S. N. ANANTHASUBRAMANIAN & CO
Company Secretaries

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ICSI Unique Code: P1991MH040400

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 No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Hindustan Unilever Limited

CIN: L15140MH1933PLC002030

Unilever House, B D Sawant Marg,

Chakala, Andheri (East), Mumbai – 400099

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **Hindustan Unilever Limited** (hereinafter called 'the Company') for the **Financial Year ended 31st March, 2020.** 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 and 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** complied with 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 and papers, minute books, forms and returns filed and other records maintained by the Company for the **Financial Year ended 31st March, 2020** according to the provisions of:

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(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable for External Commercial Borrowings as there was no reportable event during the financial year under review;**

(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;

(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 as there was no reportable event during the financial year under review;**

(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 as the Company as there was no reportable event during the financial year under review;**

(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 as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as there was no reportable event during the financial year under review;**

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(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable as there was no reportable event during the financial year under review;** and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Management has identified and confirmed the following laws as being specifically applicable to the Company:

(a) The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;

(b) The Insecticide Act, 1968;

(c) The Drugs and Cosmetics Act, 1940;

(d) The Legal Metrology Act, 2009;

(e) The Legal Metrology (Packaged Commodities) Rules, 2011;

(f) Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and Regulations;

(g) Applicable BIS Standards for various categories and production process.

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

(i) 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;

(ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including a Woman Independent Director. Changes in the composition of Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act;

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PARTNER
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(ii) Adequate notice is given to all Directors to schedule 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 agenda items before the meeting and for meaningful participation at the meeting;

(iii) All the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and

(i) As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the financial year under review, following events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., have occurred:

(i) Hon'ble National Company Law Tribunal, Mumbai Bench has vide its order dated 24th September, 2019 sanctioned the Scheme of Amalgamation by way of merger by absorption among GlaxoSmithKline Consumer Healthcare Limited and the Company and their respective Shareholders and Creditors under Section 230 to 232 of the Act.

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.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400

S. N. ANANTHASUBRAMANIAN & CO. S. N. ANANTHASUBRAMANIAN PARTNER FCS 4206 COP No. 1774 COMPANY SECRETARIES

S. N. Ananthasubramanian
Partner
FCS: 4206 | COP No.: 1774
Peer Review Cert. No. : 606/2019
ICSI UDIN : F004206B000170306

21st April, 2020 | Thane

Annexure A

To,

The Members,

Hindustan Unilever Limited

CIN: L15140MH1933PLC002030

Unilever House, B D Sawant Marg,

Chakala, Andheri (East), Mumbai – 400099

Management's Responsibility

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 operate effectively.

Auditor's Responsibility

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.

Disclaimer

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.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
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S. N. Ananthasubramanian
Partner
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21st April, 2020 | Thane