BALDEV SINGH KASHTWAL
PRACTISING COMPANY SECRETARY

106, (1st Floor) Madhuban Tower, A-1, V. S. Block,
Shakarpur Crossing, Delhi - 110 092
Phone : 011-22444827, Mobile : 9811297944
E-mail : bskashtwal@yahoo.co.in

ANNUAL SECRETARIAL COMPLIANCE REPORT OF HFCL LIMITED (CIN:L64200HP1987PLC007466) FOR THE YEAR ENDED 31ST MARCH, 2022

[Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015]

I, CS Baldev Singh Kashtwal, Practicing Company Secretary having Membership Number FCS 3616 and Certificate of Practice Number 3169 have examined:-

(a) All the documents and records made available to me and explanation provided by HFCL Limited ("the listed entity"),

(b) The filings/submissions made by the listed entity to the stock exchanges, viz. the National Stock Exchange of India Limited (NSE) & The BSE Limited (BSE).

(c) Website of the listed entity: www.hfcl.com,

(d) Other documents / filing, as may be relevant, which has been relied upon to make this certification,

for the year ended on 31st 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 Disclosures Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosures 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 (Buy Back of Securities) Regulations, 2018 (Not applicable during the Review Period);

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (up to 12th August 2021) and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (w.e.f. 13th August, 2021);

ICSI – UDIN : F003616D000225706

BALDEV SINGH KASHTWAL
DELHI
C.P. No. 3169
PRACTISING COMPANY SECRETARY

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (up to 8th August, 2021) and Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (w.e.f. 9th August, 2021); (Not applicable during the Review Period);

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (up to 8th August, 2021) and Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (w.e.f. 9th August, 2021); (Not applicable during the Review Period);

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ('Delisting Regulations') (Not applicable during the Review Period);

(j) Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client to the extent of securities issued (Not applicable during the Review Period);

(k) Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2018 (Not applicable during the Review Period);

(l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (to the extent applicable);

(m) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;

(n) Other applicable regulations and circular / guidelines issued thereunder;

and based on the above examination, I 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, 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.	The Composition of the Board of Directors of the Company should be as per the Regulation 17(1) of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 **("Listing Regulations")**	Due to sudden death of Mr. M. P. Shukla, Chairman & Director (Non-Executive) of the Company due to COVID-19 on May 04, 2021, the Company fell short of one independent director from May 04, 2021 till November 24, 2021 and hence was not compliant with Regulation 17(1) of Listing Regulations.	The Company appointed an Independent Director on 25.11.2021 on the Board of the Company and complied with the Regulation 17(1) of Listing Regulations.

ICSI – UDIN : F003616D000225706

BALDEV SINGH KASHTWAL
CS
DELHI
C.P. No. 3169
PRACTISING COMPANY SECRETARY

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my examination of those records.

(c) 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 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.	NSE & BSE	Non – compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 with respect to the composition of the Board during the quarter ended on 30th September, 2021 and till November 24, 2021 during the quarter ended 31st December, 2021.	NSE and BSE have imposed a fine of Rs.5,65,000/- each. (Rs.5000/- per day for 113 days) on the listed entity.	The Company has already deposited the fine imposed by NSE and BSE.

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

Sr. 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**
		N. A.		

I, further, report that there was no event of appointment/ re-appointment/ resignation of statutory auditor(s) of the Company during the Review Period. In this regard, I report that the Company has complied with Para 6(A) and 6(B) of Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

Signature :
Name : CS BALDEV SINGH KASHTWAL
FCS No. : 3616
C P No. : 3169
ICSI – UDIN : F003616D000225706
Peer Review Certificate Number : 1205/2021
ICSI- Unique Code : I1999DE144000

BALDEV SINGH KASHTWAL
CS
DELHI
C.P. No.3169
PRACTISING COMPANY SECRETARY

Date : April 28, 2022
Place : Delhi