150 YEARS OF CELEBRATING THE MAHATMA

हुडको hudco

28th June, 2021

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 2020-21.

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 2020-21 issued by Secretarial Auditors of the Company i.e., M/s Malhotra Arora & Associates, Company Secretaries.

This is for your information and record.

धन्यवाद

भवदीय

हरीश शर्मा

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

Encls. As above

SECRETARIAL COMPLIANCE REPORT OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021

[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 31st March, 2021 ("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, 21(3A) and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	For the year under review, 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 Meeting and its Committees Meeting (i.e. Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee) also was not in compliances with said regulations. During the year, Risk Management Committee Meeting was not held.	The Company informed that as on 31st March, 2021, HUDCO Board comprised of five Directors, out of which three Directors were functional Directors including Chairman & Managing Director, (additional charge of the post of CMD was assigned to the Additional Secretary, MoHUA, GoI) and two Part-time Official (Government) Directors. HUDCO does not have any Part-time Non-official (Independent) Directors including one-Woman Director on its Board. 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 filling up the vacancies of Independent Directors on the Board of the Company. Hence, in the absence of Independent Director on the Board of HUDCO, Composition of the: Board and its Committees namely - Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee including requirement of quorum under SEBI (LODR) Regulations 2015 was not complied with. Further, the Company informed that the meeting of the Risk Management Committee was fixed, however, the same could not be held due to unavoidable reasons.

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.	HUDCO 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 5th June, 2015.

(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), for the quarter ended 31st March, 2020.	NSE vide letter dated 02nd July, 2020 imposed a fine of Rs. 5,36,900/- inclusive of GST for the quarter ended 31st March, 2020.	As informed by the Company, as per decision of the Board of the Company, NSE has been requested for waiver of fine and for non-initiation of any action, since identified non-compliances are not due to negligence/ default on the part of the company, as 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), Government of India. Company is regularly pursuing MoHUA from time to time in this regard.
		Regulation 17(1), 18(1), and 19(1)/(2) of the SEBI (LODR) Regulations, 2015 for the quarter ended 30th June, 2020.	NSE vide letter dated 20th August, 2020 imposed a fine of Rs. 5,88,820/- inclusive of GST for the quarter ended 30th June, 2020.	
		Regulation 17, 17(2A), 18, and 19 of the SEBI (LODR) Regulations, 2015 for the quarter ended 30th September, 2020.	NSE vide letter dated 17th November, 2020 imposed a fine of Rs. 10,00,640/- inclusive of GST for the quarter ended 30th September, 2020.	
		Regulation 17(1), 17(2A), 18, 19, and 20 of the SEBI (LODR) Regulations, 2015 for the quarter ended 31st December, 2020.	NSE vide letter dated 15th February, 2021 imposed a fine of Rs. 12,17,760/- inclusive of GST for the quarter ended	

		Regulation 17(1), 17(2A), 18, 19, and 20 of the SEBI (LODR) Regulations, 2015 for the quarter ended 31st March, 2021	NSE vide letter dated 17th May, 2021 imposed a fine of Rs. 12,03,600/- inclusive of GST for the quarter ended 31st March, 2021	
2.	BSE Limited	Regulation 17(1), for the quarter ended 31st March, 2020.	BSE vide letter dated 03rd July, 2020 imposed a fine of Rs. 5,36,900/- inclusive of GST for the quarter ended 31st March, 2020.	Based on the Company's requests, BSE has waived off fine from the quarter December, 2019 to December 2020 and request for waiver of fine for the quarter(s) ended 30th September, 2019 is pending with BSE. Further, request for waiver of fine for the quarter ended March, 2021 will be made after approval of the Board Further, as informed by the Company, as per decision of the Board of the Company, NSE has been requested for waiver of fine and for non-initiation of any action, since identified non-compliances are not due to negligence/ default on the part of the company, as 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), Government of India. Company is regularly pursuing MoHUA from time to time in this regard.
		Regulation 17(1), 18(1), and 19(1)/(2) of the SEBI (LODR) Regulations, 2015 for the quarter ended 30th June, 2020.	BSE vide letter dated 20th August, 2020 imposed a fine of Rs. 5,88,820/- inclusive of GST for the quarter ended 30th June, 2020.	
		Regulation 17(1), 17(2A), 18(1), and 19(1)/(2) of the SEBI (LODR) Regulations, 2015 for the quarter ended 30th September, 2020.	BSE vide letter dated 17th November, 2020 imposed a fine of Rs. 10,00,640/- inclusive of GST for the quarter ended 30th September, 2020.	
		Regulation 17(1), 17(2A), 18, 19, and 20 of the SEBI (LODR) Regulations, 2015 for the quarter ended 31st December, 2020.	BSE vide communication dated 29th April, 2021 has conveyed waiver of fine for the quarter ended 31st December, 2020.	
		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 31st March, 2021	BSE vide letter dated 17th May, 2021 imposed a fine of Rs. 12,03,600/- inclusive of GST for the quarter ended 31st March, 2021	

(d) 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 31st March, 2021	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(1)(b) read with regulation 25(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	For the year under review, the Composition of Independent Directors was not in compliance with the aforesaid regulation w.e.f., 17th June, 2019.	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 with Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same.	As informed by the Company, the Company is regularly pursuing with the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same.
2.	Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The performance evaluation of Independent Directors has not been carried out for the period under review.	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 Independent Directors has not been carried out by the entire Board of Directors.	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. No further action required at the part of company.
3.	Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	For the half year ended 30th September, 2019, disclosures pertaining to related party transactions were made after the stipulated time.	The Company has informed that there is the delay of 8 days in submission of disclosures, (last date being 12th December, 2019) and the same was made on 20th December, 2020 and complied with.	Necessary compliance has been complied with on 20th December, 2020. No further action required at the part of company.

4.	As per Regulation 34(3) and 50(3)(f) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Certificate from a Company Secretary in Practice that "none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority" has not been attached in the Annual Report for the Financial Year 2018-19.	The Company has informed that the Disclosure requirement has been applicable w.e.f. 1.04.2019 and accordingly same is not provided in Annual Report for the Financial Year 2018-19. The same will be provided in the Annual Report for the financial year 2019-20. The Company has further informed us that as on 31st March, 2019 none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of company.	The Company has obtained requisite certification for the financial year 2019-20. No further action required.

For Malhotra Arora & Associates
Company Secretaries

(Dikshant Malhotra)
Partner
FCS: F11008
C P No.:14622
UDIN: F011008C000516678

Place: Gurugram, Haryana
Date: 25.06.2021