

2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs N.L. Bhatia & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure 2".

REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under section 143 (12) of the Companies Act, 2013.

DEPOSITORY SYSTEM

98.91% of the total paid-up equity shares of the Company are dematerialised as on 31st March, 2018.

DIRECTORS

In accordance with the provisions of section 152 of the Companies Act, 2013, and Articles of Association of the Company, Mr. Vikram Rajnikant Shroff (DIN: 00191472) and Mr. Arun Chandrasen Ashar (DIN: 00192088), Directors of the Company, retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

The earlier appointments of Mr. Rajnikant Devidas Shroff (DIN: 00180810) as Chairman and Managing Director of the Company and Mr. Arun Chandrasen Ashar (DIN: 00192088) as Whole-time Director designated as Director-Finance expire on 30th September, 2018. The Board of Directors has re-appointed Mr. Rajnikant Devidas Shroff (DIN: 00180810) as Managing Director and Mr. Arun Chandrasen Ashar (DIN: 00192088) as Whole-time Director designated as Director-Finance for further period of 5 (five) years, with effect from 1st October, 2018 and subject to the approval of the Members and upon the terms and conditions as set out in the notice convening the 34th Annual General Meeting of the Company.

The special resolutions seeking approval of the Members of the Company for the re-appointment of Mr. Rajnikant Devidas Shroff and Mr. Arun Chandrasen Ashar have been incorporated in the notice of the 34th Annual General Meeting of the Company along with brief details about them.

The information of Directors seeking re-appointment as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in the notice convening the Annual General Meeting of the Company.

During the year, Mr. Pradip Madhavji (DIN: 00549826), Independent Director has resigned from the Board of Directors of the Company with effect from 27th April, 2018 for personal reasons. During his tenure, he was Lead Independent Director and was Chairman of Audit Committee and Stakeholders Relationship Committee. The Board wishes to place on record its appreciation for his valuable advice and efficient discharge of his duties during the period of almost last fifteen years. The Company acknowledges his pragmatic

approach and immense contribution in handling various issues diligently.

All the independent directors have given declaration that they meet the criteria of independence laid down under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

EVALUATION OF THE BOARD'S PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and Regulations 17 (10) and 25(4)(a) of the Listing Regulations, the evaluation process for performance of the Board, various committees and directors was carried out. Each director was provided a questionnaire to be filled up, providing feedback on the overall functioning of the Board and the committees. The questionnaire covered various parameters such as composition, execution of specific duties, quality and timeliness of flow of information, discussions and deliberations of different items of agenda, independence of judgments, etc. The directors were also asked to provide their suggestions for areas of improvement to ensure higher degree of engagement with the management.

Evaluation of individual director was also carried out and parameters such as contribution, attendance, expertise, decision making and other related factors were considered in this exercise.

The Independent Directors held a meeting on 25th January, 2018 to review the performance of evaluation of the Non-independent/Non-promoter Directors and the entire Board including the Chairman. The Independent Directors expressed complete satisfaction of the professionally managed overall functioning of the Board, various committees as well as all the directors of the Company. They appreciated the knowledge and expertise of the Chairman and his exemplary leadership qualities which demonstrate positive attributes in following the highest standards of corporate values and culture of the Company.

REMUNERATION POLICY

The Board has on the recommendation of the Nomination and Remuneration Committee framed and adopted the Policy for selection and appointment of directors, senior management and their remuneration. The Board recognizes that the various Committees of the Board have very important role to play to ensure highest standards of corporate governance. The Chairman of the Board and other Executive Directors form broad policies and ensure their implementation in the best interests of the Company.

The Criteria for selection of directors and senior management are mainly qualifications, experience, integrity, independence of the directors, etc.

The remuneration to Non-executive Directors consists of sitting fees for attending Board/Committee meetings, commission and