



M DAMODARAN & ASSOCIATES LLP  
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**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2023**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members,  
**Sundaram Home Finance Limited,**  
(CIN: U65922TN1999PLC042759),  
21, Patullos Road,  
Chennai – 600002.

I M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries, Chennai have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Sundaram Home Finance Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31.03.2023** complied with the statutory provisions listed hereunder and also that the Company

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has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31.03.2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (v) The following act and directions applicable specifically to the Company:-
  - (a) The National Housing Bank Act, 1987.
  - (b) The Housing Finance Companies (NHB) Directions, 2010.
  - (c) Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016.





(d) Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

I have also examined compliance with the applicable Clauses of the following:

- (i) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited; and
- (ii) Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meeting issued by the Institute of Company Secretaries of India.

During the period under review, except as below, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

- a. *There was a delay in intimation to National Stock Exchange of India Limited (NSE) about the details of Interest/principal obligations payable during the quarter from 01.10.2022 to 31.12.2022 with respect to some of the listed NCDs as required u/r. 57(4) of SEBI LODR. However, it was also observed that there were no delay in remitting the interest payment to the debenture holder. NSE vide its e-mail communication dated 27.10.2022 has levied a fine of Rs.6,000/- plus tax for the aforesaid delay in compliance. The Company has made a representation to NSE Limited vide e-Mail dated 01.11.2022 to waive off the penalty levied. Reply from NSE Limited is awaited.*
- b. *There was a delay in intimation to NSE by two working days about the record date for the payment of interest/principal due falling in the month of August 2022 for the listed NCDs as required u/r. 60(2). NSE vide its e-mail communication dated 30.08.2022 has levied a fine of Rs. 10,000/- plus tax for the aforesaid non-compliance. The Company has made a representation to NSE Limited vide e-Mail dated 01.09.2022 to waive-off the penalty levied. A reply from NSE Limited is awaited.*

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the act.



Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed note on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** the Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to Structured Digital Database.

**I further report that** during the audit period;

- i. Mr. R. Venkatasubramanian was appointed as the Company Secretary & Compliance Officer of the Company with effect from 26<sup>th</sup> April, 2022.
- ii. Mrs. Radha Unni (DIN: 03242769), Independent Director of the Company, has resigned from the Board w.e.f. 30<sup>th</sup> June, 2022.
- iii. Ms. C. Sruthi (DIN: 07253998) was appointed as an Additional cum Independent Director of the Company vide Board Meeting dated 14<sup>th</sup> May, 2022. Her appointment was subsequently approved by the shareholders of the Company by passing Special Resolution at the Annual General Meeting held on 27<sup>th</sup> July, 2022.

**I further report that** during the audit period the Company has:

- (i) passed a Special Resolution under section 42 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on 27<sup>th</sup> July, 2022 to issue secured/unsecured Redeemable Non-convertible Debentures on private placement basis up to an aggregate amount not exceeding Rs. 2,000 Crores (Rupees Two Thousand Crores Only) during a period of one year w.e.f. 27<sup>th</sup> July, 2022.
- (ii) issued listed Secured Redeemable Non-Convertible Debentures on Private Placement Basis.



(iii) redeemed the debentures on the respective due dates.

Place: Chennai  
Date: 11.05.2023

For **M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN  
Managing Partner  
Membership No.: 5837  
COP. No.: 5081  
FRN: L2019TN006000  
PR 1374/2021  
ICSI UDIN: F005837E000291287



*(This report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report)*



## M DAMODARAN & ASSOCIATES LLP

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### Annexure A

To,

The Members,  
**Sundaram Home Finance Limited,**  
(CIN: U65922TN1999PLC042759),  
21, Patullos Road,  
Chennai – 600 002.

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai

Date: 11.05.2023

For **M DAMODARAN & ASSOCIATES LLP**

M.DAMODARAN  
Managing Partner  
FCS No.: 5837  
COP. No.: 5081  
FRN: L2019TN006000  
PR 1374/2021  
ICSI UDIN: F005837E000291287

