

27<sup>th</sup> May, 2022

**Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001  
Scrip Code- 540530**

**Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051  
Scrip Code- HUDCO**

**Sub: Secretarial Compliance Report under Regulation 24A of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations,  
2015 for the financial year ended 2021-22.**

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Dear Sir/ Ma'am,

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a Secretarial Compliance Report for the financial year 2021-22 issued by Secretarial Auditors of the Company i.e., M/s Malhotra Arora & Associates, Company Secretaries.

This is for your information and dissemination.

धन्यवाद

भवदीय

*उपनिर्देश*

हरीश शर्मा

कंपनी सेक्रेटरी एंड कंप्लायंस अफसर  
हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लि.

Encls. As above



हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड ( भारत सरकार का उपक्रम )  
कोर 7ए, हडको भवन, भारत पर्यावास केन्द्र, लोधी रोड, नई दिल्ली-110003  
दूरभाष : 011-24648160 फ़ैक्स : (011) 24625308, आई.एस.ओ. 9001:2015 प्रमाणित कम्पनी  
वेबसाइट : [www.hudco.org](http://www.hudco.org), सी आई एन : L74899DL1970GOI005276, GST : 07AAACH0632A1ZF  
**Housing & Urban Development Corporation Ltd., (A Govt. of India Enterprise)**  
Core-7'A', HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110 003  
Tel : 011-24648160, Fax : 011-24625308 AN ISO 9001:2015 Certified Company  
website : [www.hudco.org](http://www.hudco.org) CIN : L74899DL1970GOI005276 GST : 07AAACH0632A1ZF



**Profitability with Social Justice**



**SECRETARIAL COMPLIANCE REPORT OF HOUSING AND URBAN DEVELOPMENT CORPORATION  
LIMITED ("HUDCO") FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**[Under Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and  
Disclosure Requirements) Regulations, 2015]**

We Malhotra Arora & Associates have examined:

- (a) all the documents and records made available to us and explanation provided by Housing and Urban Development Corporation 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 31<sup>st</sup> March, 2022 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable 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) Regulations, 2014; **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 and Redeemable Preference Shares) Regulations, 2013; **Not Applicable for the period under review**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (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:





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

S. No	Compliance Requirement (Regulations/circulars/ Guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 17, 18, 19 20 and 21(3A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	<p>For the year under review, the Composition of Board of Directors and Committee Members (i.e., Audit Committee, Nomination &amp; Remuneration Committee, and Stakeholder Relationship Committee) was not in compliance with the said regulations;</p> <p>Also, Quorum Requirement of Board and Audit Committee Meetings was not in compliances with said regulations.</p> <p>During the year, only one Meeting of Risk Management Committee was held against the requirement of two meetings.</p>	<p>The Company has informed that as on 31<sup>st</sup> March, 2022, HUDCO Board comprised of nine directors, out of which three Directors were Functional Directors including Chairman &amp; Managing Director, two Part-time Official (Government) Directors, and four Non-official (Independent) Directors including one-Woman Director.</p> <p>MOHUA has appointed three Non-Official (Independent) Directors including one Woman 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 28<sup>th</sup> December, 2021 has reconstituted various Committee(s) after induction of 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>The requirement of Quorum for Board 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 28<sup>th</sup> December, 2021 to make it in conformity with SEBI (LODR) Regulations. After reconstitution of the Risk Management Committee meeting was held in the month of March, 2022.</p>





2	Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The performance evaluation of Independent Directors has not been carried out by the entire Board of Directors.	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 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 5 <sup>th</sup> June, 2015.
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from my/our examination of those records.
- (c) The Standard Operating Procedures issued by SEBI through various circulars under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S.No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	National Stock Exchange of India Limited	Regulation 17(1), 17(2A), 18, 19, and 20 of the SEBI (LODR) Regulations, 2015 for the quarter ended 31 <sup>st</sup> March, 2021.	NSE vide letter dated 17 <sup>th</sup> May, 2021 imposed a fine of Rs. 12,03,600/- for the quarter ended 31 <sup>st</sup> March, 2021	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
		Regulation 17(1), 17(2A), 18(1), 19(1)/19(2), 20 of the SEBI (LODR) Regulations, 2015 for the quarter ended 30 <sup>th</sup> June, 2021.	NSE vide letter dated 20 <sup>th</sup> August, 2021 imposed a fine of Rs. 12,04,780/- for the quarter ended 30 <sup>th</sup> June, 2021.	
		Regulation 17(1), 17(2A), 18(1), and 19(1)/19(2), 20 and 21 of the SEBI (LODR) Regulations, 2015 for the quarter ended 30 <sup>th</sup> September, 2021.	NSE vide letter dated 22 <sup>nd</sup> November, 2021 imposed a fine of Rs. 13,64,080/- for the quarter ended 30 <sup>th</sup> September, 2021.	
		Regulation 17(1), 17(2A), 18(1), 19(1)(2), 20 and 21 of the SEBI (LODR) Regulations, 2015 for the quarter ended 31 <sup>st</sup> December, 2021.	NSE vide letter dated 21 <sup>st</sup> February 2022 imposed a fine of Rs. 10,57,280/- for the quarter ended 31 <sup>st</sup> December, 2021.	
		Regulation 17(1), of the SEBI (LODR) Regulations, 2015 for the quarter ended 31 <sup>st</sup> March, 2022.	NSE vide letter dated 20 <sup>th</sup> May 2022 imposed a fine of Rs. 5,31,000/- for the quarter ended 31 <sup>st</sup> March, 2022	





2.	BSE Limited	Regulation 17(1), 17(2A), 18, 19(1)/(2), 20(2)/(2A) and 21(2) of the SEBI (LODR) Regulations, 2015 for the quarter ended 31 <sup>st</sup> March 2021.	BSE vide letter dated 17 <sup>th</sup> May, 2021 imposed a fine of Rs. 12,03,600/- for the quarter ended 31 <sup>st</sup> March, 2021	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 same are still not waived off by the Stock Exchanges.
		Regulation 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/(2A) of the SEBI (LODR) Regulations, 2015 for the quarter ended 30 <sup>th</sup> June, 2021.	BSE vide letter dated 20 <sup>th</sup> August, 2021 imposed a fine of Rs. 12,04,780/- for the quarter ended 30 <sup>th</sup> June, 2021.	
		Regulation 17(1), 17(2A), 18(1), and 19(1)/19(2), 20(2)/(2A) 21(2) of the SEBI (LODR) Regulations, 2015 for the quarter ended 30 <sup>th</sup> September 2021.	BSE vide letter dated 22 <sup>nd</sup> November, 2021 imposed a fine of Rs. 13,64,080/- for the quarter ended 30 <sup>th</sup> September, 2021.	
		Regulation 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/2A, 21(2) of the SEBI (LODR) Regulations, 2015 for the quarter ended 31 <sup>st</sup> December, 2021.	BSE vide letter dated 21 <sup>st</sup> February 2022 has imposed fine of 10,57,280/- for the quarter ended 31 <sup>st</sup> December, 2021.	
		Regulation 17(1), of the SEBI (LODR) Regulations, 2015 for the quarter ended 31 <sup>st</sup> March, 2022.	BSE vide letter dated 20 <sup>th</sup> May 2022 has imposed fine of 5,31,000/- for the quarter ended 31 <sup>st</sup> March, 2022	

The listed entity has taken the following actions to comply with the observations made in previous reports:

S.No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Regulation 17, 18, 19 20, 21(3A) and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has not been complied as follows:-	31 <sup>st</sup> March, 2020 & 31 <sup>st</sup> March, 2021	The Company has informed that, the power to appoint Directors including Independent Directors on Board of HUDCO vests with the President of India and the Company is regularly pursuing	As informed by the Company, MOHUA has appointed three Non-Official (Independent) Directors including one Woman Director in the month of November, 2021





	<ul style="list-style-type: none"> <li>the Composition of Board of Directors and Committee Members (i.e., Audit Committee, Nomination &amp; Remuneration Committee and Stakeholder Relationship Committee) was not in compliance with the aforesaid regulations;</li> <li>Also, Quorum Requirement of Board Meeting and its Committees' Meeting (i.e. Audit Committee, Nomination &amp; Remuneration Committee and Stakeholder Relationship Committee) also was not in compliance with aforesaid regulations.</li> <li>Risk Management Committee Meeting was not held.</li> </ul>		with Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same.	and one in January 2022. HUDCO is still short of one Non-official (Independent) Director. The Company is regularly pursuing with the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same.
2.	The performance evaluation of Independent Directors has not been carried out for the period under review under Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	31 <sup>st</sup> March, 2019, 31 <sup>st</sup> March, 2020 & 31 <sup>st</sup> March, 2021	The Company has informed that the appointment/reappointment of Independent Directors is made by President of India through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs and accordingly, performance evaluation of	As informed by the Company, evaluation of directors is done by the Administrative Ministry, being the appointing authority, i.e., Ministry of Housing and Urban Affairs.





			Independent Directors has not been carried out by the entire Board of Directors.	No further action required at the part of company.
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**For Malhotra Arora & Associates  
Company Secretaries**



(Dikshant Malhotra)

Partner

FCS: F11008

C P No.:14622

UDIN: F011008D000376065

**Place:** Gurugram

**Date:** 24<sup>th</sup> May, 2022