

RMG & ASSOCIATES

Company Secretaries

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 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]

The Members

IIFL Home Finance Limited

(CIN: U65993MH2006PLC166475)

(Formerly known as India Infoline Housing Finance Limited)

IIFL House, Sun Infotech Park, Road No. 16V,

Plot No. B-23, MIDC, Thane Industrial Area,

Wagle Estate Thane, Maharashtra - 400604

We have conducted the Secretarial Audit in compliance with the applicable statutory provisions and in adherence to good corporate practices by **IIFL Home Finance Limited (Formerly known as India Infoline Housing Finance Limited)** (hereinafter referred to as 'the Company'), having its Registered Office at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B - 23, MIDC, Thane Industrial Area, Wagle Estate Thane, Maharashtra - 400604. The process was undertaken at the Corporate Office of the Company at IIFL House, Plot No. 98, Phase - IV, Udyog Vihar, Gurgaon, Haryana - 122015. The Secretarial Audit was conducted in a manner that provided us a reasonable foundation for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification, *to the extent possible due to lockdown announced by the Government of India on account of COVID - 19 pandemic*, of the Company's books, papers, minutes 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 **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 :



& 207, Suchet Chambers, 1224/5, Bank Street, Karol Bagh, New Delhi-110005
Phone: 9212221110, 011 - 4504 2509; www.rmgcs.com; info@rmgcs.com

- I. The Securities Contracts (Regulation) Act, 1956 ('SCRA') 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 applicable. Further, there were no compliances required relating to Foreign Direct Investment, Overseas Direct Investment except External Commercial Borrowings during the period under review.
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review];**
 - ii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable as the Company has not listed any share capital during the period under review];**
 - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review];**
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - vi. 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 to the extent of securities issued;
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable as the Company has not delisted/proposes to delist its equity shares from any Stock Exchange during the financial year under review];**



viii. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; [**Not applicable as the Company has not bought back/proposes to buy-back any of its securities during the financial year under review**].

V. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

1. National Housing Bank Act, 1987;
2. Housing Finance Companies (NHB) Directions, 2010;
3. Housing Finance Companies issuance of Non-Convertible Debentures on private placement basis (NHB) Directions, 2014;
4. Housing Finance Companies Corporate Governance (National Housing Bank) Directions, 2016;
5. Housing Finance Companies Approval of Acquisition or Transfer of Control (National Housing Bank) Directions, 2016;
6. Fair Practices Code (FPC) for all HFCs;
7. Guidelines on 'Know Your Customer' & 'Anti Money Laundering Measures' for HFCs.
8. IRDAI (Registration of Corporate Agents) Regulations, 2015

For the compliances of Environmental Laws, Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable Environmental Laws, Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

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

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to observations elsewhere mentioned in the report.



We further report that the Board of Directors of the Company is constituted with balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in accordance with applicable laws, to all Directors 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.

As per the minutes of the meetings of the Board and Committees of the Board duly signed by the Chairman, all the decisions of the Board were adequately passed and no dissenting views have been recorded.

As per the records, the Company has generally filed all the returns, documents and resolutions, forms, as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is generally in compliance with the Act;

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 during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

1. The Shareholders at their Extraordinary General Meeting held on April 15, 2019 accorded consent for shifting the Registered Office of the Company outside the local limits of city, town or village where such office was first situated.
2. The Shareholders at their Extraordinary General Meeting held on September 27, 2019 appointed Mr. Arun Kumar Purwar as an Independent Director for a period of 5 years with effect from August 22, 2019.
3. The Company issued and allotted Secured Redeemable Non-Convertible Debentures aggregating to an amount of Rs. 3,000 million in the Board Meeting held on October 3, 2019.



4. The Company obtained the renewed certificate of registration on February 4, 2020 to act as a Corporate Agent for three years from February 1, 2020 to January 31, 2023 for procuring or soliciting insurance business in the category of Composite.
5. The Board of Directors declared interim dividend of Rs. 15/- each on per equity share to the equity shareholders through circular resolution on March 9, 2020 and the same was paid within five days.
6. The Shareholders at their Extraordinary General Meeting held on March 24, 2020 approved alteration in the Clause 65 of Object Clause of the Memorandum of Association of the Company in consonance with the advisory contained in the NHB Inspection report for the Financial Year 2017-18.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020



CS Manish Gupta
Partner

FCS: 5123; C.P. No.: 4095

Manish Gupta
23/5/2020

Place : New Delhi
Date : 23-05-2020
UDIN : F005123B000268804

Note: This report is to be read with 'Annexure I' attached herewith and forms an integral part of this report.

The Members
IIFL Home Finance Limited

Our Secretarial Audit Report for the financial year ended March 31, 2020 of even date is to be read along with this letter:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have tried to verify the physical records maintained by the company to the extent possible in order to verify the compliances, however, reliance was also placed on electronic records for verification due to lockdown announced by Government of India on account of COVID- 19 pandemic.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE16100
Peer Review No. : 734 / 2020



Manish Gupta
23/5/2020
CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Place : New Delhi
Date : 23-05-2020
UDIN : F005123B000268804