



M DAMODARAN & ASSOCIATES LLP

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FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[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 – 600 002.

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 **March 31, 2024** ("Audit Period"), complied with the statutory provisions listed hereunder and also that

the
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Company

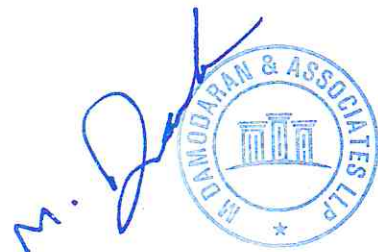




has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31, 2024 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;
 - (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (f) Securities and Exchange Board of India (Debenture Trustees) 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 audit period, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no other specific observations requiring any qualification on non-compliances.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. There was no change in the composition of the Board of Directors during the audit period.

Adequate notice is given to all Directors to schedule the Board & Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, 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 respective 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.

M. D. A.





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 S. Sridhar, has resigned from the position of Chief Financial Officer of the Company with effect from 26th August, 2023.
- ii. Mr P S Sridhar was appointed as Chief Financial Officer of the Company with effect from 13th September, 2023.
- iii. Mr. R. Venkatasubramanian, Company Secretary & Compliance Officer of the Company, was appointed as the Chief Compliance Officer of the Company with effect from 13th September 2023 in terms of circular issued by Reserve Bank of India.
- iv. Mrs. Anitha Srinivasan was appointed as Chief Risk Officer for a further period of two years from 25th October 2023 to 24th October 2025.

I further report that during the audit period, the shareholders of the Company, *inter alia*, had;

- i. passed a Special Resolution at the Annual General Meeting held on 7th July, 2023, for increasing the borrowing limits of the Company for an aggregate amount up to Rs. 20,000 crores outstanding at any point of time as per Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013.
- ii. passed a Special Resolution at the Annual General Meeting held on 7th July, 2023, for fixing of limits for the creation of charge/security on the assets of the Company for an aggregate amount upto Rs. 20,000 crores outstanding at any point of time as per Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013.
- iii. passed a Special Resolution under section 42 and all other applicable provisions of the Companies Act, 2013 at the Annual General Meeting held on 7th July, 2023 to issue secured/unsecured Redeemable Non-convertible Debentures on private placement basis up to an aggregate amount not exceeding Rs. 5,000 crores during a period of one year with effect from 7th July, 2023.





- iv. passed a Special Resolution at the Extra-ordinary General Meeting held on 27th September, 2023, for amending the Articles of Association of the Company, empowering the Debenture Trustees to nominate a Director on the Board, in accordance with the stipulation under Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as per Section 14 and all other applicable provisions of the Companies Act, 2013.

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

- (i) issued listed Secured Redeemable Non-Convertible Debentures on Private Placement Basis.
- (ii) redeemed the debentures on the respective due dates.

Place: Chennai
Date: May 17, 2024

For **M. DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:F005837F000387009



*(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 records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on the audit conducted by me.
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 a 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. Wherever 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 the 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: May 17, 2024

For **M DAMODARAN & ASSOCIATES LLP**

M.DAMODARAN
Managing Partner
FCS No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:F005837F000387009

