



Sakthi Finance Limited  
(CIN: L65910TZ1955PLC000145)  
No. 62, Dr. Nanjappa Road, Coimbatore – 641 018

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### NCD Public Issue 11 – FAQs

#### **Q1. What is an NCD?**

NCD, i.e. Non-Convertible Debenture, is a debt instrument issued by companies registered under the Companies Act 2013. The NCD is issued for a fixed period of time (tenor) and normally has options for payment of interest on monthly or cumulatively at the end of the period. The principal amount/redemption proceeds are paid to the investor on the date of redemption.

#### **Q2. What is the Issue Size?**

15,00,000 NCDs aggregating an amount not exceeding ₹ 7,500 lakh, ("Base Issue") with an option to retain over-subscription for an amount not exceeding ₹ 7,500 lakh aggregating an overall amount not exceeding ₹ 15,000 lakh (hereinafter referred to as the "Overall Issue").

#### **Q3. What is the face value of this NCD?**

The NCDs will be issued with a face value of ₹ 1,000 each.

#### **Q4. What is the frequency of interest payments?**

The frequency of interest payments for various options are given below:

Options I, III, V - monthly interest payments

Options II, IV, VI, VII – cumulative interest payments on maturity

#### **Q5. What is the rating of the NCDs?**

These NCDs have been rated [ICRA] BBB (Stable) by ICRA Limited, for an amount up to ₹ 150 Crore and ICRA has, by its letter No. ICRA/Sakthi Finance Limited/15072025/3 dated July 15, 2025, assigned the credit rating. The rating of the NCDs by ICRA Limited, indicates that

instruments with this rating are considered to have a moderate degree of safety regarding the timely servicing of financial obligations and carry moderate credit risk. The outlook is stable.

**Q6. What is the minimum application size for investment?**

An investor may apply for a minimum of ₹ 10,000 (10 NCDs) and in multiples of ₹ 1,000 (1 NCD) thereafter.

**Q7. Is there any reservation for the individual investor investing in this issue?**

No

**Q8. Is demat account necessary to invest in these NCDs?**

Yes. All Options of NCDs will be allotted in dematerialized mode only. Trading in NCDs shall be compulsorily in dematerialized mode only.

**Q9. Is ASBA the only method for applying for this issue?**

Yes. The applicant should have an account with an SCSB which provides an ASBA facility. Cheques, cash and other forms of payment cannot be accepted.

**Q10. Who are eligible to invest in these NCDs?**

**Category I (Institutional Investors) Persons eligible to apply to the Issue which includes**

- Resident public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorized to invest in the NCDs;
- State industrial development corporations;
- Provident funds, pension funds with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, authorized to invest in the NCDs;
- Insurance companies registered with IRDA;
- National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Mutual funds registered with SEBI;
- Alternative Investment Funds registered with SEBI subject to

investment conditions applicable to them under the SEBI AIF Regulations;

- Resident Venture Capital Funds registered with SEBI;
- Systemically Important Non-Banking Financial Company, a non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements and Mutual funds registered with SEBI; and
- Insurance funds set up by and managed by the army, navy or air force of the Union of India or by the Department of Posts, Gol.

**Category II (Non- Institutional Investors) - persons eligible to apply to the Issue which includes**

- Companies within the meaning of Section 2(20) of the Companies Act 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorized to invest in NCDs;
- Co-operative banks and regional rural banks incorporated in India;
- Trusts including public/private charitable/religious trusts settled and/or registered in India under applicable laws, which are authorized to invest in the NCDs;
- Resident Indian scientific and/or industrial research organizations, authorized to invest in the NCDs;
- Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act 2008 (No. 6 of 2009), authorized to invest in the NCDs;
- Partnership firms formed under applicable laws in India in the name of the partners, authorized to invest in the NCDs;
- Association of Persons: and
- Any other incorporated and/or unincorporated body of persons.

**Category III (High net-worth Individuals)**

- Resident Indian Individuals and Hindu Undivided Families applying through the Karta for an amount aggregating a value above ₹ 10 lakh across all options of NCDs in this Issue.

**Category IV (Resident Indian Individuals)**

- Resident Indian Individuals and
- Hindu Undivided Families applying through the Karta applying for an amount aggregating up to and including ₹ 10 lakh across all options of NCDs in the Issue and shall include retail individual investors who have

submitted bids for an amount not more than ₹ 5 lakh in any of the bidding options in this issue (including HUFs applying through their karta and does not include NRIs) through UPI mechanism.

**Q11. Can the application be made in joint names?**

- Applications may be made in single or joint names (not exceeding three). In the case of joint applications all interest / redemption amount payments will be made in favour of the first applicant only. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.
- This Applicant would be deemed to have signed for and on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

**Q12. Can an applicant make additional/multiple applications?**

- An Applicant is allowed to make one or more Applications for the NCDs for the same or other option of NCDs, subject to a minimum Application size as specified in this Prospectus and in multiples of thereafter as specified in this Prospectus.
- Any Application for an amount below the above minimum Application size will be deemed as an invalid Application and shall be liable to be rejected. However, multiple Applications by the same individual Applicant aggregating a value exceeding ₹ 25 lakh shall be deemed such individual Applicant to be an HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the Basis of Allotment to such Applicant.
- However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application.
- For the purposes of allotment of NCDs under this Issue, Applications shall be grouped based on the PAN, i.e., Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications

if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the above purpose if the PAN number of the sole or the first Applicant is one and the same.

**Q13. Which stock exchange are the NCDs proposed to be listed on?**

The NCDs are proposed to be listed on BSE Limited.

**Q14. What is the issue period?**

As per SEBI NCS Regulations 2021, as amended, the issue has to be completed within 10 working days. The issue opens on Friday, 8 August 2025 and issue closes on Friday, 22 August 2025.

**Q15. What is the application amount and mode of payment to be payable on the application?**

- The minimum application size for each application for NCDs would be ₹ 10,000 and in multiples of ₹ 1,000 thereafter.
- Applicants can apply for any or all Options of NCDs offered hereunder (any/all Options) using the same Application Form.
- Application can be made in ASBA mode only.
- Applicants shall specify the ASBA Account number in the Application Form.

**Q16. Where / How should the completed application forms be submitted?**

Applications may be submitted to the nearest designated SCSB Branches or may be sent to the Registered Office of Sakthi Finance Limited, No. 62, Dr. Nanjappa Road, Coimbatore – 641 018 by way of courier or speed post mentioning “SFL NCD Public Issue 11”.

**Q17. What will be the default option if applicants have not indicated their choice of the relevant NCD Option in the application form?**

Our Company shall allocate and allot Option III NCDs wherein the Applicants have not indicated their choice of the relevant NCD Option.

**Q18. Can an applicant withdraw an application during the Issue Period?**

Applicants can withdraw their Applications during the Issue Period by submitting a request.

**Q19. Can an applicant revise his/her application during the Issue Period?**

Applicants may revise / modify their application details during the Issue Period, as allowed / permitted by the Stock Exchange, by submitting a written request. Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case, the date of the new Application will be considered for date priority for Allotment purposes. Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on the Issue Closing Date.

**Q20. What is the basis of allotment? How will allocation happen in case of over-subscriptions?**

**Allotments in the first instance:**

- i. Applicants belonging to the Category I, in the first instance, will be allocated NCDs up to 5% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Lead Manager and their respective affiliates/SCSB (Designated Branch or on-line acknowledgement);
- ii. Applicants belonging to the Category II, in the first instance, will be allocated NCDs up to 15% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or on-line acknowledgement);
- iii. Applicants belonging to the Category III in the first instance, will be allocated NCDs up to 40% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or on-line acknowledgement);
- iv. Applicants belonging to the Category IV in the first instance, will be allocated NCDs up to 40% of Overall Issue Size on first come first

serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or on-line acknowledgement);

- v. Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e., on a first come first-serve basis, based on the date of upload of each Application into the electronic book with Stock Exchange, in each Portion subject to the Allocation Ratio.
- vi. However, on the date of over-subscription, the Allotments would be made to the Applicants on proportionate basis.

**Q21. When will the funds get unblocked?**

The Registrar shall, pursuant to finalisation of the Basis of Allotment in consultation with BSE Limited, instruct the relevant SCSB or the Sponsor Bank (for Applications under the UPI Mechanism), as applicable, to unblock the funds in the relevant ASBA Account / UPI linked bank account, for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

**Q22. When will the investor get the allotment advice?**

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered.

**Q23. Can NRIs Apply in this Issue?**

No, NRIs cannot apply in this Issue.

**Q24. What are the documents/certificates that need to be filed along with the Application Form for retail investors?**

No documents. All applicants shall be required to mention their PAN Number in the Application Form.

**Q25. Can I apply through the UPI mechanism?**

All individual investors who apply for an amount up to ₹ 5 lakhs, are mandated to make the payment under the UPI mechanism. The entire amount of face value of NCDs applied for will be blocked in the relevant bank account linked to the UPI ID as indicated in the application form.

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB/ bank account linked to the UPI ID. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA account/ Bank Account linked to the UPI ID.

**Q26. Can I Apply on-line with a UPI Id?**

Yes. The debenture holder shall register first in the “BSE Direct” app available in Android Play Store or “BSEDirect” app available in Apple App Store or through web site [www.bsedirect.com](http://www.bsedirect.com), providing details along with UPI Id. The debenture holder can then apply on-line and block the required amount.

**Q27. Can one apply On-line through Net Banking?**

In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB and accordingly registering such ASBA Applications.

**Q28. What are the Tax implications?**

Tax Deducted at Source (“TDS”) will be deducted as per the extant Income Tax Act 1961. Non-Assessee may Issue Form 15 G/H.