

लिस्टिंग विभाग बीएसई
लिमिटेड
फ़िरोज़ जीजीभाय टावर्स
दलाल स्ट्रीट
मुंबई- 400001
स्क्रिप कोड- 540530

लिस्टिंग विभाग
राष्ट्रीय स्टॉक एक्सचेंज ऑफ़ इंडिया लिमिटेड
एक्सचेंज प्लाज़ा, सी-1, ब्लॉक जी, बांद्रा कुर्ला
कॉम्प्लेक्स, बांद्रा (ई)
मुंबई - 400051
स्क्रिप कोड- हडको

विषय - 2022-2023 को समाप्त वित्तीय वर्ष के लिए सेबी (सूचीबद्धता दायित्व और प्रकटीकरण आवश्यकताएँ)
विनियम, 2015 के विनियमन 24ए के अंतर्गत उप-सचिवीय अनुपालन रिपोर्ट।

प्रिय महोदय/महोदया,

सेबी सेबी (सूचीबद्धता दायित्व और प्रकटीकरण आवश्यकताएँ) विनियम, 2015 के विनियमन 24ए के अनुसार, हम कंपनी के सचिवीय लेखा परीक्षकों अर्थात मेसर्स मल्होत्रा अरोड़ा और एसोसिएट्स, प्रैक्टिस में कंपनी सचिवों द्वारा जारी वित्तीय वर्ष 2022-2023 के लिए सचिवीय अनुपालन रिपोर्ट संलग्न कर रहे हैं।

यह आपकी जानकारी और प्रसार के लिए है।

धन्यवाद

भवदीय

हरीश शर्मा

कंपनी सचिव एंड कम्प्लायंस अधिकारी
फॉर हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड

संलग्नक. ऊपरोक्त अनुसार



SECRETARIAL COMPLIANCE REPORT OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Housing and Urban Development Corporation Limited (hereinafter referred as 'the listed entity'), having its Registered Office at HUDCO Bhawan, India, Habitat Center, Lodhi Road, New Delhi- 110003, India. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the Financial Year 2022-23, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

We **Malhotra Arora & Associates** have examined:

- (a) all the documents and records made available to us and explanation provided by 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 report, for the financial year ended 31st March 2023 in respect of compliance with the provisions of:
 - i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, Guidelines issued thereunder; and
 - ii. 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 for the period under review**
- (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 for the period under review**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable for the period under review**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (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 based on the above examination, we hereby report that, during the Review Period:



I.

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

Sr. No.	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Optimum Combination of Executive & Non-Executive Directors with requisite number of Independent Directors	Regulation 17(1) of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015	Non-compliance with the requirements pertaining to the composition of the Board.	BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)	BSE & NSE has imposed a fine of Rs. 5000/- per day for the period computed till quarter ended June 2022, September 2022 & December 2022 Respectively	"Where the chairpersons of the Board of Directors is a Non-Executive Director, at least one-third of the Board of Directors shall comprise of Independent Directors and where the listed entity does not have a regular non-Executive chairpersons, at least half of the Board of Directors shall comprise	BSE & NSE have imposed a fine of Rs. 5,36,900/- for quarter ended June 2022, Rs. 542,800/- for quarter ended September 2022 & Rs. 1,29,800/- for the quarter ended December 2022 respectively.	Identified non-compliances are not due to negligence/default on the part of the Company, as the power to appoint Directors on the Board of the Company vests with the President of India which is exercised through Administrative Ministry, i.e. Ministry of Housing and Urban Affairs (MoHUA). The Composition of Board was not in conformity till 12 th Oct, 2022. Therefore, consequent upon cessation of one Government Director, the composition of the Board was duly complied till 31 st March,	In Reference to MOA & AOA of HUDCO, the power to appoint Directors on the Board vests with the President of India, which is exercised through Administrative Ministry, i.e. Ministry of Housing and Urban Affairs (MoHUA). The Composition of Board was not in conformity till 12 th Oct, 2022. Therefore, consequent upon cessation of one Government Director, the composition of the Board was duly complied till 31 st March,	As informed by the management, HUDCO being a Government Company, the power to appoint Directors on the Board of the Company vests with the President of India which is exercised through Administrative Ministry, i.e. Ministry of Housing and Urban Affairs (MoHUA). The Composition of Board was not in conformity till 12 th Oct, 2022. Therefore, consequent upon cessation of one Government Director, the composition of the Board was duly complied till 31 st March,



						of Independent Directors" The aforesaid requirement has not been complied with till 12.10.2022.		However, the default was made good after 12.10.2022	2023.	The default was made good after 12.10.2022
2.	The meetings of the Risk Management Committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings.	Regulation 21(3C) of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015	The Continuous gap of 180 days has exceeded between the last Committee Meeting for Financial Year 2021-22 which was held on 08.03.2022 and the first Committee Meeting for Financial Year 2022-23, which was held on 13.12.2022.	N.A.	N.A.	During the period under review, the Continuous gap between two consecutive meeting of Risk Management Committee exceeded 180 days.	N.A.	The continuous gap between two consecutive meeting of Risk Management Committee have exceeded 180 days	During the period under review two meetings of Risk Management Committee were held i.e. 13.12.2022 & 13.02.2023 within prescribed time period.	During the period under review two meetings of Risk Management Committee were held i.e. on 13.12.2022 & 13.02.2023 within prescribed time period, however the continuous gap exceeded 180 days between the two committee meetings held on 08.03.2022 and 13.12.2022.



(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 Acti on	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Optimum Combination of Board of Directors and Committee Members (i.e., Audit Committee, Nomination & Remuneration Committee, and Stakeholder Relationship Committee)	Regulation 17, 18, 19, 20 and 21(3A) of SEBI (Listing Obligations and Disclosure Requirements), 2015.	The Composition of Board of Directors and Committee Members (i.e., Audit Committee, Nomination & Remuneration Committee, and Stakeholder Relationship Committee) was not in compliance with the said regulations; Also, Quorum Requirement of Board and Audit Committee Meeting	BSE Limited (BSE) & National stock exchange of India Limited (NSE)	BSE & NSE has imposed the fines	Non-Compliance with the requirements pertaining to the composition of Board and Committees.	BSE & NSE have imposed a fine of Rs. 12,03,600/- for quarter ended March, 2021, Rs. 12,04,780/- for quarter ended June 2021, Rs. 13,64,080/- for quarter ended September 2021 & Rs. 10,57,280/- for the quarter ended December 2021, Rs. 5,31,000/- for quarter ended Mar, 2022	Company informed that identified non-compliances are not due to negligence/default of the Company. As per directions of the Board, Stock Exchanges have also been requested for waiver of fine and non-initiation of any action against the Company. However, the request is still pending with the stock exchanges.	The Company has informed that as on 31st March, 2022, HUDCO Board comprised of nine Directors, out of which three Directors were functional including Chairman & Managing Director, two Part-time Official (Government) Directors, and four Non-official (Independent) Directors including one women Director. MOHUA has appointed three Non-official (Independent) Directors including one Woman	As informed by the management, HUDCO being a Government Company and the power to appoint Directors on the Board of the company vests with the President of India which is exercised through Administrative Ministry i.e. Ministry of Housing and urban affairs (MoHUA). MoHUA has appointed four Independent Directors including one women Independent Director.



			<p>was not in compliance with said regulation</p> <p>During the year, only one meeting of Risk Management Committee was held against the requirement of two meetings.</p>				2 respectively.		<p>Director in the month of November, 2021 and one in January 2022. HUDCO is still short of one Non official (Independent) Director.</p> <p>The Board on 28th December, 2021 has reconstituted various Committee(s) after induction Non-official (Independent) Director to make all these Committees in conformity with SEBI (LODR).</p> <p>HUDCO being a Government Company, its Directors are appointed by the President of India through Administrative Ministry, i.e., Ministry of Housing and Urban Affairs (MOHUA), Government of India. Matter has already been taken up with the Administrative Ministry for appointment of Independent Director on the Board of the Company.</p>	<p>With the induction of Independent Directors on Board the requisite quorum for Board Meeting and Audit Committee is Complied with. The Risk Management Committee is reconstituted. After reconstitution of risk Management Committee meeting was held in the month of March, 2022.</p>
--	--	--	---	--	--	--	-----------------	--	--	--



								<p>The requirement for Quorum for Meeting and Audit Committee meetings has been duly complied with after induction of Independent Directors.</p> <p>The Risk Management Committee was reconstituted with induction of Independent Directors on 28th December, 2021 to make it in conformity with the SEBI (LODR) Regulations. After reconstitution of the Risk Management Committee meeting was held in month of March, 2022</p>	
2.	<p>The evaluation of independent directors shall be done by the entire Board of Directors which shall include: -</p> <p>i. performance of the Directors; and</p> <p>ii. fulfillment of the Independence criteria</p>	<p>Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements, 2015.</p>	<p>The performance evaluation of independent Directors has not been carried out by the entire Board of Directors.</p>					<p>Company informed that being a Government Company, its Directors are appointed by the President of India and their performance is being evaluated by the Administrative Ministry, as per its own evaluation</p>	<p>Company being a Government Company, its Directors are appointed by the President of India and their performance is being evaluated</p>



									methodology, hence, the requirement of carrying out formal evaluation by the Board of its own performance and that of its committees and individual Directors, is not applicable as per MCA notification dated 5th June, 2015.	by the Administrative Ministry, as per its own evaluation methodology.
--	--	--	--	--	--	--	--	--	--	--

II. 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		
	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	NA	None
	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	NA	None
	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.	NA	None
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed	NA	None



	entity/its material subsidiary to the Audit Committee:		
	<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 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.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents have 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.</p> <p>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.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>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.</p>	<p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p>
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	None

III. I/we hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NO)	Observations/Remarks by PCS*
---------	-------------	----------------------------------	---------------------------------



1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	None
2.	Adoption and timely updation of the Policies: <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 Yes	None None
3.	Maintenance and disclosures on Website: <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 Yes Yes	None None None
4.	Disqualification of Director: None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	None
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: <ul style="list-style-type: none"> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries 	NA NA	HUDCO did not have any Subsidiary during F.Y. 2022-23
6.	Preservation of Documents: 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.	Yes	None



7.	Performance Evaluation: 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.	NA	HUDCO being a Government Company, its Directors are appointed by the President of India through Administrative Ministry, i.e., Ministry of Housing and Urban Affairs (MoHUA), Government of India & Directors performance evaluation is also done by the administrative Authority as per its own evaluation methodology. Further as per the notification dated 5 th June, 2015 issued by Ministry of Corporate Affairs, Government of India Government companies are exempted from complying with the provision with respect to performance evaluation of the Board & Its Committees, if performance evaluation of Director is done by the administrative ministry
8.	Related Party Transactions: (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 approval has been obtained.	NA NA	None None
9.	Disclosure of events or information: 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.	Yes	None
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	None



11.	Actions taken by SEBI or Stock Exchange(s), if any: 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.	No	Mentioned in table (a)
-----	---	----	------------------------

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Malhotra Arora & Associates
Company Secretaries



(Dikshant Malhotra)
Partner
 FCS: F11008
 C P No.: 14622
 UDIN: F011008E000425171

Place: Gurugram, Haryana
Date: 30.05.2023