



**Secretarial Compliance Report of L&T METRO RAIL (HYDERABAD) LIMITED ("Company")
for the financial year ended 31st March, 2023.**

We, Kota & Associates, Company Secretaries, represented by its Proprietor Kota Srinivas, have examined :

- (a) all the documents, forms and secretarial records of the Company and explanation provided by M/s. **L&T Metro Rail (Hyderabad) Limited** ("the Debt 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, 2023 ("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 aforesaid financial year ended 31st March 2023)
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable for the aforesaid financial year ended 31st March 2023)
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable for the aforesaid financial year ended 31st March 2023)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable for the aforesaid financial year ended 31st March 2023)
- (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 Securities) Regulations, 2021;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) And Circulars / guidelines issued hereunder as applicable to the debt listed entity.



I hereby report that during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations /Remarks by PCS*
1.	<p>Secretarial Standards:</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	
2.	<p>Adoption and timely updation of the Policies:</p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/ guidelines issued by SEBI 	Yes	
3.	<p>Maintenance and disclosures on Website:</p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website 	Yes	




4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	-
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	NA	The Company does not have any subsidiary during the reporting period.
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	-
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	YES	As per the explanations given by the management all the related party transactions are on Arm's length basis and in the ordinary course of business.



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9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	Yes	
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations /Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	No resignation or appointment of statutory auditors during the period under report.



2.	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p>	NA	No resignation or appointment of statutory auditors during the period under report.
	<p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	NA	No resignation or appointment of statutory auditors during the period under report.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 th October, 2019.	NA	

(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)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Regulation 17(1) composition of the Board	Regulation 17(1)	Where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors. Minor deviation: The company is required to appoint one Independent Director as on 31.3.23. However, The SEBI in its meeting held on 29.03.2023 (PR No 6/2023) decided to extend the 'comply or explain' period for the HVDLEs in respect of corporate governance norms (i.e regulation 16 to 27 of LODR Regulations) till March 31, 2024	NIL	NIL as there was an exemption upto 31.03.2024	One Independent Director is to be appointed. SEBI has extended 'comply or explain' for HVDLEs in respect of corporate governance norms (i.e. regulation 16 to 27 of LODR Regulations) till March 31, 2024	NIL	The company has a mechanism to find out suitable candidate for the vacancy of Independent director within the time limit.	Management is in the process of appointing one Independent Directors as per the requirements of Reg. 17(1) of SEBI (LODR). The same shall be done within the prescribed timelines.	-
2	Reg 52(7) non-submission of statement indicating the utilization of issue proceeds	Reg. 52(7)	Delay in reporting the same.	BSE	levied with a penalty	Delay in intimation of the event	57,000/- plus Taxes	The SE imposed initially a penalty of Rs. 134000/- + taxes which was again reduced to Rs. 57,000/- as the calculation went wrong on no. of days of delay.	The utilization of issue proceeds was completed on the very first day of receipt of issue proceeds and hence there was no amount pending for utilization.	-



3.	Reg. 60(2) The listed entity shall give notice in advance of at least seven working days (excluding the date of intimation and the record date) to the recognized stock exchange(s)	Reg. 60(2)	Delay in submission of the notice of Record date for all the non-compliance for the year 2021-22 onward	BSE	Levied penalty	Delay in giving advance notice to SE of the record date.	Rs. 60,000/- plus tax	The SE imposed penalty from 2021-22 onwards for the non-compliance.	One day delay (BSE non-working day in between) in the notice period for Record date intimation during FY 2021-22	-
4.	Reg. 27(1) (Non-disclosure of information related to payment obligations).	Reg. 27(1)	Delay in reporting to SE	BSE	Levied penalty	Delay in reporting to SE by one day	Rs. 2000/- plus tax	The confirmation from bank was delayed on credit of interest payment to the beneficiaries. This caused the delay.	Management has to rely on the confirmation from Bank on credit of interest to the beneficiaries. Delay was beyond the control of the Company.	-

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

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
	NIL	NIL								

For KOTA & ASSOCIATES,
Company Secretaries

KOTA SRINIVAS
FCS: 10597; CP: 14300
Peer reviewed Unit No. 1736/2022

UDIN: F010597E000376600



Place: Hyderabad
Date: 25th May, 2023