

FORM NO. MR-3

Secretarial Audit Report of HDFC ERGO General Insurance Company Limited

FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,

HDFC ERGO General Insurance Company Limited

CIN: U66030MH2007PLC177117

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HDFC ERGO General Insurance Company 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 authorised 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 **31st March, 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 31st March, 2020 according to the provisions of:

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 the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Company does not have any Overseas Direct Investment and External Commercial Borrowings during the financial year;

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#;

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;

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#; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#;

The Regulations or Guidelines, as the case may be were not applicable for the period under review.

The list of Acts, Laws and Regulations specifically applicable to the Company are given below:

vi. The Insurance Act, 1938, as amended.

vii. The Insurance Regulatory and Development Authority Act, 1999, as amended and Regulations framed thereunder and as amended from time to time.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India and

ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“Listing Regulations”].

During the period under review, the Company has complied with the provisions of the Act, Rules,

Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive 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 was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance for meetings, 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.

During the period under review, decisions were carried through unanimously and no dissenting views

were observed, while reviewing 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 during the audit period, the Company has undertaken following events / actions:

i. The Board of Directors of the Company at their meeting held on June 19, 2019 has approved the matters relating to Share purchase agreement by and amongst the Company, Housing Development Finance Corporation Limited (HDFC Limited), Apollo Munich Health Insurance Company Limited (AMHI), Apollo Hospitals Enterprise Limited, Apollo Energy Company Limited, Munich Health Holding AG and subscribers to the Memorandum of Association of AMHI in connection with the acquisition of upto 51.2% of issued

and paid up share capital of AMHI by HDFC Limited and subsequent merger of AMHI with the Company, subject to receipt of regulatory approvals.

ii. The Board of Directors of the Company at its meeting held on January 15, 2020, has approved Scheme of Arrangement and Amalgamation for merger of HDFC ERGO Health Insurance Limited (formally known as Apollo Munich Health Insurance Company Limited) with the Company pursuant to Sections 230 to 232 of the Companies Act, 2013 and the rules framed thereunder. The Company Scheme Application has been filed by the Company with the Hon'ble National Company Law Tribunal, Mumbai Bench on February 17, 2020 for its approval.

For Bhandari & Associates
Company Secretaries
Sd/-
S. N. Bhandari
Partner

MUMBAI FCS No: 761; C P No. : 366
MAY 8, 2020 ICSI UDIN: F000761B000213930

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,
HDFC ERGO General Insurance
Company Limited
CIN: U66030MH2007PLC177117

Our Secretarial Audit Report for the Financial Year ended on March 31, 2020 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 follow 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. Wherever 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 Bhandari & Associates
Company Secretaries
Sd/-
S. N. Bhandari
Partner

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