

DHFL/CSD/2020-21/1853

Dated: 28 July 2020

The Manager, Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001. Stock Code : 511072	The Manager, Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai- 400 051. Stock Code : DHFL
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Dear Sir/Madam,

**Sub.: Annual Secretarial Compliance Report pursuant to SEBI Circular
CIR/CFD/CMD1/27/2019 dated 8th February, 2019**

In terms of the provisions of Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by the Securities and Exchange Board of India, we are enclosing herewith the Annual Secretarial Compliance Report duly issued by CS Amruta Giradkar-Practicing Company Secretary for the financial year ended March 31, 2020.

Kindly acknowledge the receipt and take the same on your records.

Thanking you,

Yours sincerely,

for Dewan Housing Finance Corporation Ltd.

S. N. Baheti
Company Secretary
ACS No- 5535



ANNUAL SECRETARIAL COMPLIANCE REPORT

(Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

of

**DEWAN HOUSING FINANCE CORPORATION LIMITED (*‘the Company’*)
for the year ended March 31, 2020**

I have been appointed by the Company to submit the Annual Secretarial Compliance Report Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2020.

I have examined:

- a) all the documents and records made available to us and explanation provided by the Company,
- 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 **March 31, 2020** (“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;

- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013
- e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The Reserve Bank of India (RBI) vide its Order No. DOR NBFC(PD) 986/03.10.136/2019-20 dated 20th November, 2019 has issued the Order to supersede the Board of Directors ('Board') of the Company under Section 45 IE(2) of the Reserve Bank of India Act, 1934; and appointed Shri R. Subramaniakumar as Administrator of the Company, also, constituted a three-member advisory committee ('Advisory Committee') to assist the Administrator. Further, RBI has filed an application under the provisions of the Insolvency and Bankruptcy Code, 2016 ('IBC') read with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('IBC Rules'), the National Company Law Tribunal, Mumbai Bench ('NCLT'), vide Order dated 3rd December, 2019, ordered commencement of Corporate Insolvency Resolution Process ('CIRP') of the Company, with effect from the same date. NCLT has appointed Administrator as the resolution professional to discharge the functions of the resolution professional under IBC and other rules, and regulations, as may be applicable and confirmed that the Advisory Committee shall continue as the advisory committee required to be constituted under Rule 5 (c) of the IBC Rules.
- (b) The listed entity has complied with the provisions of the above listed Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-



Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 6(1) of SEBI LODR Regulations, 2015- A listed entity shall appoint a qualified company secretary as the compliance officer.	The Company Secretary and Compliance Officer of the Company Mrs. Niti Arya, has resigned w.e.f. 15th March, 2019 and the vacancy has been filled on December 09, 2019	The Company was in process to fill the vacancy of Company Secretary and Compliance Officer for the Company but was unable to find the right candidate as the Company in restructuring process.
2.	Regulation 7(3) of SEBI LODR Regulations, 2015- The listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent.	The Compliance Certificate certifying maintaining physical & electronic transfer facility under the said Regulation has been signed by Senior Manager- Secretarial, whereas it should be signed by Compliance Officer for the quarter ended March 31, 2019, June 2019 and September 30, 2019	As the Company Secretary and Compliance Officer of the Company has resigned w.e.f. 15th March, 2019, and no new appointment has been made in this regard till December 9, 2019 therefore there the compliance certificate for the said quarter has been signed by Senior Manager- Secretarial.



3.	Regulation 13(3) of SEBI LODR Regulations, 2015- The listed entity shall file with the recognized stock exchange(s) on a quarterly basis, within twenty one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter.	For the quarter ended September 30, 2019, the statement was filed with a delay of 1 day	Due to technical reason there as a delay of one day.
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4.	<p>Regulation 17 (1)(a) of SEBI LODR Regulations, 2015 — The Board of directors of a listed entity shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. Provided that the Board of directors of the top 500 listed entities shall have at least one Independent woman director by April 1, 2019.</p>	<p>a. The woman independent director had resigned from the Board with effect from February 12, 2019. The new appointment has been made on May 08, 2019.</p> <p>b. The Composition of Board was not compliant of Regulation 17 of SEBI LODR from November 20, 2019 to till date.</p>	<p>The Reserve Bank of India (RBI) vide its Order No. DOR NBFC(PD) 986/03.10.136/2019-20 dated November 20, 2019 has issued the Order to Suppressed the Board of Directors of the Company under Section 45 IE of the Reserve Bank of India Act, 1934; and has appointed Shri R. Subramaniakumar as its Administrator with immediate effect.</p>
5.	<p>Regulation 17 (8) of SEBI LODR Regulations, 2015 — The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) shall provide the compliance certificate to the board of directors as specified in Part B of Schedule II.</p>	<p>The Compliance Certificate has not furnished by CEO and CFO for the quarter ended March 31, 2019, June 30, 2019 and September 30, 2019</p>	<p>As the Compliance officer, CEO and CFO of the company has resigned from their respective post, thus the Chairman-cum-Managing Director has provided the compliance certificate for said period.</p>



6.	Regulation 23(2) of SEBI LODR Regulations, 2015 - All related party transactions shall require prior approval of the audit committee.	The Company obtained post-facto approval of the Audit Committee, for a related party transaction with Wadhawan Global Capital Limited (WGC), in which a loan of Rs. 30 crores was sanctioned to WGCL on 15.03.2019.	The loan was granted to WGC and the Company obtained post-facto approval of the Audit Committee
7.	Regulation 27(2)(c) of SEBI LODR Regulations, 2015 - The report mentioned in clause (a) of sub-regulation (2) shall be signed either by the compliance officer or the chief executive officer of the listed entity.	The company has not furnished quarterly compliance report on corporate governance signed either by the compliance officer or the chief executive officer of the Company for the quarter ended March 31, 2019, June 30, 2019 and September 30, 2019.	As the Compliance officer, CEO and CFO of the company has resigned from their respective post, thus the Chairman-cum-Managing Director has provided the compliance certificate for said period.



8.	<p>Regulation 33(2)(a) of SEBI LODR Regulations, 2015- The quarterly financial results submitted shall be approved by the board of directors: Provided that while placing the financial results before the board of directors, the chief executive officer and chief financial officer of the listed entity shall certify that the financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.</p>	<p>The Company has not furnished certificate on correctness of financial statement quarterly compliance report on corporate governance signed either by the compliance officer or the chief executive officer of the Company for the quarter ended March 31, 2019, June 30, 2019 and September 30, 2019</p>	<p>As the Compliance officer, CEO and CFO of the company has resigned from their respective post, thus the Chairman-cum-Managing Director has provided the compliance certificate for said period.</p>
9.	<p>Regulation 33(3) of SEBI LODR Regulations, 2015 - The listed entity shall submit the financial results in the following manner: (a) The listed entity shall submit quarterly and year-to-date standalone financial results to the stock exchange within forty-five days of end of each quarter, other than the last quarter.</p>	<p>The Company has made delayed submission of the standalone financial results for the quarter and FY ended March 31, 2019; quarter ended June 30, 2019, and December 31, 2019,</p>	<p>Pursuant to the provisions of SEBI Circular CIR/CFD/CMD dated November 19, 2018, the company has informed the Stock Exchanges regarding delay in submission of the financial results for the said period. Also, the Company has paid the penalty imposed by the stock exchanges.</p>



10.	<p>Regulation 36(5) of SEBI LODR Regulations, 2015 -The notice being sent to shareholders for an annual general meeting, where the statutory auditor(s) is/are proposed to be appointed/re-appointed shall include the following disclosures as a part of the explanatory statement to the notice:</p> <p>(a) Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change;</p> <p>(b) Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.</p>	<p>The AGM notice and explanatory statement dated 30.08.2019 did not include details of proposed fee, terms of appointment, material changes in the fee, basis of re-appointment, etc. with respect to appointment of M/s. K. K. Mankeshwar & Co. as Statutory Auditors of the Company, though required under reg. 36(5) of LODR Regulations.</p>	<p>The Company considered it as an observation.</p>
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11.	Regulation 57(1) of SEBI LODR Regulations, 2015- The listed entity shall submit a certificate to the stock exchange within two days of the interest or principal or both becoming due that it has made timely payment of interests or principal obligations or both in respect of the non convertible debt securities.	The Company has made default in payment of interest or redemption of 1. NCDs issued through public issue, 2. NCDs issued on Private Placement Basis	As stated earlier in point (a) of report, the Board of Directors of the Company has been superseded by RBI and the NCLT passed the order dated December 3, 2019 to initiate the Corporate Insolvency Resolution Process (CIRP) of the Company under Insolvency and Bankruptcy Code, 2016 (IBC).
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- (c) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- (d) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:



Sr.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.	BSE Limited	Regulation 33 of SEBI LODR for delay in submission of Financial results for the quarter ended March 31, 2019, and F.Y. ended March 31, 2019, June 2019, and September 2019.	Fine of Rs. 3,12,700/- (inclusive GST) for FY ended March 31, 2019, Rs. 3,71,700/- (including GST) for quarter ended June 2019 and Rs. 64,900/- (including GST) for quarter ended September 2019, has been imposed by BSE Limited	The Company has paid the requisite fine for March 2019, June 2019, whereas fine of Rs. 64,900/- remain unpaid on account of initiation of CIRP process.
2.	The National Stock Exchange of India Limited	Regulation 33 of SEBI LODR for delay in submission of Financial results for the quarter ended March 31, 2019 and F.Y. ended March 31, 2019 till July 3, 2019.	Fine of Rs. 3,12,700/- (inclusive GST) for FY ended March 31, 2019, Rs. 3,71,700 (including GST) for quarter ended June 2019 and Rs. 64,900/- (including GST) for quarter ended September 2019, has been imposed by NSE Limited	The Company has paid the requisite fine for March 2019, June 2019, whereas fine of Rs. 64,900/- remain unpaid on account of initiation of CIRP process.



3.	BSE Limited	Regulation 6(1) of SEBI LODR Regulations, 2015 for non-appointment of Company Secretary as Compliance officer of the Company for the quarter ended September, 2019 and December, 2019	Fine of Rs. 18,880/- (inclusive GST) for quarter ended September, 2019 and Rs. 81,420/- for the quarter ended December, 2019 has been imposed by BSE Limited	The Company has paid the requisite fine for quarter ended September 2019, whereas fine of Rs.81,420/- for quarter ended December 2019 remain unpaid on account of initiation of CIRP process.
4.	The National Stock Exchange of India Limited	Regulation 6(1) of SEBI LODR Regulations, 2015 for non-appointment of Company Secretary as Compliance officer of the Company for the quarter ended September, 2019 and December, 2019	Fine of Rs. 18,880/- (inclusive GST) for quarter ended September, 2019 and Rs. 81,420/- for the quarter ended December, 2019 has been imposed by NSE Limited	The Company has paid the requisite fine for quarter ended September 2019, whereas fine of Rs.81,420/- for quarter ended December 2019 remain unpaid on account of initiation of CIRP process.

e) The listed entity has taken the following actions to comply with the observations made in previous reports: There are no observations made in previous report.

Place : Mumbai
Date : June 26, 2020

UDIN: A048693B000390562

CS Amruta Giradkar
Practicing Company Secretary
Membership No: 48693
CP. No. 19381