S. N. ANANTHASUBRAMANIAN & CO.
COMPANY SECRETARIES

10/26, BRINDABAN, THANE – 400 601
Tel 25345648 / 2543 2704 : Fax 2539 0292 – email sna@snaco.net: website www.snaco.net

The Board of Directors,
Hindustan Unilever Limited,
CIN : L15140MH1933PLC002030
Unilever House,
B D Sawant Marg,
Chakala, Andheri (East),
Mumbai 400 099.

At the request of the management, we have examined relevant registers, records and documents maintained and made available to us by Hindustan Unilever Limited ("the Company") for the period commencing from 1st April 2014 to 31st March 2015 for compliances of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

ICSI had issued Secretarial Standards numbering 1 to 10 with reference to the provisions of the Companies Act, 1956 which were recommendatory in nature and the management had voluntarily decided to adhere to them. During the period under review ICSI had not issued corresponding Secretarial Standards with reference to the provisions of the Companies Act, 2013; nonetheless, the management had decided to continue to adhere to Standards issued earlier and comply with the same to the extent applicable to the Company.

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of Standards.

In our opinion and to the best of our information and according to the explanation given to us, we report that the Company has complied with all material aspects of applicable Secretarial Standards issued by ICSI.

S. N.ANANTHASUBRAMANIAN & CO

S.N. ANANTHASUBRAMANIAN & CO. CP No. 1774 THANE

S N ANANTHASUBRAMANIAN
FCS: 4206
CP: 1774
Date: 7th May 2015
Place: Thane

S. N. ANANTHASUBRAMANIAN & CO.
COMPANY SECRETARIES
10/26, BRINDABAN, THANE – 400601 | Tel 25345648/25432704 | Fax 25390292 | Email sna@snaco.net | Website www.snaco.net

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration 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 the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindustan Unilever 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 **31st March 2015**, 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, 2015** 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, Overseas Direct

S.N. ANANTHASUBRAMANIAN & CO. CP No. 1774 THANE COMPANY SECRETARIES

Investment and External Commercial Borrowings;

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, 1992;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 /Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014);
   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable as the Company has not issued any debt securities;**
   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 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 the Company has not delisted /propose to delist its equity shares from any stock exchange during the financial year under review;**
   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back / propose to buyback any of its securities during the financial year under review.**

vi. The Company has identified the following laws as specifically applicable to the Company:
   1. The Hazardous Wastes (Management and Handling) Rules 1989;
   2. The Insecticide Act, 1968;
   3. The Drugs and Cosmetics Act, 1940;
   4. The Prevention of Food Adulteration Act, 1954;
   5. The Legal Metrology Act, 2009;
   6. The Legal Metrology (Packaged Commodities) Rules, 2011;
   7. Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and regulations.

S. N. ANANTHASUBRAMANIAN & CO. COMPANY SECRETARIES CP No. 1774 THANE

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) – ICSI had issued Secretarial Standards numbering 1 to 10 with reference to the provisions of the Companies Act, 1956 which were recommendatory in nature and the management had voluntarily decided to adhere to them. During the period under review ICSI had not issued Standards corresponding with reference to the provisions of the Companies Act, 2013; nonetheless, the management had decided to continue to adhere to Standards issued earlier.

(ii) The 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: -

- 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 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.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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 that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

- as informed, the Company has responded to notices for demands, claims, penalties etc levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

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We further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above.

For **S. N. ANANTHASUBRAMANIAN & CO**

S. N. ANANTHASUBRAMANIAN & CO. CP No. 1774 THANE COMPANY SECRETARIES

S N Ananthasubramanian
FCS No.4206
C P No. 1774
Date: 7th May 2015
Place: **Thane**

S. N. ANANTHASUBRAMANIAN & CO.
COMPANY SECRETARIES
10/26, BRINDABAN, THANE – 400601 | Tel 25345648/25432704 | Fax 25390292 | Email sna@snaco.net | Website www.snaco.net

To,

The Members,
Hindustan Unilever Limited
CIN : L15140MH1933PLC002030
Unilever House, B. D. Sawant Marg,
Chakala, Andheri (East)
Mumbai - 400099.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the 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. Whereever 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 the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **S N ANANTHASUBRAMANIAN & CO**

S.N. ANANTHASUBRAMANIAN & CO. CP No. 1774 THANE COMPANY SECRETARIES

S N Ananthasubramanian
FCS No.4206
C P No. 1774
Date: 7th May 2015
Place: Thane

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