

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance can be defined as a systematic framework comprising of a set standard of procedures and practices to be implemented by the Board of Directors for governing the Company in the best interest of all the stakeholders. It refers to a methodological application of techniques aimed at attaining greatest level of integrity, fairness, equity, transparency, accountability and commitment.

We at Skipper believe in adopting and adhering to the best Corporate Governance practices. The management through its persistent efforts continues to adapt and follow best practices in all the functional areas for efficiently discharging its responsibilities towards all the stakeholders. We believe in maintaining highest standard of corporate behavior with everyone we work with, to succeed in the long run. Our corporate structure, business operations and disclosure practices have been strictly aligned to our Corporate Governance philosophy.

### 2. BOARD OF DIRECTORS

#### COMPOSITION OF THE BOARD

The Company recognizes and embraces the benefit of having a diverse Board and accordingly competent, experienced and eminent personalities from diverse spheres, possessing varied skills, qualifications, expertise and experience have been selected as members of the Board.

The Board's composition is in accordance with the provisions of Section 149 of the Companies Act, 2013 (hereinafter referred to as 'Act') and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and has an optimum mix of Executive and Non-Executive Directors with half of the Board of the Company comprising of Independent Directors.

As on the date of this report, the Board consists of ten Directors comprising five Independent Directors including a woman director and five Executive Directors. The position of the Chairman of the Board and the Managing Director are held by separate individuals, where the Chairman of the Board is an Independent Director. None of the Independent Directors are more than 75 years of age. The profile of the Directors can be accessed on the Company's website at <https://skipperlimited.com/about-us/senior-management.aspx>.

#### DIRECTORSHIP, COMMITTEE MEMBERSHIP(S)/ CHAIRMANSHIP(S), SHAREHOLDING

Every Director on Board notifies the Company on an annual basis about the Board and the committee positions which he/she occupies in other Companies and constantly updates any changes therein. The number of Directorship, Committee Membership(s)/ Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and the Listing Regulations.

The details of each member of the Board as on 31<sup>st</sup> March, 2020 are given below:

Sl. No.	Name & Designation/ Category	DIN	Num-ber and percentage of equity shares held in the Company	Number of Directorship in other Companies <sup>a</sup>			Number of Membership/ Chairmanship of Committees of other Companies <sup>b</sup>		Names of the other Listed entities & category of directorship
				Pri- vate Com- panies	Unlisted Public Com- panies	Listed Public Com- panies	As Chair- man	As Mem- ber	
1.	Sri Amit Kiran Deb <sup>c</sup> (Non-Executive Independent Chairman)	02107792	-	-	4	2	2	6	India Power Corporation Limited (Non-Executive Independent Director)  Emami Limited (Non-Executive Independent Director)
2.	Sri Joginder Pal Dua <sup>d</sup> (Non-Executive Independent Director)	02374358	-	-	2	1	-	1	Century Plyboards (India) Limited (Non-Executive Independent Director)

Sl. No.	Name & Designation/ Category	DIN	Num-ber and percentage of equity shares held in the Company	Number of Directorship in other Companies <sup>a</sup>			Number of Membership/ Chairmanship of Committees of other Companies <sup>b</sup>		Names of the other Listed entities & category of directorship
				Pri- vate Com- pa-nies	Unlisted Public Com- pa-nies	Listed Public Com- pa-nies	As Chair- man	As Mem- ber	
3.	Sri Ashok Bhandari (Non-Executive Independent Director)	00012210	-	3	3	5	-	7	Intrasoft Technologies Limited (Non-Executive Independent Director)  Maithan Alloys Limited (Non-Executive Independent Director)  IFB Industries Limited (Non-Executive Independent Director)  Rupa & Company Limited (Non-Executive Independent Director)  Maharashtra Seamless Limited (Non-Executive Independent Director)
4.	Sri Pramod Kumar Shah <sup>e</sup> (Non-Executive Independent Director)	00343256	-	-	4	2	3	5	Emami Frank Ross Limited (Non-Executive Independent Director)  Star Cement Limited (Non-Executive Independent Director)
5.	Smt. Mamta Binani (Non-Executive Independent Woman Director)	00462925	-	-	2	4	2	6 <sup>f</sup>	Kkalpana Industries (India) Limited (Non-Executive Independent Director)  Century Plyboards (India) Limited (Non-Executive Independent Director)  GPT Infraprojects Limited (Non-Executive Independent Director)  La Opala R G Limited (Non-Executive Independent Director)
6.	Sri Sajan Kumar Bansal <sup>g</sup> (Managing Director-Promoter)	00063555	21,855,339 (21.29%)	5	4	-	1	1	None
7.	Sri Sharan Bansal <sup>h</sup> (Executive Director-Promoter)	00063481	10,000 (0.01%)	3	6	-	-	-	None

Sl. No.	Name & Designation/ Category	DIN	Num-ber and percentage of equity shares held in the Company	Number of Directorship in other Companies <sup>a</sup>			Number of Membership/ Chairmanship of Committees of other Companies <sup>b</sup>		Names of the other Listed entities & category of directorship
				Private Companies	Unlisted Public Companies	Listed Public Companies	As Chairman	As Member	
8.	Sri Devesh Bansal <sup>i</sup> (Executive Director-Promoter)	00162513	10,000 (0.01%)	4	6	-	-	-	None
9.	Sri Siddharth Bansal <sup>i</sup> (Executive Director-Promoter)	02947929	10,000 (0.01%)	1	2	-	-	-	None
10.	Sri Yash Pall Jain (Executive Director- Non Promoter)	00016663	-	-	-	-	-	-	None

- a. Excludes foreign companies, guarantee companies and companies registered under Section 8 of the Act.
- b. Represents only membership/chairmanship of Audit Committee & Stakeholders Relationship Committee of Public Companies whether listed or not.
- c. Re-appointed as Independent Director for a second term of five years w.e.f 23 September 2019. Appointed as Additional Director in Century Plyboards (India) Limited, Star Cements Limited, B & A Limited and Meghalaya Power Limited and as Member in the Audit Committee of Century Plyboards (India) Limited w.e.f 1 April 2020. Ceased to be a director in Skipper Plastics Limited w.e.f. 1 April 2020.
- d. Appointed as Member in the Audit Committee of Century Plyboards (India) Limited w.e.f 1 April 2020.
- e. Appointed as Additional Director in Star Cement Meghalaya Limited, Shyam Century Ferrous Limited and Megha Technical and Engineers Private Limited w.e.f 1 April 2020.
- f. Ceased to be a member in the Audit Committee of Century Plyboards (India) Limited w.e.f 1 April 2020.
- g. Re-appointed as Managing Director of the Company w.e.f 1 July 2019.

- h. Re-appointed as Executive Director of the Company w.e.f 1 July 2019.
- i. Re-appointed as Executive Director of the Company w.e.f 1 April 2019.
- j. Apart from as stated above the directors do not hold any other shares/convertible instruments.
- k. Number of Directorship, Committee Membership(s)/Chairmanship(s) of all the Directors as on 31<sup>st</sup> March, 2020 is within the prescribed limits.

#### CORE SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES OF THE DIRECTORS

We believe that it is the collective effectiveness of the Board that impacts Company's performance and therefore members of the Board should have a balance of skills, experience and diversity of perspectives appropriate to the Company. The list of core skills/expertise/competencies identified by the board of directors as required in the context of the company's business and the name of the Directors having the required set of skills/expertise/competencies has been mentioned below:

Desired/Needed Skills, Experience, Attributes	Sri Sajan Kumar Bansal	Sri Sharan Bansal	Sri Devesh Bansal	Sri Siddharth Bansal	Sri Yash Pall Jain	Sri Amit Kiran Deb	Sri Joginder Pal Dua	Smt. Mamta Binani	Sri Ashok Bhandari	Sri Pramod Kumar Shah
Industry Expertise	✓	✓	✓	✓	✓	-	-	-	-	-
Financial, Taxation & Accounting	✓	✓	✓	✓	-	✓	✓	✓	✓	✓
Legal, Compliance, Governance & Risk Management	✓	-	✓	-	✓	-	✓	✓	✓	✓
Sales & Marketing	✓	✓	✓	✓	-	-	-	-	-	-
Leadership, Management & Corporate Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Administration & Human Resource	✓	✓	✓	-	✓	✓	✓	✓	✓	-

## INTER-SE RELATIONSHIP BETWEEN DIRECTORS

Sri Sharan Bansal, Sri Devesh Bansal, Sri Siddharth Bansal, Executive Directors of the Company are brothers amongst themselves and are sons of Sri Sajan Kumar Bansal who is the Managing Director of the Company. None of the other Directors of the Company are related to each other in accordance with Section 2(77) of the Act, including the rules made thereunder.

## BOARD PROCEDURES AND FLOW OF INFORMATION

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/policies, financial results, business operations, future course of actions and reviews all the relevant information which is mandatorily required to be placed before the Board. Minimum four prescheduled Board meetings are held during a year and additional meetings are held to address specific needs. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The agenda of the Board/Committee meeting is set by the Company Secretary in consultation with the Chairman and Managing Director of the Company and are circulated amongst the Directors well in advance to enable the Board to take informed decisions. The agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. At Board/Committee meetings, departmental heads and representatives who can provide additional insights are invited, if required. Draft minutes of the proceedings of the meetings are circulated in time and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. Important decisions taken by the Board and its Committees are promptly communicated to the concerned departments. Action taken reports on decisions of the previous meetings are placed at the next meeting(s) for information and further recommended actions, if any.

## MEETING OF THE BOARD OF DIRECTORS

During the year, five Board Meetings were held and the maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days. The necessary quorum was present for all the meetings.

**Attendance of Directors at the Board Meetings and at the 38<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> August, 2019:**

Sl. No.	Name of the Directors	Attendance at Board Meetings held during the year							Attendance at last AGM held on 12th August, 2019
		22nd May 2019	12th August 2019	18th September 2019	13th November 2019	13th February 2020	Number of meetings held	Number of meetings attended	
1	Sri Amit Kiran Deb	✓	LOA	✓	✓	✓	5	4	LOA
2	Sri Sajan Kumar Bansal	✓	✓	✓	✓	✓	5	5	✓
3	Sri Sharan Bansal	LOA	✓	✓	✓	✓	5	4	✓
4	Sri Devesh Bansal	✓	✓	✓	LOA	LOA	5	3	✓
5	Sri Siddharth Bansal	✓	✓	LOA	✓	✓	5	4	✓
6	Sri Yash Pall Jain	✓	✓	✓	✓	✓	5	5	✓
7	Sri Joginder Pal Dua	✓	✓	✓	✓	✓	5	5	✓
8	Sri Ashok Bhandari	LOA	✓	✓	✓	✓	5	4	✓
9	Sri Pamod Kumar Shah	✓	✓	✓	✓	✓	5	5	✓
10	Smt. Mamta Binani	✓	✓	LOA	✓	✓	5	4	✓

\* LOA stands for Leave of Absence

\* The Chairman could not attend the annual general meeting due to his ill health and requested for leave of absence.

## INDEPENDENT DIRECTORS

In the opinion of the Board, all the Independent Directors of the Company meet the criteria of independence as laid down under Section 149(6) of the Act and the Listing Regulations and are independent of the management. The number of Directorship of all the Independent Directors is within the respective limits prescribed under the Act and Listing Regulations. None of the independent directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgement

and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

All the Independent Directors of the Company have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

## MEETING OF THE INDEPENDENT DIRECTORS

Independent Directors of the Company met separately on 22<sup>nd</sup> May, 2019 without the presence of Non-Independent Directors and members of management. Sri Ashok Bhandari could not make it convenient to attend the meeting. Sri Amit Kiran Deb, designated as the lead independent director chaired the Independent Director's meeting. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company.
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## RE-APPOINTMENT AND RESIGNATION OF INDEPENDENT DIRECTORS

Sri Amit Kiran Deb and Smt. Mamta Binani, Independent Directors of the Company were re-appointed for a second term of five consecutive years w.e.f 23<sup>rd</sup> September, 2019 and 1<sup>st</sup> April, 2020 respectively and Sri Pramod Kumar Shah was appointed as Independent Director of the Company w.e.f 30<sup>th</sup> September 2018 at the Annual General Meeting of the Company held on 12th August 2019. The terms and conditions of the appointment of Independent Directors are available on Company's website at <https://skipperlimited.com/Media/Appointment-Letter-to-Independent-Director.pdf>. Moreover, none of the Independent Directors have tendered their resignation to the Board during the year 2019-2020.

## FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company conducts Familiarization Programme for Independent Directors to enable them to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. An induction program is organized to acquaint the newly appointed Director to the Company's background history, milestones, nature of industry, product offerings, businesses, policies of the Company, structure of the board and committees. The Managing Director of the Company also has a one to one discussion with the newly appointed Director to familiarize him with the Company's culture.

Further, at regular intervals familiarization programs are arranged wherein Independent Directors are informed about the current market scenario and are provided with all necessary updates, documents, reports, policies to ensure that the Independent Directors are properly aware about the business and performance of the Company from time to time. Significant statutory updates are circulated on a regular basis through which all the Directors are made well versed with all the significant new developments and amendments in the corporate sector.

During the year a familiarization program was conducted on 13th November 2019 at Kolkata.

The details of familiarization program imparted to the Independent Directors are available on the website of the Company at <https://skipperlimited.com/Media/FamiliarisationProgrammeforIndependentDirectors.pdf>.

## REMUNERATION OF DIRECTORS

The Company has adopted a Nomination & Remuneration Policy to determine the compensation structure of the Executive/Non-Executive Directors. The policy is intended to set out specific criteria to pay equitable remuneration to the Directors, Key Managerial Personnel's (KMP), Senior Management Personnel's (SMP) and other employees of the Company in consonance with the existing industry practice and aims at attracting and retaining high calibre talent.

The salient features of the Nomination & Remuneration Policy is provided in the Board's Report and the detailed policy is available on the Company's website at [https://skipperlimited.com/Media/Nomination\\_&\\_Remuneration\\_Policy.pdf](https://skipperlimited.com/Media/Nomination_&_Remuneration_Policy.pdf).

### (a) Remuneration paid to Executive Directors

The appointment and remuneration of Executive Directors are governed by the Articles of Association of the Company and the resolutions passed by the shareholders of the Company. The remuneration paid to Executive Directors is determined keeping in view the industry benchmarks, the performance of the Director, the performance of the Company and upon the recommendation of Nomination & Remuneration committee.

Details of remuneration paid to Executive Directors during the year 2019-2020 are given below:

Name	Designation	Remuneration (₹ in millions)	Bonus/Commission/Pension etc (₹ in millions)	Period of appointment/Service Contract	Notice Period	Severance Fee	Stock Option
Sri Sajan Kumar Bansal	Managing Director	14.40	Nil	Appointed for a period of 5 years upto 30 <sup>th</sup> June, 2024	Three months prior notice in writing	NIL	NIL
Sri Sharan Bansal	Executive Director	12.00	Nil	Appointed for a period of 3 years upto 30 <sup>th</sup> June, 2022			
Sri Devesh Bansal	Executive Director	12.00	Nil	Appointed for a period of 3 years upto 31 <sup>st</sup> March, 2022			
Sri Siddharth Bansal	Executive Director & CEO Polymer Division	12.00	Nil	Appointed for a period of 3 years upto 31 <sup>st</sup> March, 2022			
Sri Yash Pall Jain	Executive Director	3.81	0.26	Appointed for a period of 3 years upto 5th September, 2020			

**(b) Remuneration paid to Non-Executive Directors**

The Non-Executive Directors are paid sitting fee of ₹ 25,000/- for attending each board meeting, ₹ 15,000/- for attending each committee meeting and are also paid commission if recommended by the Nomination and Remuneration Committee and approved by the Board. The Non-Executive Directors are not entitled to any stock options.

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fee and out-of-pocket expenses, if any, to them for attending the Board and Committee meetings.

Details of remuneration paid to Non-Executive Directors during the year 2019-2020 are given below:

(₹ in millions)

Name	Sitting Fee <sup>1</sup>	Commission <sup>2</sup>	Total
Sri Amit Kiran Deb	0.205	-	0.205
Sri Joginder Pal Dua	0.215	-	0.215
Sri Ashok Bhandari	0.160	-	0.160
Sri Pramod Kumar Shah	0.140	-	0.140
Smt. Mamta Binani	0.130	-	0.130

<sup>1</sup>Includes sitting fees paid for the Board and Committee Meetings.

<sup>2</sup>No commission was paid during the year.

### 3. COMMITTEES OF THE BOARD

The Board committees play a crucial role in the governance structure of the Company and have been constituted to focus on those aspects of business that require special attention. Each committee is guided by its terms of reference, which defines the composition, scope and powers of the committee. The committees administered by their respective Chairman meet at regular intervals. Further, the minutes of all the Committee meetings are placed before the Board for review.

The Board has currently constituted the following committees:

#### A. AUDIT COMMITTEE

The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations and comprises of four directors out of which three are Independent Directors. The Chairman of the Committee is an Independent director. All the members of the Committee are financially literate and experienced and bring in the specialized knowledge and proficiency in the fields of accounting, audit, finance, taxation, banking, compliance, strategy and management.

The representative of the Statutory Auditors, Internal Auditors and the Chief Financial Officer of the Company are permanent invitees to the Audit Committee meetings and the Company Secretary acts as Secretary to the Committee.

The Audit Committee of the Company is inter-alia entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. Audit committee meetings are held at the end of each quarter and additional meetings are held as and when necessary. During the financial year 2019-2020, the Audit Committee met five times and the gap between any two meetings did not exceed one hundred and twenty days. All the recommendations made by the Audit Committee during the year under review were duly accepted by the Board.

Sri Amit Kiran Deb, Chairman of the Company and also Chairman of the Audit Committee was unable to attend the last Annual General Meeting of the Company held on 12<sup>th</sup> August 2019 due to his ill health and subsequent hospitalization. He authorized Sri Joginder Pal Dua, member of the Audit Committee to reply to the shareholders query on his behalf at the Annual General Meeting.

The composition of Audit Committee and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at Committee Meetings held during the year						
			22 <sup>nd</sup> May 2019	12 <sup>th</sup> August 2019	18 <sup>th</sup> Sep- tember 2019	13 <sup>th</sup> No- vember 2019	13 <sup>th</sup> Febru- ary 2020	Num- ber of meet- ings held	Num- ber of meet- ings at- tended
Sri Amit Kiran Deb	Non-Executive Independent Director	Chairman	✓	LOA	✓	✓	✓	5	4
Sri Joginder Pal Dua	Non-Executive Independent Director	Member	✓	✓	✓	✓	✓	5	5
Sri Ashok Bhandari	Non-Executive Independent Director	Member	LOA	✓	✓	✓	✓	5	4
Sri Sharan Bansal	Executive Director	Member	LOA	✓	✓	✓	✓	5	4

\*Necessary quorum was present in all the meetings.

## Terms of Reference

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. During the year, the terms of reference of the Committee was updated in line with the amendments to the Listing Regulations. The terms of reference of Audit Committee, as approved by the Board, include the following:

- ✓ to oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ✓ to recommend for appointment, remuneration and terms of appointment of auditors;
- ✓ to approve payment to statutory auditors for any other services rendered by the statutory auditors;
- ✓ to review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- ✓ to review with the management, the quarterly financial statements before submission to the board for approval;
- ✓ to review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- ✓ to review and monitor the auditor's independence and performance, and effectiveness of audit process;
- ✓ to approve or subsequently modify the transactions with related parties including omnibus approvals;
- ✓ to review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- ✓ to scrutinize inter-corporate loans and investments;
- ✓ to undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- ✓ to evaluate internal financial controls and risk management systems;
- ✓ to review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ✓ to review the adequacy of internal audit function, if any, including

the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- ✓ to discuss with internal auditors any significant findings and follow up there on;
- ✓ to review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- ✓ to discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ✓ to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- ✓ to review the functioning of the whistle blower mechanism;
- ✓ to approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- ✓ to review the quarterly report submitted by the Compliance Officer in accordance with the Company's "Code of conduct to Regulate, Monitor and Report trading by Designated Persons";
- ✓ to review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances /investments existing;
- ✓ to review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;
- ✓ to perform any other activity consistent with these terms of reference and applicable laws that the Committee deems necessary or appropriate or as may be requested by the Board from time to time.

In addition to the above the Audit Committee mandatorily review's the following:

- Management Discussion and Analysis of financial conditions and results of operations;
- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management;
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses;
- Appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee;
- Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations (whenever applicable).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of Listing Regulations (whenever applicable).

## B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations. The committee comprises of three Independent directors and the Company Secretary acts as Secretary to the committee.

The Committee also plays the role of Compensation Committee and is responsible for administering the Employee Stock Option Plan of the Company.

During the year, one Nomination and Remuneration Committee meeting was held on 22<sup>nd</sup> May, 2019.

The composition of Nomination and Remuneration Committee and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at the Committee meeting held during the year		
			22 <sup>nd</sup> May 2019	Number of meetings held	Number of meetings attended
Smt. Mamta Binani	Non-Executive Director	Independent	Chairperson	✓	1
Sri Amit Kiran Deb	Non-Executive Director	Independent	Member	✓	1
Sri Ashok Bhandari	Non-Executive Director	Independent	Member	✓	1

\*Necessary quorum was present in the meeting.

### Terms of Reference

The terms of reference of the Nomination & Remuneration Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the followings:

- ✓ to formulate criteria for evaluation of performance of independent directors and the board of directors;
- ✓ to formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ✓ to specify the manner for effective evaluation of performance of Board, its committees and individual directors;
- ✓ to review the implementation and compliance of evaluation of performance of Board, its committees and individual directors;
- ✓ to devise a policy on diversity of board of directors;
- ✓ to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- ✓ to decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- ✓ to recommend to the Board, all remuneration in whatever form, payable to senior management;
- ✓ to administer the Company's stock option scheme & executive incentive plans;
- ✓ to perform any other activity consistent with these terms of reference and applicable laws that the Committee deems necessary or appropriate or as may be requested by the Board from time to time.

### Performance Evaluation

The Nomination and Remuneration Committee has laid down the

process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board Members including the Chairman of the Company. Accordingly, evaluation was carried out during the financial year 2019-2020.

An indicative list of factors on which evaluation was carried out includes:

- i) Professional qualification & experience
- ii) Level of integrity & confidentiality
- iii) Availability for meetings and preparedness
- iv) Understanding of governance, regulatory, legal, financial, fiduciary, ethical requirements.
- v) Knowledge of the Company's key activities, financial condition and key developments
- vi) Contribution to strategic planning process and value addition to the Company
- vii) Ability to work as a team
- viii) Independence & conflict of interest
- ix) Adherence to ethical standards & code of conduct
- x) Voicing of opinion freely and independently

## C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. The Committee comprises of three directors, two being Executive and one Independent. The Company Secretary acts as Secretary to the Committee.

Sri Manish Agarwal, Company Secretary is acting as the Compliance Officer of the Company in terms of Regulation 6 of the Listing Regulations. M/s. Maheshwari Datamatics Private Limited acts as the Registrar and Share Transfer Agent of the Company.

As a measure of speedy redressal of investor grievances, the Company has registered on SCORES (SEBI Complaints Redress System) platform, a web based centralized grievance redress system set up by SEBI to capture investor complaints against listed companies. No Complaints were registered on SCORES against the Company during the financial year 2019-2020. However, one complaint was directly received from a shareholder which was duly resolved to the satisfaction of the shareholder. There were no pending complaints at the beginning and at the end of financial year 2019-2020.

Sri Amit Kiran Deb, Chairman of the Company and also Chairman of the Stakeholders Relationship Committee was unable to attend the last Annual General Meeting of the Company held on 12<sup>th</sup> August 2019 due to his ill health and subsequent hospitalization. He authorized Sri Sharan Bansal, member of the Stakeholders Relationship Committee to reply to the shareholders query on his behalf at the Annual General Meeting.

During the year, one Stakeholders Relationship Committee meeting was held on 12<sup>th</sup> August, 2019.

The composition of Stakeholders Relationship Committee and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at the Committee meeting held during the year		
			12th August 2019	Number of meetings held	Number of meetings attended
Sri Amit Kiran Deb	Non-Executive Independent Director	Chairman	LOA	1	0
Sri Sharan Bansal	Executive Director	Member	✓	1	1
Sri Devesh Bansal	Executive Director	Member	✓	1	1

\*Necessary quorum was present in the meeting.

#### Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ to monitor and redress the grievance of all shareholders relating to transfer of shares, non-receipt of balance sheet/annual report, non-receipt of declared dividend, issue of new/ duplicate certificates, general meetings, interest, notices etc., and review of the mechanism adopted for redressal of investors complaints and the status of investors' complaints;
- ✓ to oversee and review all matters connected with allotment, transfer and transmission of all classes of securities of the Company, including issue and allotment of rights shares/bonus shares/shares against employee stock options scheme of the Company;
- ✓ to issue share certificates upon transfer/transmission/ remat/ duplicate/ sub division/split of shares;
- ✓ to review the performance of the Registrar and Transfer Agent of the Company and recommend measures for overall improvement in the quality of services to the shareholders of the Company;
- ✓ to monitor and ensure the timely updation of the Company's website in respect of information and details that are made available to the stakeholders of the Company;
- ✓ to review the measures taken for effective exercise of voting rights by shareholders;
- ✓ to review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

- ✓ to review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- ✓ to perform any other activity consistent with these terms of reference and applicable laws that the Committee deems necessary or appropriate or as may be requested by the Board from time to time.

#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been constituted in accordance with the provisions of Section 135 of the Act. The Committee comprises of three directors, two being Executive and one Independent. The Company Secretary acts as Secretary to the Committee.

The Corporate Social Responsibility Committee assists the Board in effectively discharging the Company's corporate social responsibilities. The Committee formulates & monitors the CSR policy and recommends the annual CSR plan to the Board. The details of the CSR initiatives and amount spent by the Company are given in the Annexure- B to the Directors' Report.

During the year, one Corporate Social Responsibility Committee meeting was held on 22<sup>nd</sup> May, 2019.

The composition of Corporate Social Responsibility Committee and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at the Committee meeting held during the year		
			22nd May 2019	Number of meetings held	Number of meetings attended
Sri Amit Kiran Deb	Non-Executive Independent Director	Chairman	✓	1	1
Sri Sajan Kumar Bansal	Managing Director	Member	✓	1	1
Sri Devesh Bansal	Executive Director	Member	✓	1	1

\*Necessary quorum was present in the meeting.

#### **Terms of Reference**

The terms of reference of the Corporate Social Responsibility Committee are in line with the guidelines set out in the Act and inter-alia includes the following:

- ✓ formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 , as amended from time to time;
- ✓ recommend the annual CSR plan and amount of expenditure to be incurred on the Corporate Social Responsibilities activities as per the Act;
- ✓ monitor the Corporate Social Responsibility Policy of the Company from time to time;
- ✓ monitor implementation of the Annual CSR Plan against pre-determined targets;
- ✓ identify and bring to the attention of the Board key social responsibility issues that may affect the business operations, brand image or reputation of the Company;
- ✓ re-evaluate social responsibility objectives, from time to time, in light of changes in the Company's objectives, industry best practices and evolving priorities and needs of the local communities in locations where the Company operates and sources materials and recommend to the Board modifications to the Annual Plan and the CSR Policy;

- ✓ implement a transparent monitoring mechanism for implementation of CSR projects, programs or activities undertaken by the Company;
- ✓ identify and record reasons for failure to spend the amount budgeted in the Annual Plan and any change in the projects and activities to be undertaken during the course of the current financial year.

#### **E. OTHER FUNCTIONAL COMMITTEES**

Apart from the above statutory Committees, the Board of Directors has constituted the following two functional committees to meet the specific business needs of the Company.

##### **i. FINANCE COMMITTEE**

The Board of Directors has constituted a Finance Committee inter-alia to deal with the day to day financial matters of the Company and comprises of four Executive Directors. The Committee is a non-statutory committee and is governed by the terms of reference as laid down by the Board of Directors of the Company. The summary of the minutes of these meetings are placed before the Board for information.

During the year under review, eleven Finance Committee meetings were held on 26<sup>th</sup> April, 2019, 15<sup>th</sup> May, 2019, 26<sup>th</sup> June, 2019, 20<sup>th</sup> September, 2019, 26<sup>th</sup> September, 2019, 20<sup>th</sup> November, 2019, 26<sup>th</sup> December, 2019, 28<sup>th</sup> December, 2019, 2<sup>nd</sup> January, 2020, 28<sup>th</sup> February, 2020 and 23<sup>rd</sup> March, 2020.

The composition of Finance Committee and the details of meetings attended by the members are given below:

Name	Category	Position	Number of meetings held	Number of meetings attended
Sri Sajan Kumar Bansal	Managing Director	Chairman	11	11
Sri Sharan Bansal	Executive Director	Member	11	10
Sri Devesh Bansal	Executive Director	Member	11	10
Sri Siddharth Bansal	Executive Director	Member	11	8

##### **ii. BUSINESS COORDINATION COMMITTEE**

The Board of Directors has constituted a Business Coordination Committee to oversee day to day business and affairs of the Company and to take decisions on routine operations that arise in the normal course of business. The Committee comprises of three Executive Directors. The Committee is a non-statutory committee and is governed by the terms of reference as laid down by the Board of Directors of the Company. The summary of the minutes of these meetings are placed before the Board for information.

During the year under review, thirteen Business Coordination Committee meetings were held on 15<sup>th</sup> May, 2019, 7<sup>th</sup> June, 2019, 24<sup>th</sup> July, 2019, 6<sup>th</sup> August, 2019, 19<sup>th</sup> August, 2019, 18<sup>th</sup> September, 2019, 28<sup>th</sup> October, 2019, 14<sup>th</sup> November, 2019, 16<sup>th</sup> November 2019, 30<sup>th</sup> December, 2019, 31<sup>st</sup> January, 2020, 5<sup>th</sup> February, 2020 and 12<sup>th</sup> March, 2020.

The composition of Business Coordination Committee and the details of meetings attended by the members are given below:

Name	Category	Position	Number of meetings held	Number of meetings attended
Sri Sajan Kumar Bansal	Managing Director	Chairman	13	13
Sri Sharan Bansal	Executive Director	Member	13	11
Sri Yash Pall Jain	Executive Director	Member	13	13

#### 4. CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee including board members and senior management personnel of the Company. The Company has accordingly adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"). The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code requires Directors and Employees to act honestly, fairly, ethically, with integrity and conduct themselves in professional, courteous and respectful manner. The duties of Directors including duties as an Independent Director as laid down in the Acts also forms part of the Code of Conduct. The copy of the Code has been displayed on the Company's website at <http://repository.skipperlimited.com/investor-relations/pdf/Codes-Policies.pdf>.

The Code has been duly circulated to all the members of the Board and Senior Management Personnel and all of them have affirmed compliance with the Code. A declaration to this effect duly signed by the Managing Director is reproduced at the end of this report and marked as **Annexure I**.

#### 5. CODES FOR PREVENTION OF INSIDER TRADING

In accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted a 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' with a view to regulate trading in securities of the Company by insiders. The Company Secretary of the Company has been appointed as the Compliance Officer for the purposes of the Code.

The Code prohibits the insiders from dealing in the securities of

the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company. The Code also provides for periodical disclosures from designated persons as well as pre-clearance of transactions (above threshold) by such persons so that they may not use their position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. A copy of the aforesaid code is accessible on the Company's website at <https://www.skipperlimited.com/Media/Insider-Trading-Code.pdf>

The Company has also adopted 'Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code aims to set forth a framework and policy for fair disclosure of events and occurrences that could resolutely impact price of the Company's securities. The Company endeavours to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information.

A copy of the aforesaid code is accessible on the Company's website at [https://repository.skipperlimited.com/investor-relations/pdf/Code\\_of\\_Practices\\_and\\_Procedures\\_for\\_Fair\\_Disclosure\\_of\\_Unpublished\\_PriceSensitiveInformation-Version-1.1-7-jul20.pdf](https://repository.skipperlimited.com/investor-relations/pdf/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_Unpublished_PriceSensitiveInformation-Version-1.1-7-jul20.pdf)

#### 6. CEO & CFO CERTIFICATION

A certificate from the Managing Director and the Chief Financial Officer of the Company in terms of Listing Regulations, confirming the correctness of the financial statements and cash flow statements, adequacy of internal control measures and reporting of matters to the Audit Committee has been annexed at the end of this report and marked as **Annexure II**.

## 7. GENERAL BODY MEETINGS

The particulars of last three Annual General Meetings of the Company are given below:

Period	Date of AGM	Time	Location	Special Resolution(s) passed
2018-2019 (38 <sup>th</sup> AGM)	12.08.2019	3:30 PM	Shripati Singhania Hall, Rotary Sadan, 94/2 Jawaharlal Nehru Road, Kolkata- 700 020, West Bengal	<ul style="list-style-type: none"> <li>1. Approval for re-appointment of Sri Amit Kiran Deb as Independent Director of the Company for a second term of five years upto 22<sup>nd</sup> September 2024.</li> <li>2. Approval for re-appointment of Smt. Mamta Binani as Independent Director of the Company for a second term of five years upto 31<sup>st</sup> March 2025.</li> <li>3. Approval for re-appointment of Sri Sajan Kumar Bansal as Managing Director of the Company for five years upto 30<sup>th</sup> June 2024.</li> <li>4. Approval for re-appointment of Sri Sharan Bansal as Executive Director of the Company for three years upto 30<sup>th</sup> June 2022.</li> <li>5. Approval for re-appointment of Sri Devesh Bansal as Executive Director of the Company for three years upto 31<sup>st</sup> March 2022.</li> <li>6. Approval for re-appointment of Sri Siddharth Bansal as Executive Director of the Company for three years upto 31<sup>st</sup> March 2022.</li> <li>7. Approval to keep the Company's registers required to be maintained under Section 88 of the Companies Act, 2013, at the office of Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited at 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001.</li> </ul>
2017-2018 (37 <sup>th</sup> AGM)	09.08.2018	3.30 PM		<ul style="list-style-type: none"> <li>1. Authorization to the Board of Directors of the Company under Section 180(1)(c) of Act to borrow funds upto a limit of ₹3000 crores.</li> <li>2. Authorization to the Board of Directors of the Company under Section 180(1)(a) of Act for creation of mortgage/charge/hypothecation on the movable &amp; immovable properties of the Company upto the limit approved under Section 180(1)(c) of the Act.</li> </ul>
2016-17 (36 <sup>th</sup> AGM)	05.09.2017	3:30 PM		Nil

During the year, no Extra Ordinary General Meeting was convened nor any approval of the shareholders was obtained through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through Postal Ballot.

## 8. MEANS OF COMMUNICATION

Skipper recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all stakeholders.

**Financial Results:** The quarterly/half yearly/annual financial results of the Company are communicated to the Stock Exchanges immediately after they are considered and approved by the Board of Directors and are published in prominent newspapers usually in 'Financial Express' (all India editions) in English and 'Ekdn' in Bengali. These results are also made available on the website of the Company at <https://skipperlimited.com/investor-relations/financial-results.aspx>.

**News Releases/Presentations:** Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly financial results and are sent to the Stock Exchanges pursuant to Para A of Part A of Schedule III read with Regulation 30 of Listing Regulations and are also uploaded on the Company's website at <https://skipperlimited.com/investor-relations/updates.aspx>.

**Annual Report:** The Annual Report, inter alia containing, Audited Financial Statements, Directors' Report (including Management Discussion & Analysis Report, Corporate Governance Report, Business Responsibility Report), Auditor's Report and other important information are circulated to the members and forwarded to the stock exchanges and is also made available on the Company's website at <https://skipperlimited.com/investor-relations/annual-reports.aspx>

**Website:** In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investor Relations' on the Company's website gives comprehensive information about the Company, its business and operations, CSR initiatives, information on various announcements made by the Company, status of unclaimed dividend, annual report, annual report of joint venture, financial results, policies of the company, shareholding pattern, corporate governance report etc. The Company's official news releases and presentations made to the institutional investors and analysts and other corporate communications made to the stock exchanges are also available on the website of the Company at [www.skipperlimited.com](http://www.skipperlimited.com).

**Reminder to Shareholders:** Reminders are sent to shareholders for registering their email ids, unclaimed dividend etc as and when required.

## 9. GENERAL SHAREHOLDER INFORMATION

### (i) Details of Annual General Meeting:

The ensuing Annual General Meeting shall be held on Monday, 28th September, 2020 at 2.30 p.m (IST) through Video Conferencing / Other Audio Visual Means (VC/OAVM).

### (ii) Financial year:

The financial year of the Company is from 1<sup>st</sup> April to 31<sup>st</sup> March.

### (iii) Dividend:

Dividend of 10% i.e. 0.10 paise per equity share of face value of Re.1 each for the financial year 2019-20 has been recommended by the Board of Directors to the members for their approval. If approved, dividend shall be paid within 30 days from the date of declaration.

The details of the dividend declared and paid by the Company for the last seven years are as follows:

Year	Percentage (%)	Dividend in ₹ per share
2012-13	10	0.10
2013-14	15	0.15
2014-15	130	1.30
2015-16	140	1.40
2016-17	155	1.55
2017-18	165	1.65
2018-19	25	0.25

Details of unpaid or unclaimed dividend for the above mentioned years is available at <https://www.skipperlimited.com/investor-relations/unpaid-unclaimed-dividend.aspx>.

### (iv) Listing on Stock Exchanges:

Name of Stock Exchange	Address	Stock Code/Symbol	ISIN
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	538562	INE439E01022
National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	SKIPPER	

The Company has paid the annual listing fees for the financial year 2020-21 to BSE Limited as on the date of this report and will pay the same to National Stock Exchange of India Limited within the extended time limit due to outbreak of Covid-19 pandemic.

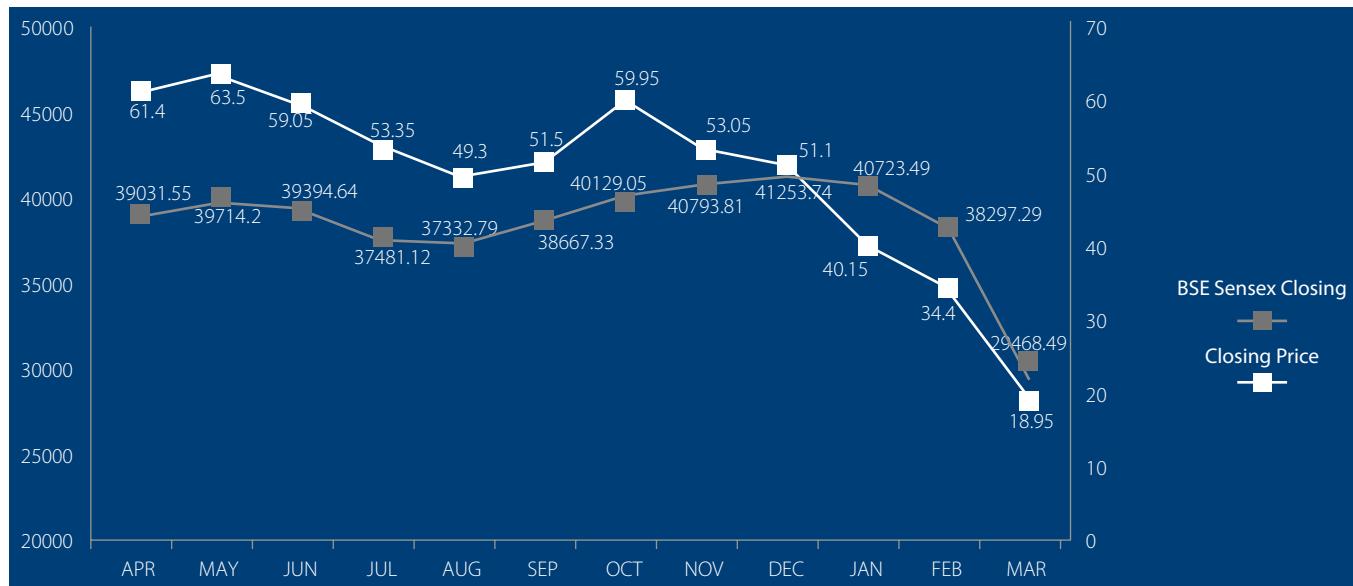
### (v) Market Price Data and Performance of Company's Share Prices:

The details of monthly high/low/closing price data and volume of shares traded of the Company at BSE and NSE for the financial year 2019-20 are given below:

Month (2019-20)	BSE					NSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	BSE Sensex Closing	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	NSE Nifty Closing
April, 2019	72.70	61.20	61.40	48,539	39031.55	70.95	61.25	62.45	545,409	11748.15
May, 2019	71.85	55.60	63.50	935,407	39714.20	73.10	55.40	63.00	2,786,698	11922.80
June, 2019	68.70	48.05	59.05	1,521,428	39394.64	69.20	48.70	59.30	2,123,547	11788.85
July, 2019	60.90	45.00	53.35	109,126	37481.12	61.85	44.50	52.65	1,637,615	11118.00
August, 2019	56.50	39.50	49.30	93,522	37332.79	55.00	39.75	49.40	1,262,264	11023.25
September, 2019	62.90	47.30	51.50	80,234	38667.33	59.95	45.75	52.35	1,073,344	11474.45
October, 2019	61.00	46.10	59.95	64,838	40129.05	61.00	46.80	60.10	1,448,640	11877.45
November, 2019	62.00	51.00	53.05	198,877	40793.81	62.25	49.00	53.15	881,068	12056.05
December, 2019	54.20	44.65	51.10	91,099	41253.74	55.00	46.05	51.25	1,177,685	12168.45
January, 2020	52.05	39.60	40.15	127,409	40723.49	52.80	39.55	40.10	3,148,865	11962.10
February, 2020	43.00	34.15	34.40	1,110,150	38297.29	42.70	34.00	34.25	3,645,708	11201.75
March, 2020	35.95	17.55	18.95	535,167	29468.49	36.30	17.10	18.60	1,819,036	8597.75

[Source: This information is compiled from the data available from the website of BSE & NSE]

**Share Price on BSE vis-a-vis BSE Sensex**



**Share Price on NSE vis-a-vis NSE Nifty**



(vi) The securities of the Company were available for trading on NSE & BSE throughout the year and were not suspended for any period.

**(vii) Registrar and Share Transfer Agents:**

M/s. Maheshwari Datamatics Private Limited  
23 R. N. Mukherjee Road, 5th Floor  
Kolkata - 700001  
Phone: 033-2248 2248 / 033-2243 5029  
Fax: 033-2248 4787  
E-mail: mdpldc@yahoo.com  
Website: www.mdpl.in

**(viii) Share Transfer System:**

Effective April 1, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository. The Company has stopped accepting any transfer requests for securities held in physical form with effect from the said date.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. In view of the aforesaid amendment and in order to eliminate

the risks associated with physical holding of shares, members who are holding shares in physical form are hereby requested to dematerialize their holdings. A guidance note on procedure of dematerialization of shares of the Company is hosted on the Company's website for ease of understanding of the shareholders and can be viewed at <https://repository.skipperlimited.com/investor-relations/pdf/guidance-note-physical-form.pdf>.

A summary of transmissions, dematerialization, re-materialization, etc. is placed before the Board at each meeting. The Company obtains half-yearly certificate from a Company Secretary in Practice under Regulation 40(9) of the Listing Regulations, confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulations.

The Company also obtains a compliance certificate under Regulation 7(3) of the Listing Regulations confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent and files the same with the Stock Exchanges on a half yearly basis.

Reconciliation of Share Capital Audit is conducted every quarter by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The report is submitted to the stock exchanges and is also placed before the Board of Directors.

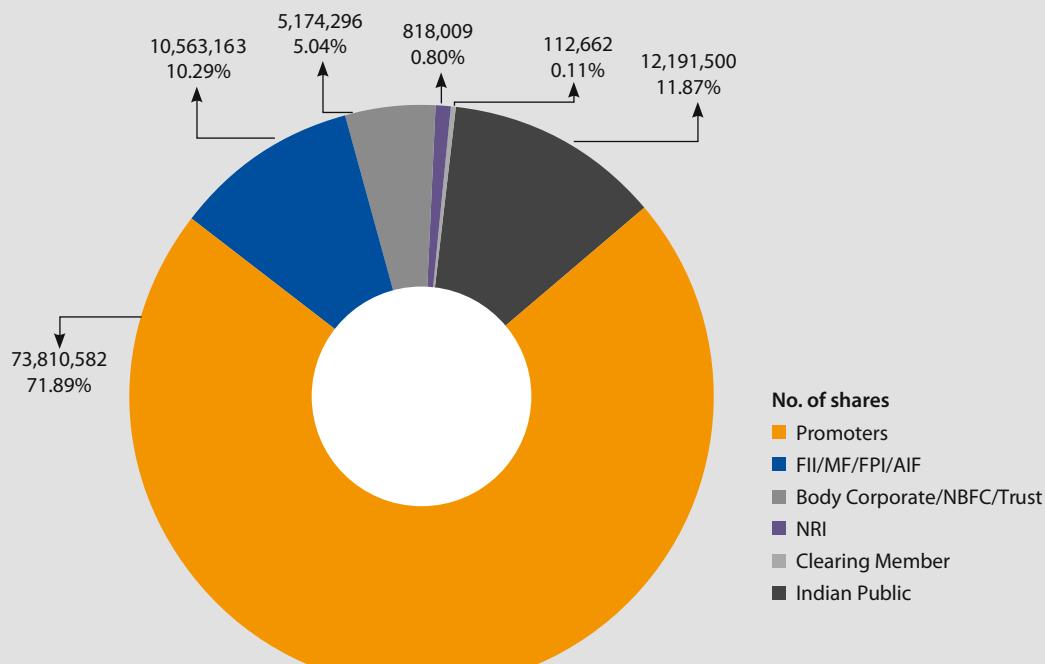
(ix) Distribution of shareholding on the basis of shareholders class as on 31st March, 2020:

Category	No. of shareholders		No. of shares	
	Total	%	Total	%
1-500	15407	84.27	1915043	1.87
501-1000	1301	7.12	1044800	1.02
1001-2000	740	4.05	1139160	1.11
2001-3000	264	1.44	674407	0.66
3001-4000	141	0.77	505477	0.49
4001-5000	88	0.48	413629	0.40
5001-10000	163	0.89	1226350	1.19
10001-50000	122	0.67	2525929	2.46
50001-100000	18	0.10	1309649	1.28
100001 & above	39	0.21	91915768	89.52
<b>Total</b>	<b>18283</b>	<b>100.00</b>	<b>102670212</b>	<b>100.00</b>

(x) Distribution of Shareholding on the basis of ownership as on 31st March, 2020:

Category	No. of shares	% of share capital
Promoters	73,810,582	71.89
FII/MF/FPI/AIF	10,563,163	10.29
Body Corporate/NBFC/Trust	5,174,296	5.04
NRI	818,009	0.80
Clearing Member	112,662	0.11
Indian Public	12,191,500	11.87
<b>Total</b>	<b>102,670,212</b>	<b>100.00</b>

Graphical representation of shareholding pattern on the basis of ownership:



**(xi) Dematerialization of shares and liquidity as on 31st March, 2020:**

99.99% of the Company's equity shares are held in dematerialized form as on 31<sup>st</sup> March, 2020 details of which is given below:

Nature of holding	No. of Shares	Percentage (%) of share capital
Demat	102,661,411	99.99
- NSDL	94,031,949	91.58
- CDSL	8,629,462	8.41
Physical	8,801	0.01
<b>Total</b>	<b>102,670,212</b>	<b>100.00</b>

**(xii) The Company has not issued Global Depository Receipts (GDR)/ American Depository Receipts (ADR)/Warrants or any other convertible instruments during the year.**

**(xiii) Commodity Price Risk /Foreign Exchange Risk and hedging activities:**

The Company is exposed to foreign exchange risks on export of goods and imports of raw materials/capital item. During the year the Company has managed foreign exchange risk and hedged foreign exchange to the extent considered necessary. In case of imports and foreign currency loan, the Company does hedging on selective basis. Most export orders are duly hedged by way of forward cover through the banks. Since the volume of export is much more, thereby the balance imports are getting hedged by way of natural hedging.

Disclosure in terms of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15<sup>th</sup> November 2018 is mentioned below:

- a. The Risk Management Policy of the Company with respect to commodities including through hedging:

The material exposure of the Company in commodities is on account of steel which is readily available. The Company does not accumulate excess quantities of steel for its operations due to its voluminous nature. Accordingly the requirement of hedging is minimal.

- b. Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:

- i. Total exposure of the Company to commodities in INR: 5621.02 million
- ii. Exposure of the Company to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market	Total	
			OTC	Exchange	OTC	Exchange	
Steel	5621.02 million	1,57,783 MT	NIL	NIL	NIL	NIL	NIL

- c. Commodity risks faced by the Company during the year and how they have been managed are given below:

Most of the engineering product contracts of the Company are having price escalation and de-escalation clause which is linked with the commodity prices and for non-price variation contracts the fluctuations are factored in pricing while bidding.

**(xiv) Plant Locations:**

<b>SL Unit - 1</b> Jalan Complex, NH-6, Village: Jangalpur, Post: Andul Mouri, Howrah, West Bengal - 711302	<b>BCTL Unit</b> Jalan Complex, NH-6, Village: Jangalpur, Post: Andul Mouri, Howrah, West Bengal- 711 302
<b>Uluberia Unit</b> NH-6, Village: Madhabpur, Mahisrekha, Post: Uluberia, Howrah, West Bengal - 711 303	<b>Guwahati Unit - 1</b> Lohia Industrial Estate, 659, O, Kahi Kuch Gaon Mouza: Dakhin Rani District- Kamrup, Assam- 781 017
<b>Guwahati Unit – 2</b> Village- Parley, Mouza- Chayani Revenue Circle- Palashbari District- Kamrup Rural, Assam	<b>Transmission Line Testing Station</b> Village & P.O- Barunda. PS- Bagnan District- Howrah, West Bengal

**(xv) Address for Correspondence:**

For any queries relating to the shares of the Company, correspondence may be addressed at:

**The Company Secretary**

Skipper Limited  
3A, Loudon Street, Kolkata- 700 017  
Telephone No.: +91 33 2289 2327/5731/5732  
Fax No.: +91 33 2289 5733  
E-mail: investor.relations@skipperlimited.com  
Website: www.skipperlimited.com

**(xvi) The Credit Ratings obtained by the Company along with the revisions during the year are mentioned below:**

Sl. No.	Name of the Credit Rating Agencies	Facilities	Revised Ratings	Previous Ratings
1.	CARE Ratings	Long-term Bank Facilities	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	CARE A; Negative (Single A; Outlook: Negative)
		Long/Short-term Bank Facilities	CARE BBB+; Stable/CARE A2(Triple B Plus; Outlook: Stable/A Two)	CARE A; Negative/CARE A1 (Single A; Outlook: Negative/A One)
		Commercial Paper (CP)	Withdrawn	CARE A1 (A One)

Note: Acuité Ratings & Research Limited (Acuité) vide their letter dated 26<sup>th</sup> May, 2020 has assigned "ACUITE A-/ Stable" and "ACUITE A2+" for Company's Long Term & Short Term bank facilities respectively.

## 10. DISCLOSURES

- (i) There were no materially significant related party transactions, which may have potential conflict with the interest of the Company. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. All the transactions with related parties have been made at arm's length basis. The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations. During the year, the policy was reviewed and revised by the Board of Directors in line with the amendments in Listing Regulations and the same can be accessed at <https://skipperlimited.com/Media/RELATED-PARTY-TRANSACTIONS-POLICY.pdf>.
- (ii) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three financial years and no penalties or strictures have

been imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any other statutory authority in this regard.

- (iii) The Company has framed a Vigil Mechanism/Whistle Blower Policy as required under Section 177 of the Act and Regulation 22 of Listing Regulations, which is being reviewed by the Audit Committee of the Board. During the year, the policy was reviewed and revised by the Board of Directors in line with the amendments in the Act and Listing Regulations and the same can be accessed at <https://skipperlimited.com/Media/Whistle-Blower-Policy.pdf>.

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. During the year, there was no reporting under the Vigil Mechanism/Whistle Blower Policy of the Company and no personnel was denied access to the Audit Committee.

- (iv) The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2019-20. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.
- (v) The Company does not have any subsidiary and hence it has not formulated any policy for determining 'material' subsidiaries.
- (vi) The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year 2019-20 as specified in Regulation 32 (7A) of the Listing Regulations.
- (vii) The Company has received declaration from all the Directors on the Board of the Company that they are not debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any other such statutory authority. A certificate received from a company secretary in practice in this regard forms part of this report as **Annexure III**.
- (viii) During the financial year 2019-20, there have been no circumstances where the Board of Directors of the Company have not accepted any recommendation made by any of the committees of the Board.
- (ix) During the financial year 2019-20, the following payments were made to M/s Singhi & Co. Statutory Auditors of the Company.

(₹ in Millions)

Particulars of payment	Skipper Limited	Skipper- Metzer India LLP	Total
Statutory Audit Fee	1.400	0.250	1.650
Others	0.975	0.330	1.305
<b>Total</b>	<b>2.375</b>	<b>0.580</b>	<b>2.955</b>

- (x) Disclosure under Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:

The Company is committed to create a safe and healthy working environment that enables the employees to work without fear of sexual harassment at workplace. Accordingly in accordance with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated and adopted a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace and has also formed an Internal Complaints Committee (ICC) in terms of Section 4 of the aforesaid Act.

No complaints were received by the ICC under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year.

- (xi) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 and Para C of Schedule V of the Listing Regulations.

- (xii) The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website ([www.skipperlimited.com](http://www.skipperlimited.com)). The section on 'Investor Relations' on the website serves to inform the members by giving complete financial details, annual reports, presentations made by the Company to investors, press releases, shareholding patterns and such other information relevant to shareholders.

- (xiii) The Company does not have any shares in demat suspense account or unclaimed suspense account.

#### **11. STATUS OF COMPLIANCE WITH NON STATUTORY RECOMMENDATIONS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

- (i) The Non-Executive Chairman doesn't maintain a separate office.
- (ii) The quarterly and half yearly financial performance are submitted to Stock Exchanges, published in newspapers and posted on the Company's website and are not sent to the shareholders separately.
- (iii) During the year under review, there is no audit qualification on the company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- (iv) The Internal Auditor reports directly to the Audit Committee.

**For and on behalf of the Board of Directors**

Place: Kolkata Date: 22 <sup>nd</sup> June, 2020	<b>Sajan Kumar Bansal</b> Managing Director (DIN: 00063555)	<b>Devesh Bansal</b> Director (DIN: 00162513)
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**Annexure I****DECLARATION**

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that the Board members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Directors & Senior Management Personnel, as applicable to them, for the year ended 31<sup>st</sup> March, 2020.

Place: Kolkata  
Date: 22<sup>nd</sup> June, 2020

**Sajan Kumar Bansal**  
Managing Director

**Annexure II****CERTIFICATE BY MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER**

The Board of Directors  
**Skipper Limited**  
3A, Loudon Street  
Kolkata – 700017

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2020 and to the best knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2019-2020 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems

of the Company pertaining to financial reporting. We have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.

4. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date: 22<sup>nd</sup> June, 2020

**Sajan Kumar Bansal**  
Managing Director

**Sanjay Kumar Agrawal**  
Chief Financial Officer

**Annexure III**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

To

The Members,

**Skipper Limited**

Based on our verification of the books, papers, registers, forms, returns, disclosures received from the Directors and other records maintained by Skipper Limited (CIN: L40104WB1981PLC033408) having its Registered office at 3A, Loudon Street, 1<sup>st</sup> Floor, Kolkata - 700 017, West Bengal ("the Company") and also the information provided by the Company, its officers, agents and authorized representatives for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the verification of the portal [www.mca.gov.in](http://www.mca.gov.in), including Directors Identification Number

(DIN) status at the portal, we hereby certify that during the Financial Year ended on March 31, 2020, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

It is the responsibility of the management of the Company for ensuring the eligibility for the appointment/ continuity of every director on the board of the Company. Our responsibility is to express an opinion based on our verification.

For MKB & Associates  
Company Secretaries

**Raj Kumar Banthia**

(Partner)

ACS no. 17190

COP no. 18428

FRN: P2010WB042700

UDIN: A017190B000364086

Place: Kolkata

Date: 22<sup>nd</sup> June, 2020