

MMJB & Associates LLP

Company Secretaries

803-804, Ecstasy, 8th Floor, City of Joy, JSD Road, Mulund - West, Mumbai – 400080, (T) 21678100

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Board of Directors,
Aditya Birla Sun Life Insurance Company Limited,
One Indiabulls Centre, Tower 1,
16th Floor, Jupiter Mill Compound,
841, S. B. Marg, Elphinstone Road,
Mumbai - 400013

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aditya Birla Sun Life Insurance Company Limited** (hereinafter referred to as “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2020 (hereinafter referred to as “**the Audit period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; **(External Commercial Borrowings and Overseas Direct Investment Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period)**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not Applicable to the Company during the Audit Period)**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. **(Not applicable to the Company during the Audit Period)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

- (i) Insurance Act, 1938 and Insurance Rules, 1939
- (ii) Insurance Regulatory and Development Authority Act, 1999 and Rules and Regulation, Circular and Notification issued thereunder.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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 notes 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

**For MMJB and Associates LLP
Practicing Company Secretaries**

**Bhavisha Jewani
Designated Partner
FCS No. 8503
CP No. 9346**

UDIN: F008503B000243595

Place: Mumbai
Date: 15th May, 2020

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

To
The Board of Directors,
Aditya Birla Sun Life Insurance Company Limited,
One Indiabulls Centre, Tower 1,
16th Floor, Jupiter Mill Compound,
841, S. B. Marg, Elphinstone Road,
Mumbai - 400013

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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. Our 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.

For MMJB and Associates LLP
Practicing Company Secretaries

Bhavisha Jewani
Designated Partner
FCS No. 8503
CP No. 9346

UDIN: F008503B000243595

Place: Mumbai
Date: 15th May, 2020

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Aditya Birla Finance Limited
Indian Rayon Compound,
Veraval,
Gujarat- 362266

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aditya Birla Finance Limited** having **CIN U65990GJ1991PLC064603** (hereinafter called the 'Company') for the financial year ended on 31st March 2020 (the "audit period").

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minutes books, soft copy of various records, scanned copies of minutes of Committee, forms and returns filed and other records maintained by the Company;
- (ii) Our observations during our visits to the Corporate office of the Company;
- (iii) Compliance certificates confirming compliance with all laws applicable to the Company given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Audit Committee / Board of Directors; and
- (iv) Representations made, documents shown and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31st March 2020, the Company has:

- (i) Complied with the statutory provisions listed hereunder; and
- (ii) Board processes and compliance mechanism in place

to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

1. Compliance with specific statutory provisions

We further report that:

1.1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year according to the applicable provisions / clauses of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowing;
- (iv) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder to the extent of transfer of securities;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (vi) Secretarial Standards issued by the Institute of Company Secretaries of India (Secretarial Standards).

1.2 During the period under review:

- (i) The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.
- (ii) Generally complied with the applicable provisions / clauses of:
 - (a) The Act and Rules mentioned under paragraph 1.1 (i)
 - (b) FEMA to the extent of External Commercial Borrowings mentioned under paragraph 1.1 (iii) and
 - (c) The Secretarial Standards on meetings of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above to the extent applicable to Board meetings held during the year and the 28th Annual General Meeting held on 22.07.2019. The compliance of the provisions of the Rules made under the Act with regard to the Board meetings held through video conferencing were verified based on the minutes of the meeting provided by the Company.

1.3 We are informed that, during / in respect of the year, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards and was consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns thereunder:

- (i) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (ii) The following Regulations and Guidelines prescribed under the SEBI Act:-
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, and
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
 - f. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

1.4 We have also examined, on test check basis, the relevant documents and records maintained by the Company with respect to Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, and other relevant guidelines and circulars issued by the Reserve Bank of India, from time to time.

2. Board processes:

We further report that:

2.1 The Board of Directors of the Company as on 31st March 2020 comprised of:

- (i) A Managing Director i.e. Mr. Rakesh Singh appointed by the Board of Directors as an Additional Director for post of Managing Director w.e.f. 23.07.2019, subject to Shareholders approval at the ensuing General Meeting;
- (ii) Two Non-Executive Non-Independent Directors; and
- (iii) Six Non-Executive Independent Directors, including a Woman Independent Director

2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act and LODR:

- (i) Mr. Sekhar Mosur re-appointed as a Manager by the Board of Directors of the Company for a period of three years or upto superannuation, whichever is earlier w.e.f. 5th January 2019 and same was consented by the Members at the 28th Annual General Meeting held on 22.07.2019. However, Mr. Sekhar Mosur tendered his resignation as a Manager w.e.f. close of business hours of 22.07.2019. This resignation was due to his appointment as a Chief Risk Officer (CRO) as per requirements of RBI circular on the same which also mandated the CRO as not to do any double hatting.
- (ii) Mr. Rakesh Singh (DIN:- 07006067) appointed as Managing Director and Chief Executive Officer by the Board of Directors of the Company w.e.f. 23.07.2019
- (iii) Mr. Subhash Chandra Bhargava (DIN:-00020021) was appointed as an Independent Director by the Board of Directors of the Company subject to Shareholders approval for a period of five years w.e.f. 25.01.2019. The appointment was regularized at 28th Annual General Meeting held on 22.07.2019.
- (iv) Re-appointment of Mr. Ajay Srinivasan (DIN:- 00121181) as a director liable to retire by rotation and re-appointed at 28th Annual General Meeting held on 22.07.2019.

2.3 Adequate notice was given to all the directors to enable them to plan their schedule for the Board meeting, except for one meeting which was convened at a shorter notice to transact urgent business.

2.4 Notice of the Board meetings was sent to the directors at least seven days in advance except for the one meeting convened at a shorter notice, at which more than one independent director was present as required under Section 173 (3) of the Act and SS-1.

2.5 Agenda and detailed notes on agenda were sent to the directors at least seven days before the Board meetings, other than for the one meeting convened at a shorter notice.

2.6 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board meetings and consent of the Board for so circulating them was duly obtained as required under SS-1

- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement / results, unaudited financial results and connected papers; and
- (ii) Additional subjects/ information/ presentations and supplementary notes

2.7 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meeting and for their meaningful participation at the meeting.

2.8 We note from the minutes verified that, at the Board meetings held during the year:

- (i) Majority decisions were carried through; and

- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recoded as part of the minutes.

3. Compliance Mechanism

There are reasonably adequate systems and processes in the Company, commensurate with the size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. Specific events / actions

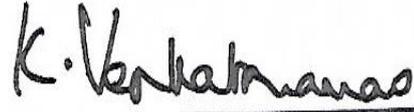
1. The Company has paid dividend on Preference Shares for financial year 2018-19, aggregating to Rs. 96,44,424/- (including of Rs. 16,44,424 dividend distribution tax).
2. The Company has issued and allotted Non-Convertible Debentures of Rs. 3,745.50 Crore and Sub-debt of Rs. 350 Crore during the year in various tranches. During the year Company redeemed Non-Convertible Debentures worth Rs. 4,705.90 Crore in various tranches and Sub-debt of Rs. 300 Crore.
3. The Company has obtained approval from its Members at its 28th Annual General Meeting held on 22nd July 2019:
 - a) To borrow funds for a sum not exceeding Rs. 70,000 Crore (Rupees Seventy Thousand Crore); and
 - b) To grant authority for mortgaging or creating charge on the assets of the Company as security towards borrowing for a sum not exceeding Rs. 70,000 Crore
4. (a) Pursuant to the approval of the Board of Directors of the Company at its meeting held on 10th September 2019, a Petition for approval of a Scheme of Arrangement between the Company and Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Demerged Company) was filed before the Hon'ble National Company Law Tribunal, Ahmedabad Bench (NCLT) on 17th October 2019. The NCLT, as a part of the process dispensed with the requirement of the holding of the meetings of the Shareholders and the Creditors of both the Companies and finally sanctioned the Scheme of Arrangement on 13th December 2019 and the Certified copy of the order dated 20.12.2019 was obtained by the Company.

The Company filed Certified copy of order of NCLT with the Registrar of Companies on 01.01.2020 being the effective date of the Scheme and the Transaction Business of the demerged Company stands transferred and vested into the Resulting Company, on a going concern basis from the "Effective Date".

Pursuant to the aforesaid Scheme of Arrangement, 58,55,625 equity shares of face value of Rs. 10 each, fully paid of the Company were allotted to the Shareholders of the Demerged Company on 01.01.2020 and accordingly, the paid-up share capital of the Company stands increased to 66,21,00,822 equity shares of Rs. 10 each aggregating to Rs. 6,62,10,08,220 at the end of the audit.

5. A Scheme of Amalgamation of Madura Garments Lifestyle Retail Company Limited and the Company under Section 391 to Section 394 under the provisions of erstwhile Companies Act, 1956, approved by the Hon'ble High Court of Judicature at Ahmedabad on 21.12.2015 and which became effective from 25.01.2016. Pursuant to the Scheme, the Board of Directors of the Company, on 03.02.2016 had allotted 1,00,00,000 8% Cumulative Redeemable Preference Shares of Rs. 10 each, redeemable upon completion of 10 years but before 20 years, from the original date of allotment i.e. 26.03.2009, to Aditya Birla Nuvo Limited. Subsequently, pursuant to the Composite Scheme of Amalgamation between Aditya Birla Nuvo Limited, Grasim Industries Limited and Aditya Birla Capital Limited, the said preference were transferred to Aditya Birla Capital Limited on August 8, 2017.

On 22nd January 2020, the Company received request from Aditya Birla Capital Limited to redeem the aforesaid Preference shares and accordingly the Company redeemed 1,00,00,000 preference shares of Rs. 10 each aggregating to Rs. 10,00,00,000 out of profits of the Company on 30.01.2020.



Venkataraman K.
Associate Partner
ACS No.:-8897/ COP No.:- 12459
For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
[PR No.:-637 / 2019]
UDIN:- A008897B000318239

Place:- Mumbai
Date:- 04.06.2020

**Annexure A to the Secretarial Audit Report for the financial year ended
31st March 2020**

To,
**The Members,
Aditya Birla Finance Limited**

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

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our 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.



Venkataraman K.
Associate Partner
ACS No.:-8897/ COP No.:- 12459
For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
[PR No.:-637 / 2019]
UDIN:- A008897B000318239

**Place:- Mumbai
Date:- 04.06.2020**

MAKARAND M. JOSHI & CO.

Company Secretaries

Ecstasy, 803-804, 8th Floor, City of Joy, JSD Road, Mulund (W), Mumbai- 400080 (T) 022-21678100

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Aditya Birla Sun Life AMC Limited,
One India Bulls, Tower 1,
17th Floor, Jupiter Mill,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai - 400013

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aditya Birla Sun Life AMC Limited** (hereinafter referred to as "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2020 (hereinafter referred to as "**the Audit period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; **(External Commercial Borrowings is Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period)**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. **(Not applicable to the Company during the Audit Period)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

- (i) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
- (ii) The Securities and Exchange Board of India (Mutual Fund) Regulations, 1996
- (iii) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 and The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 effective from 16th January, 2020

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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 notes 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

**For Makarand M. Joshi & Co.
Practicing Company Secretaries**

Kumudini Bhalerao

Partner

FCS No. 6667

CP No. 6690

UDIN: F006667B000252605

Peer Review No: P2009MH007000

Place: Mumbai

Date: 18th May, 2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

To
The Board of Directors,
Aditya Birla Sun Life AMC Limited,
One India Bulls, Tower 1,
17th Floor, Jupiter Mill,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai - 400013

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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. Our 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.

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN: F006667B000252605
Peer Review No: P2009MH007000

Place: Mumbai
Date: 18th May, 2020

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the year ended 31st March, 2020

[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]

To
The Members
Aditya Birla Housing Finance Limited,

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aditya Birla Housing Finance Limited. **CIN No-U65922GJ2009PLC083779** (hereinafter called the 'Company') during the financial year from 1st April 2019 to 31st March 2020, ('the year'/ 'audit period'/ 'period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the company's corporate conducts/statutory compliances and expressing our opinion thereon.

We are issuing this report based on :

- (i) our **verification** of the books, papers, minute books, soft copy as provided by the company and other records maintained by the Company and furnished to us, forms/ returns filed and compliance related action taken by the company during the financial year ended 31st March 2020 as well as before the issue of this report,
- (ii) Our **observations** during our visits to the Corporate office of the Company,
- (iii) **Compliance Certificates** confirming Compliance with all laws applicable to the company given by Key Managerial Personnel / senior managerial Personnel of the company and taken on record by Audit Committee / Board of Directors, and
- (iv) **Representations** made, documents shown and information provided by the company, its officers, agents, and authorised representatives during our conduct of secretarial Audit.

We hereby report that in our opinion, during the audit period covering the financial year ended on 31st March 2020 the Company has:

- (i) complied with the statutory provisions listed hereunder, and
 - (ii) Board-processes and compliance mechanism are in place
- to the extent, in the manner and subject to the reporting made hereinafter.**

Page 1 of 6

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T: +91 22 2890 0426/ 2890 0176 Email: support@bnpassociates.in Website: www.bnpassociates.in



The members are requested to read along with our letter of even date annexed to this report as Annexure- A.

1. Compliance with specific statutory provisions

We further report that:

1.1 We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions/ clauses of:

- (i) The Companies Act, 2013 and the Rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings
- (iv) The following Regulations Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Regulations'):
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (v) Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial standards).

1.2 During the period under review, and also considering the compliance related action taken by the company after 31st March 2020 but before the issue of this report, the company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us :

- (i) **Complied with** the applicable provisions/clauses of the Act, Rules, SEBI Regulations and Agreements mentioned under of paragraph 1.1
- (ii) **Generally complied with** the applicable provisions/ clauses of :
 - (a) The Act and rules mentioned under paragraph 1.1 (i);
 - (b) The Secretarial standards on meetings of the Board of Directors (SS-1) and Secretarial standards on General Meetings (SS-2) mentioned under paragraph 1.1 (v) above to the extent applicable to Board meetings held during the year and the



10th Annual General Meeting held on 12th July 2019 and the resolution passed by circulation.

1.3 We are informed that, during/ in respect of the year, the company was not required to initiate any compliance related action in respect of the following laws/ rules/ regulations/ standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form/ returns thereunder:

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment ;
- b. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder except relating to transfer of securities
- c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f. The Securities and Exchange Board of India (Registrars to an issue and share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

1.4 Based on the nature of business activities of the Company, the following specific Acts/Laws /Rules / Regulations are applicable to the Company, which has been duly complied with.

- a. National Housing Bank Act, 1987 and the directions issued thereunder from time to time.
- b. Prevention of Money Laundering Act, 2002

1.4.1. During the year, National Housing Bank have issued penalty of Rs.41,05,000 plus applicable taxes pursuant to inspection carried out by them, with reference to position of the Company as on March 31, 2018. The Company has replied to the demand made by National Housing Bank and in the mean while, it has paid the penalty imposed by National Housing Bank

2. Board processes:

We further report that:

Page 3 of 6

1st Floor, Ramkrupa CHS, Above Indusind Bank , SVP road, Borivali(West), Mumbai-400 092
T: +91 22 2890 0426/ 2890 0176 Email: support@bnpassociates.in Website: www.bnpassociates.in



- 2.1 The Board of Directors of Company as on 31st March 2020 comprised of:
- (i) Two Non- Executive Non Independent Director, and
 - (ii) Two Non- Executive Independent Directors, including a woman Independent Director
- 2.2 The processes relating to the following changes in the composition of the board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act :
- i. Reappointment of Mr Rakesh Singh, director retiring by rotation at the AGM held on July 12, 2019
 - ii. Appointment of Mr Netrapal Singh as Chief Executive Officer was approved at Board meeting held on July 30, 2019
 - iii. Resignation of Mr Tushar Kotecha as manager of the company with effect from July 30, 2019
- 2.3 Adequate notice was given to all the directors to enable them to plan their schedule for the Board meetings.
- 2.4 Notice of Board meetings was sent to directors at least seven days as required under Section 173(3) of the Act and SS-1.
- 2.5 Agenda and detailed notes on agenda were sent to the directors at least seven days before the board meetings.
- 2.6 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board meetings and consent of the Board for so circulating them was duly obtained as required under SS-1:
- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement/ results, unaudited financial results and connected papers, and
 - (ii) Additional subjects/ information/ presentations and supplementary notes.
- 2.7 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
- 2.8 We note from the minutes verified that, at the Board meetings held during the year:
- (i) Majority decisions were carried through; and
 - (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the minutes.



3. Compliance mechanism

There are reasonably adequate systems and processes in the company, commensurate with the company's size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. We further report that during the audit period , the company has:

- (i) Obtained approval from its members at the Annual General Meeting of the company held on July 12, 2019
 - a) to borrow funds not exceeding Rs 20,000 crore
 - b) to grant authority for mortgaging or creating charge on company's assets as a security towards borrowings not exceeding Rs. 20,000 Crore
 - c) authorizing the issuance of Secured Redeemable Non-Convertible Debenture for amount not exceeding Rs 4000 Crore and Subordinated Debt qualifying as Tier-II Capital in the form of Unsecured, Redeemable, Non-Convertible Bonds in the nature of Debentures for amount not exceeding Rs 1000 Crore on a private placement basis
- (ii) Issued and allotted Secured and Unsecured, Redeemable, Non-convertible Debentures worth of Rs 110 Crore by a way of private placement.
- (iii) Allotted 25,641,026 (Two Crore Fifty Six lakh Forty One Thousand and Twenty Six) equity shares of Rs.10/-(Rupee ten) each at a price of Rs. 38.999999454 (rounding off to Rs.39) per share on Right basis on 23rd March, 2020.

For BNP & Associates
Company Secretaries



Avinash Bagul
Partner

FCS 5578 /CP No. 19862
Peer Review No-637/2019
UDIN- F005578B000304800
Firm Reg No-P2014MH037400



Place: Mumbai
Date: 30.05.2020

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

Annexure A

**To,
The Members,
Aditya Birla Housing Finance Limited**

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

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the company after 31st March 2020 but before the issue of this report.
4. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events ,wherever required.
8. Our 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: Mumbai
Date: 30.05.2020**

**For BNP & Associates
Company Secretaries**

**Avinash Bagul
Partner**

**FCS 5578 /CP No. 19862
Peer Review No-637/2019
UDIN- F005578B000304800
Firm Reg No-P2014MH037400**