

**ANNUAL REPORT  
OF  
UTV SOFTWARE COMMUNICATIONS LIMITED  
FOR  
FINANCIAL YEAR 2016-17**

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## Company Information

### NAME OF THE COMPANY

UTV SOFTWARE COMMUNICATIONS LIMITED

### CIN OF THE COMPANY

U72200MH1990PLC056987

### DATE OF INCORPORATION

June 22, 1990

### REGISTERED OFFICE

1st Floor, Bldg. No. 14, Solitaire Corporate Park,  
Guru Hargovindji Marg, Chakala, Andheri (E),  
Mumbai 400 093  
Tel No: 022 6109 1000  
Fax: 022 67421930

### WEBSITE

[www.utvgroup.com](http://www.utvgroup.com)

### EMAIL ID

[utvinvestors@disney.com](mailto:utvinvestors@disney.com)

### FINANCIAL YEAR REPORTED

April 01, 2016 - March 31, 2017

### BOARD OF DIRECTORS

Mr. Mahesh Samat – Managing Director (appointed w.e.f. July 01, 2017)  
Mr. Sujit Vaidya - Whole-time Director (re-designated w.e.f. July 01, 2017)  
Ms. Monisha Shroff – Director (appointed w.e.f. July 01, 2017)  
Mr. Narendra Kumar Ambwani – Independent Director  
Mr. Prem Raj Mehta – Independent Director

### STATUTORY AUDITORS

M/s. Price Waterhouse & Co., Bangalore LLP  
Chartered Accountants  
252, Veer Savarkar Marg, Shivaji Park,  
Dadar, Mumbai-400 028.

### SECRETARIAL AUDITORS

M/s. SPRS & Company, Practising Company Secretaries

### INTERNAL AUDITOR

Mr. Pawan Jaggi

### REGISTRAR AND SHARE TRANSFER AGENT

M/s. Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot No 31 & 32  
Gachibowli, Financial District, Nanakramguda, Serilingampally,  
Hyderabad – 500 032  
Email: [rajendra.v@karvy.com](mailto:rajendra.v@karvy.com)  
Tel: +91 040 67161510/ 1512

### BANKERS

Deutsche Bank  
Citi Bank  
HSBC  
Bank of America

## DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 27<sup>th</sup> Annual Report on the Company's business and operations, together with audited financial statements and accounts for the financial year ended March 31, 2017.

### 1. FINANCIAL HIGHLIGHTS:

(₹ in Millions)

Particulars	Consolidated			Standalone
	Year ended 2016-17	Year ended 2015-16*	Year ended 2016-17	Year ended 2015-16*
Revenue from Operations	12,423.55	11,036.22	8,387.22	6,682.04
Other Income	301.31	278.33	257.07	338.11
<b>TOTAL INCOME</b>	<b>12,724.86</b>	<b>11,314.55</b>	<b>8,644.29</b>	<b>7,020.15</b>
Direct Cost	8,039.19	10,240.63	5,860.97	6,890.46
Employee Benefit Expense	1,621.41	1,896.49	1,137.06	1,431.76
Depreciation and Amortization expenses	635.67	625.97	933.77	925.08
Finance Cost	993.60	1,561.12	870.45	1,441.88
Other Expenses	1,606.92	2,583.52	857.56	1,620.75
<b>TOTAL EXPENSES</b>	<b>12,896.79</b>	<b>16,907.73</b>	<b>9,659.81</b>	<b>12,309.93</b>
Less: Exceptional Item	541.68	72.07	613.43	5,618.27
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>(713.61)</b>	<b>(5,665.25)</b>	<b>(1,628.95)</b>	<b>(10,908.05)</b>
Less: Tax Expenses				
- Current Tax	87.40	(3.62)	3.73	(15.45)
- Deferred Tax	69.97	73.07	-	-
<b>PROFIT/(LOSS) OF THE YEAR</b>	<b>(870.98)</b>	<b>(5,734.70)</b>	<b>(1,632.68)</b>	<b>(10,892.60)</b>

\*Figures for FY 2015-16 have been restated as per Ind AS and therefore may not be comparable with financials for FY 2015-16 approved by the Directors and disclosed in the financial statement of previous year.

During the year under review the Company has incurred a loss of ₹ 1,632.68 million on a standalone basis and a loss of ₹ 870.98 million on a consolidated basis, primarily on account of the following :-

- 1) The synergies of the Interactive and Licensing business of the two legal entities viz. Indiagames Limited and The Walt Disney Company (India) Private Limited, which merged into the Company with effect from April 1, 2015 pursuant to the Scheme of Amalgamation being approved by the National Company Law Tribunal (NCLT), helped offset the losses of the Movies business to some extent. However, the finance cost of ₹ 870.45 million could not be recovered.
- 2) The Company has made investments in Disney Entertainment (India) Limited for further investments into their downstream subsidiaries, Genx Entertainment Limited and Disney Broadcasting (India) Limited, respectively, which are in the business of Media and Television and during the year, they have generated profits after making losses for the past few years. The Company has noted the shift in the Media and Television strategy on account of the certain key developments and consequent future business projections. As a consequence of such strategy shifts, the Company has recognized a provision of ₹ 505.93 million in standalone financial statements with respect to its investments in Disney Entertainment (India) Limited.

There are no material changes and commitments which have occurred between the end of the financial year ended on March 31, 2017 to which these financial statements relate and the date of this report, which may affect the financial position of the Company.

Further, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

Further, the Company has a comprehensive framework for evaluating entity level controls. There are no elements of risk which threatens the existence of the Company.

## 2. BUSINESS OVERVIEW:

The media and entertainment industry in India is undergoing rapid transformation, with video-on-demand services gaining widespread acceptance on the back of increasing mobile connectivity and reducing data costs. This transition has provided individuals access to personalized entertainment and created a growing demand for quality content across all demographics. Our Company remains optimistic about the potential of our integrated business model to navigate these changing scenarios. We are focused on exploring how to build and monetize our assets digitally. We have re-aligned our business portfolio to minimize risk from volatility in our business segments and will continue to focus on building capabilities for the future. The infusion of equity capital has been used to repay all long term borrowings. The Company also merged its affiliate/subsidiary namely The Walt Disney Company (India) Limited and Indiagames Limited carrying on the Licensing & Media Service Business and Games & Interactive Business respectively, more particularly detailed below, so as to create a more integrated structure.

### Studios

Dangal became Bollywood's highest grossing movie till date, earning a record-breaking \$217 Million internationally.

Revenues from Hollywood films continue to trend upward, displaying a growing adoption of international content. The Company's international slate continued to perform well with ~45% of our overall collections at the box office coming from dubbed language releases. Growing the Marvel brand has been a strong focus area for the Company with Captain America: Civil War and Guardians of the Galaxy Vol. 2 both performing better than their predecessors. Dr. Strange outperformed our expectations and highlighted the fact that a Marvel film does not need established characters to succeed. The Jungle Book quickly became the highest grossing Hollywood film in India with a strong resonance with the Indian audience. The Company is committed to focusing on the Hollywood slate going forward including Marvel.

### Syndication Business

The syndication of our content assets, both local and international, continued to be very profitable. With the rise of video-on-demand services in the country, there has been an increase in the demand for content from various parties. The company continues to monetize these assets to the best of our ability.

### Live Entertainment

In May 2016, the live stage musical production of 'Beauty and The Beast' had a second run in Mumbai. The response from the audience continued to be very enthusiastic, and the Company is planning to bring more stage productions to India, through a licensing model.

### Media Networks

With digitization nearing completion, the television audience is evolving into clearly defined segments. The top-end segment has shown a preference towards HD channels and English language programming. The rural TV audience, included in the BARC ratings for the first time, generated higher ratings for Free-to-air (FTA) channels. Overall, the broadcasting industry had a steady growth in 2016, with advertising and subscription rates growing at ~11% each. However, there have been a few disruptions: the rise in digital consumption, reduced advertising spends after demonetization and the introduction of Goods & Services Tax. The Media Networks business of our Company was still able to perform in spite of these disruptions, achieving a PBT of ~10%.

The Disney Channel has shown continued improvement across the year; and has been recently among the top 2 Kids' channels. The development of local animation properties continues, and the Company continues to strengthen our Kids' offering. With effect from October 29, 2017 [00:00 Hours] the feed of the channel Bindass Play was replaced with high definition feed under the name Disney International HD, which is a brand new content destination for youth.

This year, the Movie Channel genre saw an upside in ad sales interest. Our movie channels were able to command a higher advertising rate. The Company continues to invest in content for our channels.

The increased adoption of smartphones and falling data prices has affected the viewership for the Youth genre on television. The Company released webseries like 'Girl in the City' and 'The Trip', which swiftly became some of the most watched content by the Youth. With 150 MN+ views across first three shows, the Company continues to focus on this omni-platform model for Bindass. Given that the falling Youth viewership on television is not high enough to justify two youth channels, the Company is looking to consolidate our channel presence as well as expand the digital presence through a digital over the top ("OTT") app.

The Telecom Regulatory Authority of India (TRAI) announced new regulations for the interconnect, tariff order and quality of service which will change the current landscape of TV distribution. The validity of the new regulations have been challenged at the High Court of Judicature at Madras. Pursuant to such challenge, currently the High Court of Judicature at Madras has stayed / halted the implementation of the new regulations.

### Games and Interactive Business

Disruption caused due to demonetization and consolidation in telecom operators led to subdued revenues in FY17, but the margins for the gaming business have been maintained by cost rationalization through organizational restructuring.

**Licensing Business**

Our company continues to be the largest character licensing business in India and also in the 'back-to-school' category. The Consumer Products business continued to grow, with a revenue growth of 8% in this year. We continued to strengthen and expand our licensee relationships, with Back-to-School, Fashion and Toys as our strongest categories. Higher affinity among the youth for our Marvel and Star Wars franchises has led to an increased adoption of our products. The business remains a steady contributor for our company, with minimal volatility. While demonetization did affect the third quarter results, the business recovered enough by the end of the financial year.

We have focused on building our presence in the online space, with Myntra, Flipkart, Amazon and FirstCry as key relationships. Our share of business with each of these partners is growing much faster than the market. We are exploring the possibility of creating licensed stores selling exclusive Disney merchandise.

**3. INDIAN ACCOUNTING STANDARDS:**

The Ministry of Corporate Affairs (MCA), vide its notification dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain class of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Pursuant to the aforesaid notification, with effect from April 01, 2016, the Company has transitioned to Ind AS, the transition date being April 01, 2015. The transition is carried out from accounting principles generally accepted in India being the previous GAAP. Accordingly, basis the accounting policies and Ind-AS 101 exemptions finalised, the impact of transition has been provided in the opening equity as at April 01, 2015 and figures for the previous year have been adjusted accordingly.

The reconciliation and explanation of the effect of transition to Ind AS are given in detail in note 40 and 41 of the standalone and consolidated financial statements respectively.

**4. DIVIDEND & AMOUNT CARRIED TO RESERVES:**

As the Company has incurred loss during the year, your Directors do not recommend any dividend for the financial year 2016-17.

There is no amount proposed to be transferred to the general reserve.

**5. SUBSIDIARY COMPANIES:**

As at March 31, 2017, the Company has the following subsidiaries viz.

- (1) Disney Entertainment (India) Limited and its wholly owned subsidiaries i.e. Genx Entertainment Limited and Disney Broadcasting (India) Limited (2) Indiagames Limited (since merged with the Company effective June 30, 2017) (3) IG Interactive Entertainment Limited and its wholly owned subsidiary; Ignition Entertainment Limited- UK and further its step down wholly owned subsidiaries i.e. Ignition Entertainment Limited (USA) and Ignition London Limited (formerly known as Digi-Guys Limited) (4) UTV Communications (USA) LLC (5) UTV Games Limited and its subsidiary True Games Interactive, Inc.

As at March 31, 2017, IG Interactive Entertainment Limited, UTV Communications (USA) LLC and UTV Games Limited are wholly owned subsidiaries of your Company.

As at March 31, 2017, Disney Entertainment (India) Limited was a 91.24% subsidiary of your Company and Indiagames Limited was 56.00% subsidiary of your Company. Pursuant to the Composite Scheme of Amalgamation and Arrangement sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench ("Tribunal") vide its order dated June 08, 2017 which has become effective from June 30, 2017, Indiagames Limited alongwith The Walt Disney Company (India) Private Limited stand merged with the Company. The Appointed Date of the merger was April 01, 2015 and the audited financial statements appended hereto have been accordingly prepared after giving effect to the merger.

The statement pursuant to Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 containing the salient features of the financial statement of its subsidiaries in Form AOC 1 are annexed to the financial statements.

**DISNEY ENTERTAINMENT (INDIA) LIMITED ("DEIL"):**

DEIL was incorporated on June 06, 2007. DEIL continues to carry on the business of aggregating and distributing channels outside India to various distribution platforms and live entertainment.

As at March 31, 2017, DEIL had two wholly owned subsidiaries - namely Genx Entertainment Limited ("Genx") and Disney Broadcasting (India) Limited ("DBIL"). Genx and DBIL are engaged in the business of broadcasting entertainment channels (non-news / current affairs). The channels 'bindass' and 'UTV Action' are owned and operated by Genx and channels 'UTV Movies', 'Disney International HD' (formerly 'Bindass Play'), 'Disney Channel', 'Disney XD', 'UTV Movies International' and 'Disney Junior' are owned and operated by DBIL.

Subsequent to the reporting date, on July 24, 2017, The Walt Disney Company (Southeast Asia) Pte. Limited ('TWDSEA') transferred its entire investments, i.e., Equity and Preference Shares held in United Home Entertainment Private Limited

("UHEPL") to DEIL under a Share Swap Arrangement ('SSA') by which UHEPL, which is also engaged in the business of broadcasting kids' entertainment channel (non-news/ current affairs) named "Hungama TV," became a subsidiary of DEIL with DEIL holding 99.99% shares in UHEPL. As a part of the SSA, on July 24, 2017, DEIL allotted 2,017,199 equity shares of ₹ 10 each at a premium of ₹ 2,308 per share to TWDSEA whereby TWDSEA's holding in DEIL increased from 8.26% to 42.57%.

The Board of Directors of DBIL, at their meeting held on December 22, 2015, had approved the draft Scheme of Arrangement and Amalgamation between DBIL and United Home Entertainment Private Limited ('UHEPL'), an affiliate company, and filing of the same with the Hon'ble High Court of Judicature at Mumbai ("the Court"). The reduction of Securities Premium Account for writing off the existing debit balance in the Profit & Loss Account of the Company formed an integral part of the Scheme and amounts to reduction in capital in terms of Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956. The said petition was transferred to the National Company Law Tribunal, Mumbai Bench during the year.

DBIL's petition before the Tribunal for sanctioning the proposed Scheme of Arrangement and Amalgamation between DBIL and UHEPL ('Merger'), was heard by the Tribunal on June 08, 2017 and based on the submissions made, the Hon'ble Tribunal was pleased to sanction the Scheme vide order dated June 08, 2017 subject to securing the approval of the Ministry of Information & Broadcasting (MIB), Government of India, under the policy guidelines for uplinking and downlinking of television channels which obligates DBIL to take prior permission from the MIB before effecting the Merger with UHEPL. Accordingly, requisite application has already been made to the MIB for its clearance to the Merger upon receipt of which necessary filings will be made with the Registrar of Companies, Mumbai to give effect to the Scheme.

As at March 31, 2017 DEIL, on standalone basis, posted revenue income (from operations) of ₹ 65.25 million (Previous Year ₹ 154.01 million) and a net loss of ₹ 814.83 million (Previous Year net loss ₹ 3995.71 million).

The contribution of DEIL to the overall performance of the company during the period under report was ₹ 65.25 million (turnover) which amounts to 0.53% of the Company's revenues.

#### **INDIAGAMES LIMITED ("Indiagames"):**

Indiagames was incorporated on February 01, 2000 and was engaged in publishing and developing games across various platforms.

As stated above, Indiagames stands merged with the Company with effect from the appointed date pursuant to the Composite Scheme of Amalgamation and Arrangement sanctioned by the Tribunal vide its order dated June 08, 2017 which has become effective from June 30, 2017.

#### **IG INTERACTIVE ENTERTAINMENT LIMITED ("IG"):**

IG was incorporated on September 06, 2004 and carries out Film Acquisition, Syndication and Distribution business in the United Kingdom. As at March 31, 2017 it posted sales of GBP 2,678,724 (Previous Year GBP 3,669,909) and a net loss of GBP 1,285,172 (Previous Year net profit GBP 297,559).

As at March 31, 2017, Ignition Entertainment Limited (UK) ("Ignition") continued to be a 100% subsidiary of IG and Ignition Entertainment Limited (USA) and Ignition London Limited continued to be a 100% subsidiary of Ignition. During the year under review Ignition, Ignition Entertainment Limited (USA) and Ignition London Limited did not carry out any business activity.

The contribution of IG to the overall performance of the company during the period under report was ₹ 234.25 million (consolidated turnover) which amounts to 1.89% of the Company's revenues.

#### **UTV COMMUNICATIONS (USA) LLC ("UTV US"):**

UTV US was incorporated on April 26, 2004 and carries on film acquisition, syndication and distribution business in the United State of America (North America) and other surrounding territories. As at March 31, 2017 it posted sales of USD 6,789,818 (Previous year USD 4,481,643) and a net profit of USD 1,524,945 (Previous Year net profit USD 1,543,959).

The contribution of UTV US to the overall performance of the Company during the period under report was ₹ 455.17 million (turnover) which amounts to 3.66% of the Company's revenues.

#### **UTV GAMES LIMITED ("UTV Games"):**

UTV Games is a 100% subsidiary of your Company and was incorporated on September 05, 2008 to carry on the principal activity of investment holding. During the year under review, UTV Games did not carry out any business activity. Hence, there was no contribution by UTV Games to the overall performance of the Company during the period under report.

True Games Interactive, Inc. continued to be 100% subsidiary of UTV Games. During the year under review True Games Interactive, Inc. did not carry out any business activity.

## **6. COMPOSITE SCHEME OF ARRANGEMENT:**

Pursuant to the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 sanctioned by the Tribunal on June 08, 2017, the entire assets and business of The Walt



Disney Company (India) Private Limited ('TWDCI') and Indiagames Limited ('Indiagames') have been transferred and vested in the Company from the Appointed Date of April 01, 2015 and the order has become effective on June 30, 2017.

In accordance with the terms of the Scheme, TWDCI and Indiagames stand merged with the Company with effect from the Appointed Date and consequently, TWDCI and Indiagames stand dissolved without winding up. The necessary accounting entries giving effect to the merger of the above entities with the Company from the Appointed Date have been passed in the books of accounts of the Company.

Pending implementation of the aforementioned Scheme, the Company had made an application to the Registrar of Companies, Mumbai on June 02, 2017 seeking an extension for holding the 27<sup>th</sup> Annual General Meeting ('27<sup>th</sup> AGM') beyond September 30, 2017 which was approved and an extension of 03 (three) months was granted to the Company allowing it to hold its 27<sup>th</sup> AGM on or before December 31, 2017.

## 7. SHARE CAPITAL:

During the year under review, the shareholders of the Company vide their special resolution passed at the Annual General Meeting of the Company held on September 29, 2016, had approved the issue of 1,346,153,846 equity shares of ₹ 10/- each at a premium of ₹ 3/- per share not exceeding a sum of ₹ 1,750 Crores on preferential basis to The Walt Disney Company (Southeast Asia) Pte. Limited ["TWDC (SEA)"] in accordance with the provisions of Section 42 and 62(1)(c) of the Companies Act, 2013 and rules thereunder. Pursuant to the aforesaid approval, the Company had on October 19, 2016 allotted 817,692,308 equity shares of face value of ₹ 10 each at a premium of ₹ 3/- per equity share to TWDC (SEA) on preferential basis.

Further, the Board has at its meeting held on January 09, 2017, had converted 1,666,000 Non-Cumulative Compulsorily Convertible Preference Shares of a face value of ₹ 1,500/- each ("CCPS") issued to TWDC (SEA) into 5,058,704 equity shares of ₹ 10/- ("Equity Shares") each at a premium of ₹ 484/- per equity share.

Accordingly, the paid up share capital of the Company as on March 31, 2017 stands increased to ₹ 8,755,884,850 (Rupees Eight Hundred Seventy Five crore fifty eight lakh eighty four thousand eight hundred and fifty) divided into 875,588,485 Equity Shares of ₹ 10 each.

As a part of the implementation of the Composite Scheme of Amalgamation and Arrangement between TWDCI, Indiagames and the Company ('Scheme'), the authorised equity share capital of the Company stands increased by the authorised share capital of the amalgamating companies aggregating to ₹ 2,612,500,000/-. Accordingly, the Company's authorised share capital as on the date of this report is ₹ 19,101,415,00/- divided into 16,602,415,000 Equity Shares of ₹ 10 (Rupees Ten) each and 1,666,000 Compulsorily Convertible Preference Shares of ₹ 1,500/- each.

Further, in compliance with the aforesaid Scheme, your Company issued and allotted 11,394,818 equity shares of face value ₹ 10/- each (Rupees Ten Only) to the shareholders of TWDCI and 4,882,271 equity shares of face value ₹ 10/- each (Rupees Ten Only) to the shareholder of Indiagames.

## 8. DIRECTORS/KEY MANAGERIAL PERSONNEL:

### Directors:

The Board of Directors as on March 31, 2017 comprised of the following directors:

Name of Director	Director Identification Number	Designation
Mr. Sujit Vaidya	03287161	Director
Ms. Parul Tevatia	07129849	Director
Mr. Prem Mehta	00005622	Independent Director
Mr. Narendra Ambwani	00236658	Independent Director

During the year under review, Mr. Nimish Shah resigned as Whole-time Director of the Company with effect from January 09, 2017. The Board places on record its appreciation for the services rendered by Mr. Nimish Shah during his tenure with the Company.

Ms. Parul Tevatia resigned as Non-executive Director of the Company with effect from July 01, 2017. The Board also places on record its appreciation for the services rendered by Ms. Parul Tevatia during her tenure with the Company.

The Board of Directors of the Company at its meeting held on July 07, 2017, appointed Ms. Monisha Shroff (DIN: 05220951) as Additional Non-executive Director of the Company effective from July 01, 2017. Also, Mr. Mahesh Samat (DIN: 02321902) was appointed as a Managing Director of the Company effective from July 01, 2017 and Mr. Sujit Vaidya (DIN: 03287161) was designated as Whole Time Director of the Company effective from July 01, 2017. Additionally, pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Mahesh Samat and Mr. Sujit Vaidya were designated as Key Managerial Personnel of the Company.



In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Sujit Vaidya retires at the forthcoming Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

The Board also seeks the support of the shareholders in confirming and regularizing the appointment of Mr. Mahesh Samat, Mr. Sujit Vaidya and Ms. Monisha Shroff, as Managing Director, Whole Time Director and Non-Executive Director respectively at the forthcoming Annual General Meeting. The necessary resolutions for their appointment are also being placed before the members for their consideration at the forthcoming Annual General Meeting.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be reappointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2, is appended as an annexure to the Notice of the ensuing AGM.

#### **Key Managerial Personnel:**

The Key Managerial Personnel ('KMP') of the Company as on March 31, 2017 were as follows:

<b>Name of Key Managerial Personnel</b>	<b>Designation</b>
Mr. Vishwas Joshi	Chief Financial Officer
Mr. Puneet Juneja	Company Secretary

\*Mr. Nimish Shah resigned with effect from January 09, 2017

\*\* Mr. Mahesh Samat (Managing Director) and Mr. Sujit Vaidya (Whole Time Director) were designated as Key Managerial Personnel of the Company with effect from July 01, 2017.

#### **Board Meetings**

During the financial year 2016-17, the Board of Directors met 05 (five) times on May 23, 2016, August 29, 2016, December 08, 2016, January 09, 2017 and March 21, 2017 and the gap between two meetings did not exceed one hundred and twenty days. Further, the Board has met at least once in every calendar quarter of financial year 2016-17.

The details of Meetings of the Board with the names of the directors, their attendance at board meetings held during the year are provided herein below:

<b>Name of the Director</b>	<b>Category</b>	<b>Number of board meetings during the year 2016-17</b>	
		<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Nimish Shah*	Whole Time Director	5	3
Mr. Sujit Vaidya	Non-executive Director	5	5
Ms. Parul Tevatia	Non-executive Director	5	4
Mr. Prem Raj Mehta	Non-executive Independent Director	5	5
Mr. Narendra Kumar Ambwani	Non-executive Independent Director	5	5

\*Resigned with effect from January 09, 2017

#### **Evaluation Mechanism**

The annual performance evaluation of all the directors, Board including its committees was conducted based on the criteria and framework adopted by the Board. The evaluation is primarily basis the attendance in various Board and Committee meetings, timely inputs on the minutes of the meeting, contribution and active participation in the meeting, adherence to the ethical standards and Code of Conduct of the Company amongst few.

## **9. COMMITTEES OF THE BOARD:**

### **I. AUDIT COMMITTEE:**

The Company has an adequately qualified Audit Committee in line with provisions of Section 177 of the Companies Act, 2013 and rules thereunder.

As on March 31, 2017 the committee comprised of Mr. Sujit Vaidya (Chairman), Mr. Prem Raj Mehta and Mr. Narendra Kumar Ambwani as members.

The Audit Committee primarily recommends appointment, remuneration and terms of appointment of auditors of the Company, review auditors independence, examines financial statements and auditors report, approval of related party transactions, scrutinize inter-corporate loans and investments, monitor end use of funds, overseeing vigil mechanism and such other functions as may be entrusted by the Board.

The Company has a robust vigil mechanism whereby the genuine concerns expressed by the employees and directors are adequately addressed. Details of establishment of vigil mechanism are uploaded on the website of the Company in accordance with requirements of Section 177(8) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

**Meetings of the Audit Committee:**

During the financial year 2016-17, the Committee met 04 (four) times on May 23, 2016, August 29, 2016, December 08, 2016 and March 21, 2017.

The details of Committee meetings held and attendance of each member thereat is as follows during the year 2016-17:

Name of the Member	Category	Number of Audit Committee meetings during the year 2016-17	
		No. of meetings held	No. of meetings attended
Mr. Sujit Vaidya*	Non-executive Director	4	4
Mr. Prem Raj Mehta	Independent Director	4	4
Mr. Narendra Kumar Ambwani	Independent Director	4	4

\* ceased to be a Chairman of the Committee with effect from July 01, 2017 and Ms. Monisha Shroff elected as Chairperson of the Committee with effect from July 01, 2017.

**II. NOMINATION AND REMUNERATION COMMITTEE:**

The Company has an adequately qualified Nomination and Remuneration Committee in line with provisions of Section 178 of the Companies Act, 2013 and rules thereunder.

As on March 31, 2017, the Committee comprised of Mr. Sujit Vaidya (Chairman), Mr. Prem Raj Mehta and Mr. Narendra Kumar Ambwani as members.

The policy of the Company on directors' appointment and remuneration, including criteria for determining remuneration and other matters provided under Section 178 of the Companies Act, 2013 is appended as **Annexure A** to this report.

**Meetings of the Nomination and Remuneration Committee:**

During the financial year 2016-17, the Committee met 02 (two) times once on August 29, 2016 and January 09, 2017.

The details of Committee meetings held and attendance of each member thereat is as follows during the year 2016-17:

Name of the Member	Category	Number of Nomination & Remuneration Committee meetings during the year 2016-17	
		No. of meetings held	No. of meetings attended
Mr. Sujit Vaidya*	Non-executive Director	2	2
Mr. Prem Raj Mehta	Independent Director	2	2
Mr. Narendra Kumar Ambwani	Independent Director	2	2

\* ceased to be a Chairman of the Committee with effect from July 01, 2017 and Ms. Monisha Shroff elected as Chairperson of the Committee with effect from July 01, 2017.

**III. CORPORATE SOCIAL RESPONSIBILITY ("CSR") COMMITTEE:**

The Company has an adequately qualified CSR Committee in line with provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014.

As on March 31, 2017, the committee comprised of Mr. Sujit Vaidya (Chairman), Ms. Parul Tevatia and Mr. Prem Raj Mehta as members.

The Committee is primarily responsible for developing and overseeing the implementation of the CSR activities undertaken by the Company in line with the CSR Policy adopted by the Board. The Report on Company's CSR activities of the Company during FY 2016-17 is furnished in **Annexure B** and attached to this report.

**Meetings of the CSR Committee:**

During the financial year 2016-17, the Committee met 02 (two) times i.e. on December 08, 2016 and March 21, 2017.