



EASTERN SUGAR & INDUSTRIES LIMITED

ANNUAL REPORT 2017-18

CHAIRMAN

Bimal Kumar Nopany

DIRECTORS

S. J. Goswami - Whole Time Director

R. C. Jha

C. K. Garodia

R. Vaswani

REGISTERED OFFICE :

Hanuman Sugar Mills

P.O. Motihari

Dist. East Champaran

Bihar - 845 401

REGISTRAR & SHARE TRANSFER AGENT

M/s Maheshwari Datamatics Pvt. Ltd.

23 R.N. Mukherjee Road, 5th Floor, Kolkata 700 001

Phone : (033) 2248 2248 / 2243 5029

Fax : (033) 2248 4787

STATUTORY AUDITORS

M/s. Saraf Manoj & Co.

Chartered Accountants

Tobacco House

1, Old Court House Corner

Suite No. 519, 5th Floor

Kolkata 700 001

**NOTICE**

Notice is hereby given that the Annual General Meeting of the Members of **EASTERN SUGAR & INDUSTRIES LIMITED** will be held on **TUESDAY, THE 4th September, 2018 AT 12.00 P.M.** at the Registered Office of the Company at **HANUMAN SUGAR MILLS, P.O. MOTIHARI, DIST. EAST CHAMPARAN, BIHAR-845401** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2018 and the reports of the Board of Directors (the Board) and the Auditors thereon.
2. To appoint Director in place of Mr. B. K. Nopany, who retire by rotation and is eligible for re-appointment.
3. To ratify the appointment of Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, the following resolution:
"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, **M/S. SARAF MANOJ & CO, CHARTERED ACCOUNTANTS**, were appointed as Auditors of the Company, for a period of five (5) years until the conclusion of fifth consecutive Annual General Meeting, which was subject to ratification at every AGM be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the AGM for financial year ended 31.03.2019, on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors.

By order of the Board
For **Eastern Sugar & Industries Limited**
Bimal Kumar Nopany
Chairman

Place : Kolkata
Dated : 30th May 2018

**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (the Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
5. The Register of Members and Share Transfer Books of the company will remain closed from 29.08.2018 to 04.09.2018 (both days inclusive).
6. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrar and Transfer Agent.
7. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.

9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent, for consolidation into a single folio.
11. Non-Resident Indian Members are requested to inform the Registrar, immediately change in their residential status on return to India for permanent settlement.
12. The Members attending the General Meeting are requested to bring enclosed attendance slip, duly filled in.
13. Members, who hold share in de-materialised form, are requested to bring their client ID and DP-ID number for the purpose of identification and attendance at the meeting.
14. Details under Regulation 27 (2) -of the SEBI Listing Regulations 2015 (LODR), with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.
15. Electronic copy of the Annual Report for the year 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report for 2017-18 is being sent in the permitted mode.
16. Electronic copy of this Notice inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies thereof is being sent in the permitted mode.
17. Members may also note that this Notice and the Annual Report for the year 2017-18 will also be available on the Company's website www.easternsugar.in for their download.

18. Voting through Electronic means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations,

2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences at 9:30 a.m. on Saturday, 1st September, 2018 and ends at 5:00 p.m. on Monday, 3rd September, 2018. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 28th August, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

(iii) Click on Shareholder - Login

(iv) Put your user ID and password. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other

person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select “EVEN” of Eastern Sugar & Industries Limited

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(x) Upon confirmation, the message “Vote cast successfully” will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the

folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 28th August, 2018.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 28th August, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. Mr. B. K Sethia, Chartered Accountant (Membership No.063033) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.hanumansugar.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange at which Company’s Shares are listed.



Details of Directors seeking appointment/re-appointment at the Annual General Meeting

Particulars	Mr. B. K. Nopany
Date of Birth	26/04/1943
Date of Appointment	30/06/1995
Qualifications	B.Com
Expertise in specific functional areas	Shri B. K. Nopany has more than 50 years experience in Business, spreading over Sugar, Real Estate Development, Investment etc. He is Chairman of the board of a Leading Academic Institution in Kolkata and is on the Board of Governors of another leading institution (public school) of Ranchi.
Directorships held in other companies, LLP (excluding foreign companies)	1. Hanuman Industries Food Ind. Ltd 2. Shruti Ltd. 3. Indo Austro Corporation Pvt. Ltd. 4. Shruti Spinniner Ltd. 5. Nopany Investment Pvt. Ltd. 6. Nopany & Sons Pvt. Ltd 7. Super Scars& System Pvt. Ltd 8. Shree Milk & Food Industries Ltd 9. Eastern Sugar & Industries Ltd 10. Champaran Agri Park Pvt. Ltd 11. Bilaspur Spinning Mills & Industries Ltd. 12. ACME Papers Ltd. 13. NIPLASHA Construction and Renovation LLP
Memberships Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/Investors Grievance Committee)	1. Shree Hanuman Sugar & Industries Limited
Number of shares held in the Company	402865

Registered Office:
Hanuman Sugar Mills
P.O. Motihari, Dist. East Champaran
Bihar 845 401
E-mail: esil@nopany.in
CIN: L15421BR1964PLC006630
Date: 30th May 2018

By Order of the Board
For **EASTERN SUGAR & INDUSTRIES LIMITED**
Bimal Kumar Nopany
Chairman

**DIRECTORS' REPORT**

TO
THE MEMBERS

Your Directors have pleasure in presenting the Annual Report and the Audited Accounts of the Company for the financial year ended 31st March 2018

FINANCIAL RESULTS	(Rs. in lacs) 2017-18	(Rs. in lacs) 2016-17
Sales & Other Income	----	----
Profit/(Loss) before Interest, Depreciation and Tax	(19.60)	(13.82)
Less: Depreciation	----	----
	-----	-----
Profit / (Loss) before tax	(19.60)	(13.82)
Less, Provision for tax	----	----
	-----	-----
Profit after tax	(19.60)	(13.82)
Add: Balance brought forward from previous year	895.93	909.75
	-----	-----
Profit available for appropriation	876.33	895.93
	=====	=====
Balance carried to Balance Sheet	876.33	895.93
	=====	=====

PERFORMANCE:

No Income, during the year under review, Profit/(Loss) after Tax amounting to Rs. (19.60) lacs as against (13.82) lacs in the previous financial year.

DIVIDEND:

Considering funds required for increasing business of the Company and also considering the requirement for strengthening its financial positions, your Directors do not recommend any dividend for the year.

RESERVE FUND

The company has not transferred any amount in General Reserve Account.

FIXED DEPOSITS:

During the year under review, the Company has not accepted public deposits under section 58-A of the Companies Act, 2013

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Your Directors confirm that:

- i. In the preparation of the Annual Accounts for the year ended 31st March, 2018, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financials year and the loss of the company for the year under review;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing, and detecting fraud and other irregularities; and
- iv. The Directors have prepared the annual accounts on a going concern basis.

DIRECTORS AND KMP

- Mr. B. K. Nopany (DIN: 00694221) retire by rotation at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.
- Mr. Davis Younge Manawwar (DIN 02924559) due to some reason resigned from the Board of Directors of the Company w.e.f. 22.06.2017
- Ms. Ratan Vaswani (DIN 02657363) has been appointed as an Independent director w.e.f. 22.06.2017
- Ms. Priyanka Mundhara (PAN - BSTPM2263D) has been appointed as company secretary and compliance officer of the company w.e.f 22.06.2017

AUDITORS:

M/S. SARAF MANOJ & CO, CHARTERED ACCOUNTANTS, were appointed as Auditors of the Company, for a period of five (5) years until the conclusion of fifth consecutive Annual General Meeting, which should be held in the year of 2022, was subject to ratification at every AGM. A proposal for ratification of the appointment of the Statutory Auditors for the Financial Year 2018-19 is placed before the Members at the ensuing AGM. The said Auditors have given their eligibility certificate in terms of Section 139 of the Companies Act, 2013.

Notes forming part of accounts, which are specifically referred to by the Auditors in their report, are self explanatory and, therefore, do not call for any further comments.

SECRETARIAL AUDITORS & REPORT

Your Company appointed CS Meena Chowdhary, Practising Company Secretary, (Membership No. - ACS 41084 and Certificate of Practice No. 16829) as the Secretarial Auditor of your



Company for F.Y.- 2017-18 to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the financial year ended **March 31, 2018** is annexed as Annexure and forms part of the Report.

DE-MATERIALISATION OF SHARES:

The Company's equity shares are available for de-materialization on both the depositories, viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your Company's shares mandatory, in de-materialized form. As on 31st March, 2018, 14052400 equity shares representing 48.21% of your Company's Equity Share Capital have been de-materialised

LISTING AT STOCK EXCHANGE:

The Shares of the Company are listed on Bombay Stock Exchange, Mumbai and National Stock Exchange of India Ltd. Trading at National Stock Exchange and Bombay stock exchange is suspended and efforts are being put for revocation of the suspension..

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Regulation 27(2) of the SEBI Listing Regulations 2015 (LODR), with the Stock Exchanges, report on Corporate Governance along with the Auditors' statement on its compliance and Management discussion and Analysis have been included in this Annual Report as a separate annexure.

The company shall obtain a Certificate/Report from either the auditors or practicing company secretaries regarding compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and annex the Certificate/Report on Corporate Governance with the Board's Report. This Certificate/Report shall also be sent to the Stock Exchanges, where the shares of the Company are listed, along with the annual report filed by the company. (Applicable to equity listed companies)

Declaration by Managing Director that the Board Members and Senior Management Persons have complied with the Code of Conduct.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

The following number of meetings of the Board of Directors held during the financial year 2017-18, 30.05.17, 22.06.17; 11.08.17; 13.11.17 & 14.02.17

STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS:

All independent Director(s) have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

**SUBSIDIARIES, JOINT VENTURE**

There are no companies which have become or ceased to be its Subsidiaries, Joint Ventures during the year.

EXTRACT OF ANNUAL RETURN:

An extract of Annual return as on the financial year ended on March 31, 2018 in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is set out as an Annexure to the Directors' Report and form part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

VIGIL MECHANISM

Pursuant to the provisions of section 177(9) of the Companies Act, 2013, the company had established a vigil mechanism for directors and employees to report concerns of unethical behavior, actual or suspected fraud or violation of the company's code of conduct.

REMUNERATION POLICY

The Board has, on the recommendation of the nomination & remuneration Committee framed a policy for selection and appointment of Directors, senior management and their remuneration.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its audit, nomination & remuneration Committees.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an internal Control system commensurate with the size and scale of its operations.

COMMITTEES

The company has 3(Three) Board committees constituted as per the requirement of the Act during the financial year viz., Audit Committee, Nomination and Remuneration Committee and Shareholder Grievance Committee.

BUSINESS RISK MANAGEMENT

The main identified risks at the company are commercial risks, financial risks, operational risks and legal & regulatory risks. Your company has established a comprehensive risk management system to ensure that risk to the company's continued existence as a going concern and to its development are identified and addressed on timely basis. Risk management strategy as approved by the board of directors is implemented by the company management.

CONTRACT AND ARRANGEMENT WITH RELATED PARTIES:

During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company materiality of related party transactions. Hence, the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in Form AOC-2 is not required. Further, there are no materially significant Related Party Transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the point no. 10 of Note 15 to the Financial Statement.

PARTICULARS OF EMPLOYEES

As required under provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees falling under above category, thus no information is required to be given in the report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case file pursuant to the Sexual Harassment of Women at workplace (Prevention, Prohibition And Redressal) Act, 2013.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING

As the manufacturing operation of the Company has been discontinued long ago, and since the company doesn't have any manufacturing facilities and is not engaged in the manufacturing activity, the prescribed information regarding compliance of rules relating to conservation of Energy and Technology absorption pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is not provided.



The Company does not have any Foreign Exchange Earnings and outgo in the year under review.

EMPLOYEE RELATIONS:

During the year under review, the relations between the Management and the workmen were cordial, except witness of recent agitation. The management of the Company in confident to solve the problem soon.

INVESTOR RELATIONS:

Your Company always endeavors to keep the time of response to Shareholders' requests/grievance at the minimum. Priority is accorded to address all the issues raised by the Shareholders and provide them a satisfactory reply at the earliest possible time. The Shareholders' Grievance Committee of the Board meets periodically and reviews the status of the redressal of Shareholders' Grievances. The Shares of the Company continue to be traded in Electronic Form and the De-materialization arrangement exists with both the depositories, viz., National Depository Limited and Central Depository Services (India) Limited.

ACKNOWLEDGEMENT:

Yours Directors wish to place on record the sincere and dedicated efforts of all the members of the Company's team which has throughout the year remained active. Your Directors also take this opportunity to offer their sincere thanks to Financial Institutions, Banks, other Government Agencies, our valued customers and the investors for their continued support and assistance. The employees of your Company continued to display their unstinted devotion, co-operation. Your Directors take this opportunity to record their appreciation for the same. Your Directors also express their profound thanks to the Shareholders for their faith and continued support to the endeavors of the Company.

KOLKATA
Date: 30th May 2018

By Order of the Board
For **EASTERN SUGAR & INDUSTRIES LIMITED**
B. K. Nopany
Chairman



ANNEXURE TO THE DIRECTOR'S REPORT CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company considers Corporate Governance as an important tool for achieving all round excellence with ultimate objective of enhancing shareholders' value. The Company took initiative in practicing good Corporate Governance procedures, even before they were made mandatory.

It is firmly believed that Corporate Governance begins with Company's continuous review of its internal procedures and practices encompassing all its business areas in the most appropriate manner, which would spell fairness, transparency and accountability.

II. BOARD OF DIRECTORS

The Business of the Company is managed by the Board of Directors. The functions of the Board include formulation of strategic business plans, budgets, setting up goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. A director along with a team of professionals manages the day-to-day operations of the Company. The Non-Executive Directors are drawn from amongst persons with experience in business, industry and finance. The Board of Directors has the ideal composition with more than half the Directors being non-executive Directors. Since the Company has a Non-Executive Promoter Chairman, the Board's composition meets the stipulated requirement of at least one-half of the Board comprising independent Directors who have no professional and/or business relationship with the Company.

A. Composition of Directorships

The constitution of the Board as on March 31, 2018

Non-executive Chairman - Mr. B. K. Nopany, Chairman & Non-executive Director

Promoter Director	Executive Director	Non-Executive Director and Independent Director
Mr. B.K. Nopany	Mr. S.J. Goswami	Mr. C. K. Garodia Mr. R. C. Jha Ms. Ratna Vaswani

B. Pecuniary Relationship

There is no pecuniary relationship or transaction of the non-executive Directors vis-à-vis the Company.

C. Attendance records of Board Meetings

During the year under review, Five (5) Board meetings were held on 30.05.17, 22.06.17; 11.08.17; 13.11.17 & 14.02.17. The Board members are given appropriate documents and information in advance of each Board meeting.

The attendance record of all the Directors on the Board was as under:-

Director	No. of Board meetings attended	Attendance at Last AGM
Mr. B. K. Nopany	5	Yes
Mr. S. J. Goswami	5	Yes
Mr. R. C. Jha	5	No
Mr. C. K. Garodia	5	Yes
Ms. Ratna Vaswani	5	No

D. Directors of the Company having directorship in other Companies, Membership/Chairmanship in Committees (as prescribed under Corporate Governance) across all Companies in which there are directors

Name of Director	Category of Directorship	No. of other Directorships held in Other Public Companies*	No. of membership in other Companies Committees**	
			Member	Chairman
Mr. B. K. Nopany	Promoter & Non-executive Chairman	6	2	Nil
Mr. R. C. Jha	Independent & Non-executive	Nil	Nil	Nil
Mr. S. J. Goswami	Executive	2	Nil	Nil
Mr. C. K. Garodia	Independent & Non-executive	1	Nil	Nil
Ms. Ratna Vaswani	Independent & Non-executive	Nil	Nil	Nil

** Memberships of Board Committees include Audit and Shareholders/Investors Grievance Committees only.

III. BOARD PROCEDURES

The members of the Board have been provided with the requisite information as per the listing agreement well before the Board Meeting and the same was dealt with appropriately.

All the Directors who are in various committees are within the permissible limit of the listing agreement and none of the Directors are disqualified for appointment as director under any of the provisions of the Companies Act, 2013.

IV. AUDIT COMMITTEE

The Audit Committee comprised Mr. C. K. Garodia as Chairman and Mr. R. C. Jha and Mr. D. Y. Mannawar as its members. The Audit Committee at its meetings exercised the role and duties, which had been defined by the Board of Directors pursuant to provisions of the Companies Act read with Regulation 27(2) of the SEBI Listing Regulations 2015 (LODR).

After Mr. D. Y. Mannawar resigned on 22/06/2017, Audit Committee has been reconstituted comprising of Mr. C. K. Garodia as Chairman and Mr. R. C. Jha and Ms. Ratna Vaswami as its members.

Terms of Reference of Audit Committee are broadly as follows:

- The Audit Committee is responsible for:
- Overseeing the Company's financial reporting process and disclosure of its financial information;
- Recommending the appointment of the Statutory Auditors and fixation of their remuneration;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing and discussing with the Statutory Auditors and the Internal Auditor about internal control systems;
- Reviewing the adequacy and independence of the Internal Audit Function and observations of the Internal Auditor;
- Reviewing major accounting policies and practices and adoption of applicable Accounting Standards;
- Reviewing major accounting entries involving exercise of judgment by the Management;
- Disclosure of Contingent Liabilities;
- Reviewing, if necessary, the findings of any internal investigations by the