

Rathi & Associates

COMPANY SECRETARIES

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SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

To
The Members
NIIF Infrastructure Finance Limited
(Formerly IDFC Infrastructure Finance Limited)
Mumbai

Dear Sirs,

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate governance practices by NIIF Infrastructure Finance Limited *(Formerly IDFC Infrastructure Finance Limited)* (hereinafter called “**the Company**”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/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 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:

1. 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 Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
2. 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 (Issue and Listing of Debt Securities) Regulations, 2008.
 - (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”);
3. Other laws as applicable specifically to the Company:
 - (i) Infrastructure Debt Fund-Non-Banking Financial Companies (Reserve Bank) Directions, 2011;
 - (ii) Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015;
 - (iii) Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015.
4. The provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (v) 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; and
 - (vi) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - (vii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
5. The provisions and guidelines prescribed under the Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder were not applicable to the Company during the Financial Year under report.

6. The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not applicable to the Company during the Financial Year under report.

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 Listing Agreement entered into by the Company with the National Stock Exchange of India Limited (“NSE”), the Stock Exchange on which the Company’s Non-Convertible Debentures are listed ;

During the Financial Year under report, the Company has generally complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Secretarial Standards etc. except as mentioned herein below:

1. *Non-providing of annual undertaking to NSE pursuant to Regulation 57(2) of the SEBI (LODR) stating that all documents and intimations required to be submitted to Debenture Trustee in terms of Trust Deed and the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, have been complied.*
2. *Certain cases of delay in giving of advance notice of at least seven working days (excluding the date of intimation and the record date) to NSE of record dates for the purpose of payment of interest on debt instruments pursuant to Regulation 60(2) of the SEBI (LODR).*

We further report that:

The Board of Directors of the Company is duly constituted and the Company only has Non-Executive Directors and Independent Directors including one woman director in compliance with the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Except in case of meetings convened at a shorter notice, adequate Notice was given to all Directors to schedule the Board meetings and the agenda and detailed notes on agenda was sent atleast seven days in advance. However, 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, the decisions of the Board were taken with requisite majority.

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 year under report, following events had a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above i.e. issues of Secured Non-Convertible Debentures (“NCDs”) of the face value of Rs. 10,00,000/- each on Private placement basis:

Sr. No.	Date of Allotment	No. of NCDs allotted	Amount of NCDs (Rs. in Crores)
1.	April 30, 2019	200	20
2.	June 4, 2019	590	59
3.	June 20, 2019	810	81
4.	September 27, 2019	3900	390
5.	December 23, 2019	6000	600
6.	January 15, 2020	5000	500
7.	March 4, 2020	1500	150
	Total	18000	1800

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R. LAHOTY
PARTNER
M. No. FCS 8568
COP No. 10286
UDIN: F008568B000305326

Place: **Mumbai**
Date: **31st May, 2020**

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

To
The Members
NIIF Infrastructure Finance Limited
(Formerly IDFC Infrastructure Finance Limited)
Mumbai

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 NIIF Infrastructure Finance Limited (Formerly IDFC Infrastructure Finance Limited) (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 check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that 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 check 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 **RATHI & ASSOCIATES**
COMPANY SECRETARIES

Place: Mumbai
Date: 31st May, 2020

NEHA R LAHOTY
PARTNER
M. NO. FCS 8568
COP No. 10286