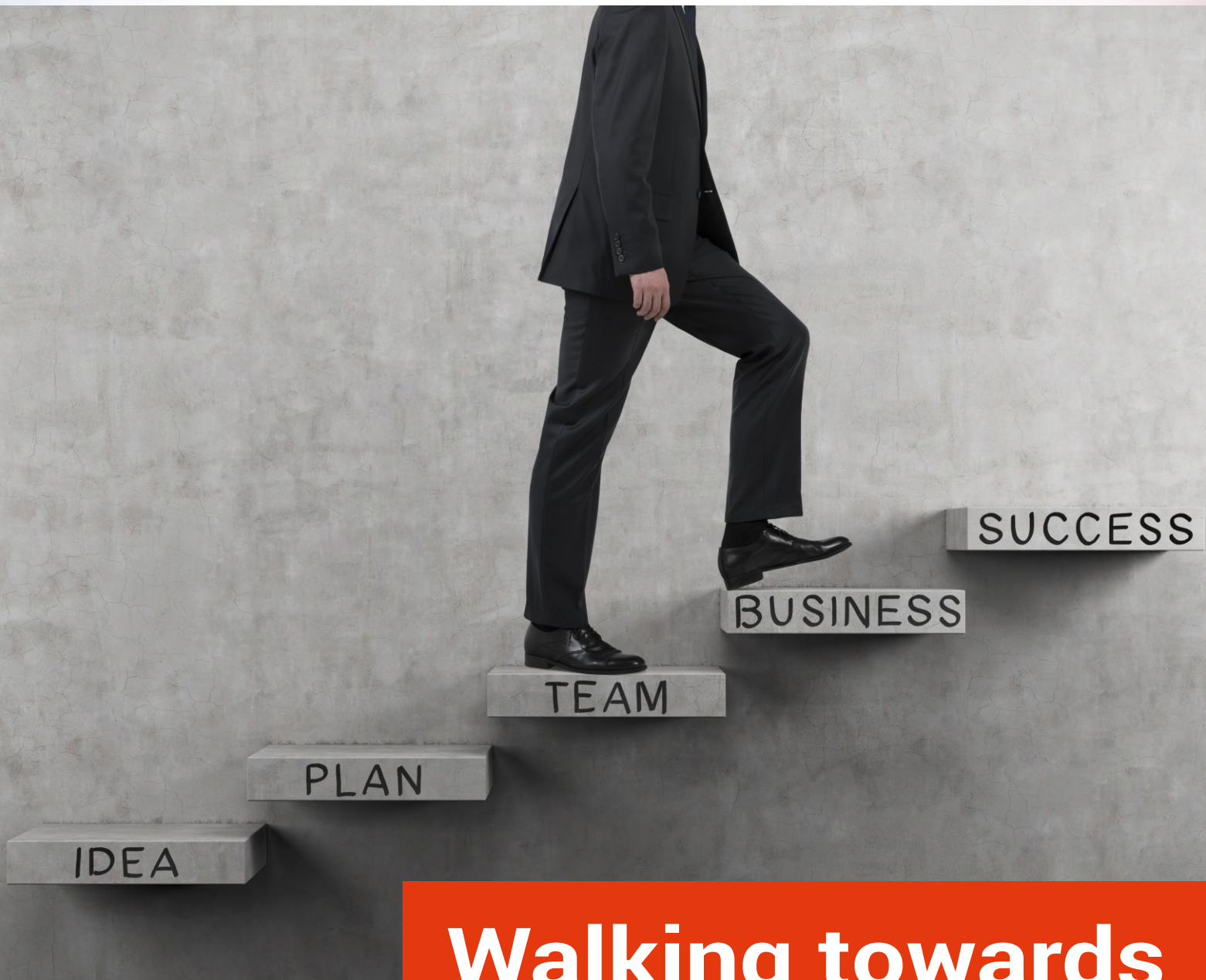


# 28<sup>TH</sup> ANNUAL REPORT

---

## 2018-2019



**Walking towards  
Long-Term Wealth Creation**



## Corporate Information

### Board of Directors and KMPs

#### Board of Directors

<b>Mr. Chintan Valia</b>	Non Executive Chairman
<b>Ms. Khyati Valia</b>	Non Executive Director
<b>Ms. Shaily Maheshwari</b>	Non Executive Director
<b>Mr. Pankaj Bhuta</b>	Independent Director
<b>Mr. Alok Kumar Misra</b>	Independent Director
<b>Mr. Suryakant B. Mainak</b>	Independent Director

### Committees

#### Audit Committee

<b>Mr. Pankaj Bhuta</b>	Chairman
<b>Mr. Chintan Valia</b>	Member
<b>Mr. Alok Kumar Misra</b>	Member
<b>Mr. Suryakant B. Mainak</b>	Member

#### Stakeholders Relationship Committee

<b>Mr. Chintan Valia</b>	Chairman
<b>Mr. Pankaj Bhuta</b>	Member
<b>Mr. Alok Kumar Misra</b>	Member
<b>Mr. Suryakant B. Mainak</b>	Member

#### Nomination & Remuneration Committee

<b>Mr. Alok Kumar Misra</b>	Chairman
<b>Mr. Chintan Valia</b>	Member
<b>Mr. Pankaj Bhuta</b>	Member
<b>Mr. Suryakant B. Mainak</b>	Member

#### Internal Finance Committee

<b>Mr. Chintan Valia</b>	Chairman
<b>Mr. Pankaj Bhuta</b>	Member
<b>Mr. Alok Kumar Misra</b>	Member
<b>Mr. Suryakant B. Mainak</b>	Member

### Key Managerial Personnel

<b>Mr. Prateek Tayal</b>	Manager
<b>Mr. S. G. Muthu Kumar</b>	Chief Financial Officer
<b>Mr. Haroon Mansuri</b>	Company Secretary

### Bankers

Axis Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
Yes Bank Limited

### Statutory Auditors

M/s. Bathiya & Associates LLP  
Chartered Accountants

### Internal Auditors

M/s. Sandeep R. Maheshwari & Co.  
Chartered Accountants

### Contact Details

**The Investment Trust of India Limited (formerly known as Fortune Financial Services (India) Limited)**

#### Registered Office :

Naman Midtown, "A" Wing, 21<sup>st</sup> Floor  
Unit No. 2103, Senapati Bapat Marg  
Elphinstone Road, Mumbai 400 013  
Telephone No.: +91 -022- 4027 3600  
Fax No. : +91- 022- 4027 3700  
Email : cosecretary@itiorg.com  
Web site : www.itigroup.co.in  
CIN : L65910MH1991PLC062067

#### Registrar and Share Transfer Agent

Purva Share Registry (India) Private Limited  
**(Unit : The Investment Trust of India Limited (formerly known as Fortune Financial Services (India) Limited)**  
Shivshakti Industrial Estate, Unit No. 9  
7/B, Sitaram Mill Compound, J.R. Boricha Marg  
Lower Parel, Mumbai – 400 011.  
Telephone : +91-22-2301 6761 / 8261  
Fax : +91-22-2301 2517  
e-mail : support@purvashare.com  
Website : www.purvashare.com

### Contents

Sr. No.	Particulars	Page No.
1.	Directors' Report	02
2.	Corporate Governance	32
3.	Consolidated Financial Statements	57
4.	Standalone Financial Statements	103
5.	AGM Notice	142
6.	Map of the AGM venue	150
7.	Attendance Slip and Proxy Form	151
8.	Polling Paper	153

**DIRECTORS' REPORT**

**Dear Shareholders,**

Your Directors have pleasure in presenting the twenty eighth annual report and audited financial statements of the Company for the year ended 31st March, 2019.

**1 Company specific information**

**1.1 Financial summary and highlights :**

(₹ in lakhs)

	2018-2019	2017-2018	2018-2019	2017-2018
	Standalone		Consolidated	
Income from continuing operations	<b>32,686.31</b>	11,439.71	<b>62,916.88</b>	33,140.85
Other Income	<b>622.68</b>	1,297.27	<b>2,854.74</b>	1,997.14
<b>Total Income</b>	<b>33,308.99</b>	12,736.98	<b>65,771.62</b>	35,137.99
Profit / (Loss) before depreciation, exceptional item and tax	<b>(3,434.51)</b>	(1,811.62)	<b>4,709.18</b>	5,456.22
Depreciation and amortization	<b>15.99</b>	6.71	<b>992.78</b>	853.15
Profit / (Loss) before exceptional item and tax	<b>(3,450.50)</b>	(1,818.33)	<b>3,716.40</b>	4,603.07
Add : Share of profit from Associates	-	-	<b>1,154.70</b>	2,050.46
Profit / (Loss) before tax	<b>(3,450.50)</b>	(1,818.33)	<b>4,871.10</b>	6,653.53
Provision for tax				
- Current tax	-	-	<b>2,130.79</b>	1,758.82
- Deferred tax charged / (credit)	<b>(1,451.51)</b>	6.94	<b>(1,387.85)</b>	(3,088.43)
- Current tax relating to prior years	<b>(1.63)</b>	(27.74)	<b>43.06</b>	(41.64)
Profit after tax but before minority interest	<b>(1,997.36)</b>	(1,797.53)	<b>4,085.10</b>	8,024.78
Add : Other Comprehensive Income	<b>0.33</b>	(1.30)	<b>(26.90)</b>	73.81
Less : Profit attributable to non controlling interest	-	-	<b>556.78</b>	308.16
Total Comprehensive Income for the year	<b>(1,997.03)</b>	(1,798.82)	<b>3,501.42</b>	7,790.44
Add: Balance as per last financial statements	<b>781.39</b>	2,538.17	<b>11,204.68</b>	4,622.54
Add: Addition on account of merger	-	42.05	-	11.68
Add: Adjustment on account of equity method for associate	-	-	-	(245.80)
Profit available for appropriations	<b>(1,215.63)</b>	781.40	<b>14,706.10</b>	11,204.68
<b>Less : Appropriations</b>				
Transfers with in other equity (including statutory reserves)	-	-	<b>(58.10)</b>	(974.18)
<b>Net Surplus in Statement of Profit and Loss</b>	<b>(1,215.63)</b>	781.40	<b>14,764.20</b>	11,204.68
Nominal value per equity share (in ₹)	<b>10.00</b>	10.00	<b>10.00</b>	10.00
Basic and diluted earnings per equity share				
- Basic (in ₹)	<b>(3.91)</b>	(3.52)	<b>6.92</b>	15.09
- Diluted (in ₹)	<b>(3.52)</b>	0.04	<b>6.84</b>	15.09

**1.2 Consolidated Financial Statements :**

The Board of Directors of your Company at its meeting held on 2<sup>nd</sup> May, 2019 approved the consolidated financial statements of the Company for the financial year 2018 - 2019 in accordance with the Accounting Standard (AS-21) and other applicable Accounting Standards issued by the Institute of Chartered Accountants of India as well as Regulation 34 (2) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which includes financial information of all subsidiaries.

**1.3 Transfer to General Reserves :**

In view of the losses incurred by the Company, the Company is not required to transfer any amount to General Reserve for the financial year 2018 - 2019.



#### 1.4 Dividend :

In view of the losses incurred by the Company, the Board of Directors does not recommend any dividend for the financial year 2018 – 2019 as per Dividend Distribution Policy of the Company.

Web link for dividend distribution policy : <https://www.itigroup.co.in/investorrelations/compliance>

#### 1.5 The state of Company's affairs :

##### a) Standalone :

The total income during the year 2018-2019 stood at Rs. 33,308.99 lakhs as against Rs. 12,736.98 lakhs during the previous year, showing an increase of income compared to the previous year. The Company has incurred a loss of before tax Rs. 3,450.50 lakhs as compared to the loss of Rs. 1,818.33 lakhs in the previous year. The loss after tax and Other Comprehensive Income stood at Rs. 1,997.03 lakhs as against the loss of Rs. 1,798.83 lakhs in the previous year.

##### b) Consolidated :

The total income during the year 2018-2019 stood at Rs. 65,771.62 lakhs as against Rs. 35,137.99 lakhs during the previous year. The Company has earned a profit before tax Rs.4,871.10 lakhs as compared to a profit of Rs. 6,653.55 lakhs in the previous year. The profit after tax and Other Comprehensive Income stood at Rs. 3,501.42 lakhs as against the profit of Rs. 7,790.46 lakhs in the previous year.

#### 1.6 Segment wise position of business and its operations :

The company mainly operates two segments on stand-alone basis.

1. Financial advisory and consultancy.
2. Trading activities.

#### 1.7 Change in nature of business :

There has been no change in the nature of business during the year under review except for becoming a sponsor of Mutual Fund and Alternative Investment Fund.

#### 1.8 Material changes and commitments, affecting financial statements of the Company, having occurred since the end of the year and till the date of the report :

There are no material changes and commitments affecting financial statements of the Company.

#### 1.9 Internal Financial Controls :

The Company has in place adequate systems of internal control that are commensurate with its size and nature of the business and documented procedures covering all financial and operating functions. The Company being in service industry, it has in place clear processes and well-defined roles and responsibilities for its staff at various levels. The Management has a defined reporting system, which facilitates monitoring and adherence to the process and systems in place.

#### 1.10 Extract of the Annual Return :

Extract of the Annual Return as required under section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT 9 is annexed and marked as **Annexure "I"** and forms part of the annual report. The same has been uploaded on the website of the Company.

#### 1.11 Change in status of the Company :

During the year under review there has been no change in the status of the Company.

#### 1.12 Details of listing / delisting :

During the year under review the Company has not delisted any securities on any exchange.

#### 1.13 Listing fees :

The Company has paid listing fees to the BSE Limited and the National Stock Exchange of India Limited for the current financial year 2019-2020.

#### 1.14 Internal audit :

The Board has appointed Sandeep Maheshwari & Co. Chartered Accountants as internal auditors of the Company. The scope of the internal audit commensurate with the size of the Company. The internal auditors provide internal audit reports on quarterly basis and the same is being discussed in the quarterly Audit Committee meetings.

#### 1.15 Induction of strategic and financial partners during the year :

During the year under review the Company has not inducted any strategic and financial partners.

### 2. General Information :

#### 2.1 Overview of industry and important changes in the industry during the last year :

The Company is in to the financial advisory and consultancy services and also engaged in goods trading activities. No specific comments available for this type of services / business.

#### 2.2 Annual Return : Web Link : <https://www.itigroup.co.in/investorrelations/compliance>.

#### 2.3 Change in the financial year :

During the year under review there has been no change in the financial year of the Company.

## **2.4 Capital expenditure programs :**

The Company does not have any material capital expenditure program for the financial year 2019-2020.

## **2.5 Postal Ballot :**

During the year under review, the Company has not passed any resolution through Postal Ballot.

## **2.6 Developments, acquisitions and assignments of material intellectual property rights :**

There are no Developments, acquisitions and assignments of material intellectual property rights.

## **2.7 Any other material event having an impact on the affairs of the Company :**

There are no material event having an impact on the affairs of the Company.

## **2.8 Prevention of insider trading :**

The Company has in its place the policy for prevention of insider trading.

## **2.9 Policies :**

The Company has in place the following policies which have been approved by the Board of Director of the Company.

1. Criteria for payment to non executive Directors
2. Directors familiarization program
3. Policy for dealing with related parties
4. Policy on group entities
5. Policy on materiality
6. Terms and conditions of appointment of Independent Directors
7. Whistle blower policy
8. Code of Conduct for Directors and Senior Management
9. Archival Policy
10. Remuneration Policy
11. Policy for prevention of Insider Trading
12. Dividend Distribution Policy

The above policies are posted on the website of the Company – [www.itigroup.co.in](http://www.itigroup.co.in)

## **2.10 Key business developments :**

### **a) Setting up of Mutual Fund :**

The Company has received the SEBI Registration Certificate No. MF/073/18/01 dated 14.05.2018 for setting up of Mutual Fund and expected to launch schemes on approval from the SEBI.

The Mutual Fund has been sponsored by the Company and its wholly owned subsidiary viz. Fortune Credit Capital Limited (FCCL).

The Company's shareholding in ITI Asset Management Limited is 60% and that of FCCL is 40%.

ITI Asset Management Limited (ITIAML) is a subsidiary of The ITI. The company's principal activity is to act as an Investment Manager to the proposed "ITI Mutual Fund". The Investment Management Agreement was executed between ITI Mutual Fund Trustee Private Limited and ITIAML on April 7, 2017. The entire infrastructure of the business including all systems, processes, policies and personnel are in place and the Company is fully geared to enter the markets.

ITI Mutual Fund Trustee Private Limited (ITIMFTPL) is a wholly owned subsidiary of The ITI. The company's principal activity is to act as Trustee to the proposed "ITI Mutual Fund". The Trust Deed was executed on April 6, 2017 between the Company, Fortune Credit Capital Limited and ITIMFTPL.

ITI Mutual Fund has launched Mutual Fund Schemes titled as Multi Cap Mutual Fund and Liquid Fund Mutual Fund.

### **b) Alternative Investment Fund :**

During the year, the Company has received registration certificate from SEBI to act as Alternative Investment Fund in the name of ITI Long Short Equity Fund. Category III and also for ITI Growth Opportunity Fund

The Company has also received SEBI registration for Alternative Investment Fund i.e. ITI Infrastructure Fund a Category I Infrastructure Fund under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. The operations of the fund is yet to be commenced.

## **2.11 Details and status of acquisitions, merger, expansion, modernization and diversification :**

### **a) Demerger of NBFC business (other than Gold Loan) of United Petro Finance Limited :**

In the Board meeting held on 31<sup>st</sup> March, 2017, the Board has unanimously approved Scheme of Arrangement between United Petro Finance Limited ('UPFL' or the 'Demerged Company') and Fortune Credit Capital Limited ('FCCL' or the 'Resulting Company') and The Investment Trust of India Limited (earlier known as Fortune Financial Services (India) Limited) ('The ITI' or the 'Holding Company of the Resulting Company') and their respective shareholders and creditors providing for the demerger of Lending Business - other than Gold Loan business ('NBFC Business') of UPFL to FCCL (Wholly Owned Subsidiary of The ITI), and issue of

equity shares of The ITI to the shareholders of UPFL. By operation of section 2(19AA) read with 2(41A) of the Income Tax Act, 1961, the consideration for demerger will be discharged by the Company to the shareholders of UPFL. The Company has revised the Scheme for giving effect of the Clause (I)(A)(3)(b) of SEBI Circular dated January 03, 2018 and made fresh applications to the BSE Limited and The National Stock Exchange of India Limited and received in principle approval from both the exchanges for the Scheme. The Company has made an application to the National Company Law Tribunal (NCLT), Mumbai bench for approval of the Scheme.

**b) Amalgamation of ITI Management Advisors Limited (formerly known as ITI Reinsurance Limited) with the Company :**

In the Board meeting held on 25<sup>th</sup> March, 2019, the Board has unanimously approved Scheme of Amalgamation of ITI Management Advisors Limited (formerly known as ITI Reinsurance Limited) ('ITI MAL' or the 'Transferor Company') with The Investment Trust of India Limited ('The ITI' or the 'Transferee Company') and their respective shareholders and creditors providing for the merger of ITI Management Advisors Limited with The Investment Trust of India Limited. Since ITI Management Advisors Limited is wholly Owned Subsidiary of the Company, only intimation to the Exchanges has been given and the Company has made an application to the National Company Law Tribunal (NCLT), Mumbai bench for approval of the Scheme.

**3. Capital and Debt Structure :**

**3.1 The Company has not reclassified, sub divided the authorized capital of the Company;**

- a) there has been no reduction of share capital or buy back of shares; or
- b) there has been no change in capital structure resulting from restructuring or change in voting rights.

During the year the Company has not issued of any shares for consideration other than cash, issue of equity shares with differential rights or Issue of Sweat equity shares

**Redemption of debentures :**

During the year under review the Company has redeemed 30,000 Unsecured Optionally Convertible Debentures of Rs. 1,00,000 each fully paid aggregating to Rs. 300 crores before its maturity date.

**3.2 ESOP :**

The Company has formulated an Employee Stock Option Scheme known as FFSIL Employees Stock Option Plan 2017 ("ESOP – 2017") in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

Subject to the members approval, the Board of Directors in its meeting held on 25<sup>th</sup> May, 2017 approved the Scheme ESOP-2017 and the shareholders approval was obtained in 26<sup>th</sup> Annual General Meeting held on 8<sup>th</sup> September, 2017. Nomination and Remuneration Committee ("Committee") was authorised to formulate, administer and implement the detailed and conditions of the Scheme.

The Company has received a certificate dated 24<sup>th</sup> October, 2017 from Bathiya & Associates LLP, Chartered Accountants, Statutory Auditors of the Company confirming that the FFSIL Employees Stock Option Plan 2017 has been implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The Company has received in principle approvals from BSE Limited and The National Stock Exchange of India Limited for ESOP – 2017.

On 19<sup>th</sup> April, 2018 the Nomination and Remuneration Committee has granted (Grant I) 3,00,000 options. each option when exercised will be converted in to one equity share of Rs. 10 each fully paid.

On 23<sup>rd</sup> November, 2018 the Nomination and Remuneration Committee has granted (Grant II) 3,00,000 options. each option when exercised will be converted in to one equity share of Rs. 10 each fully paid.

<b>Summary of Employee Stock Option Schemes ('ESOS')</b>		
<b>For the Period from 01/04/2018 to 31/03/2019</b>		
Sr. No.	Particulars of Options / Scheme	ESOP 2017
1	Outstanding as at beginning of the period	-
2	Granted during the period	6,00,000
3	Date of Grant	19/04/2018 & 23/11/2018
4	Forfeited during the period	-
5	Cancelled during the period	-
6	Lapsed during the period	-
7	Exercised during the period	-
8	Allotted during the period	-
9	Number of shares arising as a result of exercise of options	-
10	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
11	Number of options vested during the period	-
12	Outstanding as at the end of the period (grant)	6,00,000/-
13	Exercisable at the end of the period	-
14	Weighted average remaining contractual life (in years)	3.5 years
15	Weighted average fair value of options granted	62.27

**3.3 Details of Employee Stock Options:**

Sr. No.	Particulars	Remarks	
1	Options granted	3,00,000	3,00,000
2	Options vested	Nil	Nil
3	Options exercised	Nil	Nil
4	The total number of shares arising as a result of exercise of options	Nil	Nil
5	options lapsed;	Nil	Nil
6	the exercise price;	Rs. 247.25	Rs. 220.85
7	variation in terms of options;	Not applicable	Not applicable
8	money realised by exercise of options;	Not yet due for exercise	Not yet due for exercise
9	total number of options in force;	6,00,000	
10	employee wise details of options granted to :		
a)	Key Managerial Personnel;	Nil	Nil
b)	any other employee who receives a grant of options in any one year of options amounting to five percent or more of total options granted during that year;	Mr. Rajesh Bhatia was granted 3,00,000 options.	Mr. George Herber Joseph was granted 3,00,000 options.
c)	identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital, excluding outstanding warrants and conversions, of the company at the time of grant.	Not applicable	Not applicable
11			
a)	any material change to the scheme and whether such scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014;	No	No
b)	web-link of disclosures made on the website of the company, as required under SEBI (Share Based Employee Benefits) Regulations, 2014.	<a href="https://www.itigroup.co.in/investorrelations/corporateactions/#ESOPScheme">https://www.itigroup.co.in/investorrelations/corporateactions/#ESOPScheme</a>	<a href="https://www.itigroup.co.in/investorrelations/corporateactions/#ESOPScheme">https://www.itigroup.co.in/investorrelations/corporateactions/#ESOPScheme</a>

**3.4 Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the Employees :**  
 Not applicable

**3.5 Issue of warrants :** During the year the Company has not issued any warrants.

**4. Credit rating of securities :** Not applicable

**5. Transfer to the Investor Education and Protection Fund (IEPF) :**

Pursuant to applicable provisions of the Investor Education and Protection Fund Authority (Accounting, Audit Transfer and Refund) Rules, 2016 the Company has during the year 2018-2019 transferred a sum of Rs. 4,91,288/- to the Fund being unclaimed dividend for the financial year 2010-2011. The Dividend was declared in the annual general meeting held on 30th August, 2011.

Further pursuant to section 124 (6) of the Companies Act, 2013 and applicable IEPF Rules, 36,693 number of equity share of Rs. 10 each fully paid in respect of which dividend has not been claimed for a continuous period of seven years have been transferred to the Authority.

**INVESTOR EDUCATION AND PROTECTION FUND (IEPF) :**

	details of the transfer/s to the IEPF made during the year :	
1	amount of unclaimed/unpaid dividend and the corresponding shares	amount of unclaimed/unpaid dividend and the corresponding shares
2	amount of unclaimed/unpaid dividend and the corresponding shares	amount of unclaimed/unpaid dividend and the corresponding shares
3	amount of matured deposits, for companies other than banking companies, along with interest accrued thereon	Nil
4	amount of matured debentures along with interest accrued thereon;	Nil
5	application money received for allotment of any securities and due for refund along with interest accrued	Nil

6	sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation	Nil		
7	details of the resultant benefits arising out of shares already transferred to the IEPF	Not Applicable		
8	<b>year wise amount of unpaid/unclaimed dividend lying in the</b> unpaid account up to the year and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer; <b>as on 31st March, 2019</b>	<b>Year</b>	<b>Amount (Rupees)</b>	<b>No. of shares</b>
		2011-2012	4,91,288	2,47,644
		Due date for transfer of unclaimed dividend to the Fund		
		<b>Year</b>	<b>Amount (Rupees)</b>	<b>Due Date</b>
		2011-2012	1,11,994	03/10/2019
9	the amount of donation, if any, given by the company to the IEPF	Nil		
10	such other amounts transferred to the IEPF, if any, during the year.	Nil		

## 6. Management :

### 6.1 Directors and Key Managerial Personnel :

As on date the Company has six Directors, out of which three are Independent Directors, the Non-Executive Chairman and rest two Directors are Non Executive Directors.

Declaration by Independent Directors and statement on compliance of code of conduct

- that necessary declaration with respect to independence has been received from all the Independent Directors of the company;
- that the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.
- The company has formulated a Code of Conduct for Directors and senior management personnel.

### 6.2 Number of Board meetings : During the year under review eight meetings of the Board of Directors of the Company were held on 8<sup>th</sup> May, 2018, 10<sup>th</sup> August, 2018, 26<sup>th</sup> October, 2018, 7<sup>th</sup> December, 2018, 1<sup>st</sup> February, 2019, 19<sup>th</sup> February, 2019, 7<sup>th</sup> March, 2019 and 25<sup>th</sup> March, 2019.

In the 27<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> December, 2018 Mr. Pankaj Bhuta was re-appointed as an Independent Director of the Company for second term for a period of five years.

#### **Appointment of Independent Directors, the justification for choosing the proposed appointees for appointment as Independent Directors;**

Pursuant to the recommendation of the Nomination and Remuneration Committee, w. e. f. 11<sup>th</sup> October, 2018 Mr. Suryakant B. Mainak has been appointed as an Additional Independent Director of the Company not liable to retire by rotation. His appointment has been approved by the members in the previous annual general meeting held on 26<sup>th</sup> December, 2018.

#### **Name of the Director retiring by rotation at the ensuing annual general meeting and whether or not they offer themselves for re-appointment :**

Pursuant to the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company Ms. Khyati Valia, Non Executive Director retires by rotation at the ensuing annual general meeting and being eligible offers herself for re-appointment.

#### **Specific sector where approval of any regulatory authority is required before the appointment of a Director/ Key Managerial Personnel :** Not applicable

### 6.3 Performance evaluation of the Board :

A statement indicating the manner in which formal annual evaluation of the performance of the Board, its Committees and of individual Directors has been made.

The company has a system in place for formal annual evaluation of the performance of the Board, its Committees and of individual Directors. The same has been implemented.

Your company had undertaken the performance evaluation of the Board, its committees and Chairman of the Company.

Comments on the evaluation :

- The board is active in planning process;
- Board meetings are conducted in a transparent manner by providing all the statutory information in all meetings and additional information as the management feels necessary;
- The Board is aware of all the happenings and events of the Company and group;



4. Each Director of the Board shares their comments and suggestions whenever required;
5. Observations by any of the Directors of the Board are discussed in the meeting in presence Directors present in the meeting and
6. The Board is informed of all the material events happening in the group and the management gets feedback from the Directors.

#### 6.4 Key Managerial Personnel :

Mr. Prateek Tayal has been appointed as a Manager under the Companies Act, 2013 w. e. f. 6<sup>th</sup> October, 2016 for a period of three years and his term of appointment expires on 5<sup>th</sup> October, 2019. The Board proposes to re-appoint him as Manager for a further period of three years effective from 6<sup>th</sup> October, 2019 and seeks members approval at the ensuing annual general meeting.

##### Names of Key Managerial Personnel :

1. Mr. Prateek Tayal : Manager under the Companies Act, 2013
2. Mr. S G Muthu Kummar : Chief Financial Officer
3. Mr. Haroon Mansuri : Company Secretary

#### 6.5 Committees :

The Company has four committees of the Board of Directors. These committees are – Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Internal Finance Committee.

The terms of reference, composition and the details of the meetings of the committees held during the year under review are provided in Corporate Governance Report.

#### 6.6 Constitution of committees :

Audit Committee :		Stakeholder Relationship Committee	
Name of members	Designation	Name of members	Designation
Mr. Pankaj Bhuta	Chairman	Mr. Chintan Valia	Chairman
Mr. Alok Kumar Misra	Member	Mr. Pankaj Bhuta	Member
Mr. Chintan Valia	Member	Mr. Alok Kumar Misra	Member
Mr. Suryakant B. Mainak	Member	Mr. Suryakant B. Mainak	Member
Nomination & Remuneration Committee		Internal Finance Committee	
Name of members	Designation	Name of members	Designation
Mr. Alok Kumar Misra	Chairman	Mr. Chintan Valia	Chairman
Mr. Chintan Valia	Member	Mr. Pankaj Bhuta	Member
Mr. Pankaj Bhuta	Member	Mr. Alok Kumar Misra	Member
Mr. Suryakant B. Mainak	Member	Mr. Suryakant B. Mainak	Member

#### 6.7 Recommendations of Audit Committee :

All the recommendations given by the Audit committee were accepted by the board.

#### 6.8 Policy on Directors appointment and remuneration :

Pursuant to section 134 (3) of the Companies Act, 2013 the nomination and remuneration policy relating to remuneration of Directors and KMPs is available on the Company's website [www.itigroup.co.in](http://www.itigroup.co.in). The policy lays down the criteria for determining qualifications, competences and independence of Directors.