



N L BHATIA & ASSOCIATES
PRACTISING COMPANY SECRETARIES

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To,
The Members,
LIC Housing Finance Limited

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, Standard 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 the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
- (7) Due to lock down it was impossible to conduct a physical audit and hence the company has extended virtual data room facility to the Auditor for performing Secretarial Audit.



Date: May 27, 2020.
Place: Mumbai.

For M/s N.L. Bhatia & Associates
Practicing Company Secretaries
UIN: P1996MH055800
UDIN: F001176B000285966

Navnit L. Bhatia

N.L. Bhatia
Managing Partner

FCS: 1176
CP. No.: 422



FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,

LIC Housing Finance Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices adopted by **LIC Housing Finance Limited** (hereinafter called "**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'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 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 March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force;



- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulation and Bye-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- (v) The National Housing Bank Act, 1987 and the Guidelines and circulars issued thereunder from time to time;
- (vi) The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time;
- (vii) Housing Finance Company Issuance of Non-Convertible Debentures on Private Placements (NHB) Directions, 2014;
- (viii) 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;
 - 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;
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations , 2013 - **Not applicable to the Company during the Financial Year;**
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - **Not applicable to the Company during Financial Year;**
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable to the Company during the Financial Year;**



1. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable to the Company during the Financial Year.**

1. Tax Laws:

- All applicable provisions of the Central GST laws, respective States SGST laws and IGST laws.
- Income Tax Act, 1961

2. Indian Stamp Act, 1899 and the State Stamp Acts;
3. The Labour Welfare Fund, Act, 1953;
4. Indian Contract Act, 1872
5. Negotiable Instruments Act, 1881
6. Information Technology Act, 2000
7. Whistle Blowers Protection Act, 2011
8. Registration Act, 1908;
9. Limitation Act, 1963;
10. The Shops and Establishment Act;
11. Compliance with Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI);
12. Compliance with Insolvency & Bankruptcy Code (IBC);
13. Compliance with Code of Wages, 2019;
14. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);

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

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 and Committee Meetings. Agenda and detailed notes on agenda were sent adequately 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.

Decisions at the Board Meetings were **passed unanimously and with requisite majority in General Meeting**. The decisions at all Board level Committee Meetings were taken unanimously and reason / rational for the decision has also been recorded in the minutes.

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.

We further report that the company is in process of implementing the Digital Database under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

At the Annual General Meeting held on August 28, 2019 the Shareholders approved the following by way of Special Resolution:

- i. Issuance of Redeemable Non-Convertible Debentures and /Or Other Hybrid Instruments on a Private Placement Basis for cash at par, premium or discount upto Rs.49, 500/-Crore.
- ii. Increase in Limits of Borrowing by the Company not exceeding Rs. 4 lakh crore.
- iii. Re-Appointment of Dr. Dharmendra Bhandari (DIN-00041829) as an Independent Director of the Company to hold office for a second term commencing with effect from August 19, 2019 to August 18, 2024 not liable to retire by rotation.



Date: May 27, 2020.

Place: Mumbai.

For M/s N.L. Bhatia & Associates
Practicing Company Secretaries
UIN: P1996MH055800
UDIN: F001176B000285966

Naveen Bhatia

N.L. Bhatia
Managing Partner
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