

Sarla Performance Fibers Ltd.

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CIN : L31909DN1993PLC000056



www.sarlafibers.com

Date: May 19, 2023

To,
The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400051

Corporate Services Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai - 400001

Symbol: SARLAPOLY

Security Code: 526885

Dear Sir/ Ma'am,

Sub: Submission of Annual Secretarial Compliance Report for the financial year ended March 31, 2023

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the relevant Circular(s) issued by SEBI from time to time, please find enclosed the Annual Secretarial Compliance Report for the financial year ended March 31, 2023, issued by CS Mayank Arora, Proprietor of M/s. Mayank Arora & Co., Company Secretaries.

Kindly take the same on record.

For Sarla Performance Fibers Limited

(Neha Somani)
Company Secretary & Compliance Officer

Encl: A/a.

Regd. Off. & Works 1:
Survey No. 59 / 1 / 4.
Amlil Piparia Industrial Estate,
Silvassa - 396 230,
U.T. Dadra & Nagar Haveli

Works 2:
Survey No. 64/2/3/4,61/1,61/2,62/5,63/5,63/7,
Amlil Piparia Industrial Estate,
Silvassa - 396 230,
U.T. Dadra & Nagar Haveli

Vapi Works:
Shed No. A1 / 48,
100 Sheds Area,
GIDC, Vapi - 396 195
(Gujarat)

Works 3 :
Survey No. 213/P,
Plot No. 11 & 12,
Dadra - 396 191,
U.T. Dadra & Nagar Haveli.

MAYANK ARORA & Co.

COMPANY SECRETARIES

Secretarial Compliance Report of Sarla Performance Fibers Limited for the Financial Year ended March 31, 2023

I, Mayank Arora, Practicing Company Secretary, partner of M/s. Mayank Arora & Co., Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by **M/s. Sarla Performance Fibers Limited** (“the listed entity”),
- (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, 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”);

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 Office No. 101, 1st Floor, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai – 400 063, India.

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 Securities) Regulations, 2018 -**not applicable to the Company during the period under review**;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **not applicable to the Company during the period under review**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **not applicable to the Company during the period under review**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **not applicable to the Company during the period under review**;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
And circulars/ guidelines issued thereunder;

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

- (a) The listed entity has generally complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks of the Practicing Company Secretary
1.	<p>Secretarial Standards:</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	-
2.	<p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	Yes	-
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website 	Yes	-
4.	<p>Disqualification of Director:</p> <p>None of the Director(s) of the Company</p>	Yes	-

	is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.		
5.	<p>Details related to Subsidiaries of listed entities have been examined w.r.t.:</p> <p>(a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries</p>	NA	The Company does not have any material subsidiary.
6.	<p>Preservation of Documents:</p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	-
7.	<p>Performance Evaluation:</p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	-
8.	<p>Related Party Transactions:</p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior</p>	Yes	-

	approval has been obtained.		
9.	<p>Disclosure of events or information:</p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	-
10.	<p>Prohibition of Insider Trading:</p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	-
11.	<p>Actions taken by SEBI or Stock Exchange(s), if any:</p> <p>No action(s) has been taken against the listed entity/its promoters/directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).</p>	NA	No action(s) has been taken against the Company by SEBI or Stock Exchange(s).
12.	<p>Additional Non-compliances, if any:</p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>	NA	There are no additional non-compliances observed in the Company.

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	<p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	NA	Not Applicable during the year under review.
2.	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit</p>	NA	Not Applicable during the year under review.

process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.

b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.

c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.

ii. Disclaimer in case of non-receipt of information:

The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where

	the listed entity/ its material subsidiary has not provided information as required by the auditor.		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/ CMD1/ 114/2019 dated 18th October, 2019.	NA	Not Applicable during the year under review

(a) (**) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

Sr no .	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Re-marks
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr no .	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Re-marks
1.	Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015 -	Composition of Board of Directors	The board of Directors of the top 2000 listed entities shall comprise of not less than six Directors.	NSE, BSE	Fine	The numbers of Directors were less than six from 19 th July 2021 till 12 th February 2022. The Company was able to appoint the Director on 12 th February, 2022.	Rs. 4,36,600/- each	The numbers of Directors were less than six from 19 th July 2021 till 12 th February 2022. The Company was able to appoint the Director on 12 th February, 2022.	The non-compliance with Regulation 17(1)(c) was attributed to the fact that due to the vacancy caused by the sudden demise of the Chairman & Whole-time Director of the Company,	The Company had made a request for waiver of fine levied by the Exchanges, and National Stock Exchange Limited has granted partial waiver of penalty

									<p>Mr. Madhusudan Jhunjhunwala on July 19, 2021. Since Mr. Madhusudan Jhunjhunwala was the key decision maker of the Company, his sudden demise has led to hindrance to various internal processes of the Company. The Board made all diligent efforts to find a suitable candidate to hold the</p>	<p>imposed on both Regulations 17 & 23 and a payment of Rs. 4,01,200 was to be made by March 03, 2023.</p> <p>The Company has remitted the fine amount through electronic transfer on March 03, 2023. Further, there is no further update on the waiver request submitted with the Bombay Stock Exchange Limited till date.</p>
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									Directorship in the Company as the appointment was to be made for the post of Executive Director. After various deliberations, Mr. Kanav Jhunjhunwala was appointed as Director w.e.f. February 12, 2022.	
2.	Regulation 23(9) of SEBI (LODR) Regulations, 2015 -	Related Party Transactions	The listed entity shall submit to the stock exchanges disclosures of related party transactions every six months within fifteen days from the date of publication of its standalone and consolidated	BSE, NSE	Fine	The Company failed to upload disclosures regarding Related Party Transactions within fifteen days from the date of publication of financials.	Rs. 2,59,600/- each	The Company failed to upload disclosures regarding Related Party Transactions within fifteen days from the date of publication of financials.	The delay caused in submission of Related Party Transactions for the half year ended March 31, 2021 and September	The Company had made a request for waiver of fine levied by the Exchanges, and National Stock

			financial results.		<p>For the quarter ended 31st March, 2021, the Audited Financials were published on 25/06/2021, however disclosure regarding Related Party Transactions were uploaded on Stock Exchange on 31/07/2021.</p> <p>Further, for the quarter ended 30th September, 2021, the Financials were published on 30/10/2021, however disclosure regarding Related Party Transactions were uploaded on Stock Exchange on 12/01/2022.</p>		<p>For the quarter ended 31st March, 2021, the Audited Financials were published on 25/06/2021, however disclosure regarding Related Party Transactions were uploaded on Stock Exchange on 31/07/2021.</p> <p>Further, for the quarter ended 30th September, 2021, the Financials were published on 30/10/2021, however disclosure regarding</p>	<p>30, 2021, in terms of Regulation 23(9) was due to the change in the positions of the Managerial Personnel (KMPs) of the Company which led to inadvertent missing of the due dates of the said disclosures.</p>	<p>Exchange Limited has granted partial waiver of penalty imposed on both Regulation 17 & 23 and a payment of Rs. 4,01,200 was to be made by March 03, 2023.</p> <p>The Company has remitted the fine amount through electronic transfer on March 03, 2023. Further, there is no further</p>
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						Further, the penalty of Rs. 29,500/- each were levied by Bombay Stock Exchange and National Stock Exchange for the quarter ended 31 st March, 2021 which was duly paid by the Company and penalty of Rs. 2,59,600/- each is being levied by Bombay Stock Exchange and National Stock Exchange for the quarter ended 30 th September, 2021.		Related Party		update on the waiver request submitted with the Bombay Stock Exchange Limited till date.
3.	Regulation 7(3) of SEBI (LODR) Regulations,	Share Transfer Agent	The listed entity shall submit a compliance certificate to the exchange, duly	-	Others	The Compliance Certificate is not being found on National Stock Exchange for the	-	The Compliance Certificate is not being found on	The Company is trying to co-ordinate	The Company has complied with the

	2015 -		signed by both the compliance officer of the listed entity and the authorized representative of the share transfer agent, within thirty days from the end of the financial year.			Financial Year ended 2020-21. However the said Certificate was uploaded on the BSE Ltd website.		National Stock Exchange for the Financial Year ended 2020-21. However the said Certificate was uploaded on the BSE Ltd website.	with the NSE to get the same available on Exchange' s website.	said Compliance in the reporting Financial year.
4.	Regulation 40(9) of SEBI (LODR) Regulations, 2015	Transfer or Transmission or Transposition of securities	The listed entity shall ensure that the share transfer agent and/or the in-house share transfer facility, as the case may be, produces a certificate from a practicing company secretary within thirty days from the end of the	-	Others	The Compliance Certificate is not being found on National Stock Exchange for the Financial Year ended 2020-21.	-	The Compliance Certificate is not being found on National Stock Exchange for the Financial Year ended 2020-21.	The Company is trying to co-ordinate with the NSE to get the same available on Exchange' s website.	The Company has complied with the said Compliance in the reporting Financial year.

			financial year, certifying that all certificates have been issued within thirty days of the date of lodgment for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies.							
5.	Regulation 31(4) of SEBI (SAST) Regulations, 2011	Disclosure of encumbered shares	The promoter of every target company shall declare on a yearly basis that he, along with persons acting in concert, has not made any encumbrance, directly or indirectly, other than	-	Others	There are no disclosures being done on the Stock Exchanges for the same.	-	There are no disclosures being done on the Stock Exchanges for the same.	The Board was informed that the necessary filing of the disclosure under Regulation 31(4) of SEBI (SAST) Regulations, 2011 is the responsibility of the	The Company has complied with the said Compliance in the reporting Financial year.

			those already disclosed during the financial year within 7 working days of end of the Financial Year to the Stock Exchange						Promoters but they inadvertently failed to submit the same. The Company had informed the Promoters to rectify the error caused and make the submission at the earliest.	
6.	SEBI (PIT) Regulations, 2015	Intimation of Trading Window Closure	The intimation of the Trading Window Closure has to be done on the Stock Exchange before Quarter end every quarter.	-	Others	The Company has delayed in intimating the Trading Window Closure for the Quarter ended 31st December, 2021.	-	The Company has delayed in intimating the Trading Window Closure for the Quarter ended 31st December, 2021.	The Company admits that they missed the compliance of the said intimation. However, on becoming aware, the said intimation was	The Company has complied with the said Compliance in the reporting Financial year.

										Immediately submitted with the Exchanges	
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2. Add the list of all observations in the reports pertaining to the periods prior to the previous year in case the entity has not taken sufficient steps to address the concerns raised/ observations: NIL

Date: 13/05/2023

Place: Mumbai

UDIN: F010378E000308500

For Mayank Arora & Co.

Company Secretaries



Mayank Arora

Partner

C.P. No. 13609

PR No. 679/2020