purposes only.

Management's Responsibility for the Statement

The preparation of the accompanying Statement is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.



The Management is also responsible for ensuring:

- a. the utilization of funds for the purpose for which it is raised; and
- b. compliance with the requirements of the SEBI LODR Regulations.

Auditor's Responsibility

Pursuant to the requirements of Regulation 52(7) of the SEBI LODR Regulations, it is our responsibility to obtain reasonable assurance and conclude as to whether the details provided in the Statement is in agreement with the books of accounts and other records for the period from 29.07.2021 to 31.12.2021.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control ("**SQC**") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence that vary in nature, timing and extent than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement :

- (a) read the Prospectus and obtained the details of Objects of the NCD Public Issue-5;
- (b) obtained the bank statement of the Company from 29.07.2021 to 31.12.2021 and traced the receipt and utilization of the funds;
- (c) verified the utilization of proceeds with books of accounts and other relevant records maintained by the Company; and
- (d) conducted relevant management inquiries and obtained necessary representation from the Company.



Opinion

Based on our examination as above, and the information and explanations given to us, the details provided in the Statement is in agreement with the books of accounts and other records for the period from 29.07.2021 to 31.12.2021 and the statement fairly presents, in all material respects, the manner of utilization of funds from the NCD Public Issue-5.

Restriction on Use

The Certificate is addressed to and provided to the Debenture Trustee of the Company solely for the purpose of enabling the Company to comply with its obligation under Regulation 52(7) of the SEBI LODR Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

We have no responsibility to update this report for events and circumstances occurring after the date of this certificate.

Coimbatore
14-02-2022

For CSK Prabhu & Co.,
Chartered Accountants
Firm Registration No.:002485S




CSK Prabhu
Partner

Membership No:019811
UDIN: 22019811ABYXBW3926

Statement containing details of manner of utilization of funds raised through the Public Issue of Secured and Unsecured Redeemable Non-Convertible Debentures (The NCD Public Issue-5)

(Rs. In lakhs)

Particulars	Amounts as at 31-12-2021
Issue Proceeds raised	19,853.65
Utilised for:	
a. For the purpose of on-ward lending, financing, and for repayment/prepayment of principal and interest of existing borrowings (including reduction in cash credit accounts availed against advances) of the Company	14,696.38
b. General Corporate Purpose, including issue expenses	407.27
Balance to be utilized	4750.00 #

This amount of Rs.4750.00 Lakhs has been deposited in Short-Term Deposits of Banks, pending utilization.

For and on behalf of
Sakthi Finance Limited





S Venkatesh

Company Secretary and Chief Compliance Officer

FCS 7012

