

**ANNUAL REPORT  
OF  
UTV SOFTWARE COMMUNICATIONS LIMITED  
FOR  
FINANCIAL YEAR 2017-18**

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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, 2017 - March 31, 2018

### BOARD OF DIRECTORS

Mr. Mahesh Samat – Managing Director  
Mr. Sujit Vaidya - Whole-time Director  
Ms. Monisha Shroff – Non-Executive Director  
Mr. Narendra Kumar Ambwani – Independent Director  
Mr. Prem Raj Mehta – Independent Director

### STATUTORY AUDITORS

M/s. MSKA & Associates  
Chartered Accountants  
Enterprise Centre, Floor 3  
Nehru Road, Near Domestic Airport  
Vile Parle (E), Mumbai – 400 099

### 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 N.A.  
HSBC

## DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 28<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, 2018.

### 1. FINANCIAL HIGHLIGHTS:

(₹ in Millions)

Particulars	Consolidated		Standalone	
	Year ended 2017-18	Year ended 2016-17	Year ended 2017-18	Year ended 2016-17
Revenue from Operations	9,962.79	13,057.87	5,692.62	8,387.22
Other Income	168.50	322.99	77.44	257.07
<b>TOTAL INCOME</b>	<b>10,131.29</b>	13,380.86	<b>5,770.06</b>	8,644.29
Direct Cost	4,719.56	8,180.58	2,670.91	5,860.97
Employee Benefit Expense	1,153.92	1,642.15	612.58	1,137.06
Depreciation and Amortization Expense	181.33	640.22	475.78	933.77
Finance Cost	51.83	929.10	37.51	870.45
Other Expenses	2,032.76	1,674.59	969.67	857.56
<b>TOTAL EXPENSES</b>	<b>8,139.40</b>	13,066.64	<b>4,766.45</b>	9,659.81
Less: Exceptional Item	-	541.68	(839.22)	613.43
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>1,991.89</b>	(227.46)	<b>1,842.83</b>	(1,628.95)
Less: Tax Expenses				
Current Tax	47.96	87.40	-	3.73
Deferred Tax	1.83	71.06	-	-
<b>PROFIT/(LOSS) OF THE YEAR</b>	<b>1,942.10</b>	(385.92)	<b>1,842.83</b>	(1,632.68)

Note: The above figures are extracted from the audited standalone and consolidated financial statements of the Company as per Indian Accounting Standards (Ind AS).

During the financial year ended March 31, 2018, your Company on a standalone basis had recorded Revenue from Operations of ₹ 5,692.62 million as compared to ₹ 8,387.22 million recorded during the previous financial year ended March 31, 2017. The Net Profit of your Company for the financial year ended March 31, 2018 stood at ₹ 1,842.83 million as compared to Loss of ₹ 1,632.68 million for the financial year ended March 31, 2017.

There are no material changes and commitments which have occurred between the end of the financial year ended on March 31, 2018 to which these financial statements relate and the date of this report, which may affect the financial position of the Company.

During the financial year 2017-18, no significant or material orders were passed by any Regulator, Court or Tribunal against the Company, which could impact its going concern status or operations.

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:

#### Company Overview

In year 2017, India became the second largest smartphone market in the world, and with further reductions in data costs, is poised to be one of the largest markets for online video consumption. Year 2017 saw the Media and Entertainment industry in India firmly pivot its focus to digital, with multiple pieces of content being released first (or only) online. Our Company is very optimistic about being able to further build and monetize its assets digitally. The Company is committed to its integrated business model, and is focused on utilizing the internet in every business area. This year also experienced the introduction of GST and the near complete digitization of TV distribution. The global parent of our Company has re-organized its business areas to better focus on delivering content direct to consumers, and our Company remains committed to the same endeavor.



Our global parent (The Walt Disney Company, USA) in December 2017 began a bid to acquire the assets of 21<sup>st</sup> Century Fox, a process which is still underway. The proposed acquisition would help our Company to better create and deliver content to the consumers.

### **Studios**

Marvel movies have become a mass pop-culture phenomenon in India, with *Thor: Ragnarok* and *Black Panther* achieving unprecedented success at the box office. *Black Panther* continued the trend established by *Doctor Strange*, that a Marvel film does not need established characters to succeed. Ticket sales continued to have a sizeable contribution from dubbed language releases, confirming that Marvel has truly connected with viewers across the country. This large fan-base helped push April 2018's *Avengers: Infinity War* to the highest box office collection by a Hollywood movie ever in India, breaking the earlier record held by *The Jungle Book*. This was soon followed by July's release of *Incredibles 2*, which became the highest grossing animation movie of all time in India. These milestones justify the Company's decision to focus on the Hollywood slate.

### **Syndication business**

The demand for our content assets from third party platforms, both global and local and across various formats, continues to be strong. Our Company has forged lucrative partnerships with leading players across both Satellite and Digital, with the latter growing in prominence owing to the accelerated growth of online video viewership.

### **Live Entertainment**

The Company continued its foray into the Live Entertainment business by entering into a licensing arrangement with a local producer to launch a local version of the Disney's *Aladdin* musical in India. The production was launched in Mumbai in April 2018, and completed a very successful month-long run in the city. It has since moved to Delhi, with potential future seasons in Hyderabad and Mumbai being planned. The response from the audience in Mumbai and Delhi has been very enthusiastic, with the successful 'localization' of the musical receiving global accolades.

### **Media Networks**

The television audience in India continued to grow, at the upper end (HD channel viewers) as well as the lower-end (FreeDish/ FTA channel viewers). The TV industry grew at 11.2% in year 2017, with growth in both Advertising and Distribution revenues. Near complete digitization led to increased collections from end consumers, and an increase in revenue realization by MSOs and Broadcasters.

Our Company continued to perform well in the Kids genre, with two of our channels – Disney Channel and Hungama – ranking in the Top 3 in terms of viewership for most weeks of the year. The Company launched a local animation series called Simple Samosa, developed in house, on prime time slots on Disney Channel in May 2018 and the audience reception has been positive. The aim is to strengthen our content pipeline in the Kids space with local animation that has a global appeal.

The Movie Channels genre continued to show an upside in ad sales interest, driven by strong performance of the genre as a whole in the BARC ratings measurement system. Our channels continued their successful and profitable performance from last year, with the dubbed versions of Marvel movies translating their success from the big screen.

The Company also launched an HD channel in October 2017, Disney International HD, which is programmed with international live action content and caters to the underserved tween/teen segment in Urban India. The channel has received a very positive reaction from viewers, ranking among the top few English GEC HD channels.

Our Company continues to pursue its omni-channel strategy for the brand Bindass, with web series like Dil Buffering and Tere Liye Bro achieving strong traction on YouTube and Facebook. The Company also continued to build upon previous successes, with the release of the third chapter of Girl in the City in July 2018. The response to the same has been better than the earlier seasons, with millions of views on YouTube and Facebook.

Our Company had complied with the requirements of the Tariff Order from the Telecom Regulatory Authority of India (TRAI) in 2016 with the filing of prices for each of our channels. The said Tariff Order was not implemented since it was sub-judice, but the matter has since been cleared in July 2018. The Company is set to re-file prices as per the appropriate directions received from TRAI in this regard.

### **Games and Interactive Business**

Due to disruption and consolidation in the telecom industry, the embed business market as a whole continues to degrow. The Company has shifted its focus towards the subscription business, offering consumers game packs and video packs.

### **Licensing Business**

The Consumer Products business of our Company continued to grow with growing affinity for Marvel leading to an

increased adoption of our products among multiple age groups. The business remains a steady contributor for the Company, with minimal volatility. The Company continued to increase its partnerships with online retailers, ensuring a sufficient presence in the e-commerce space. Myntra, Amazon, FirstCry and Flipkart remain key relationships for the company. During the year, our Company was able to implement dedicated Store-in-Store portals on the major e-Commerce portals, in conjunction with tent-pole movie releases.

The Company also partnered with DLF Brands in Delhi to launch three licensed 'Disney & Me' stores selling exclusive merchandise in the National Capital Region in April 2018. The stores are a one-stop destination for merchandise across categories, with a focus on Fashion and Toys. The stores have outperformed initial expectations, with the fourth location opening in New Delhi in July 2018.

### **3. DISCLOSURE ON ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS:**

The Company has prepared financial statements in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

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

In order to conserve the resources to augment future growth, your Directors do not recommend any dividend for the financial year 2017-18.

Your Directors do not propose transfer of any amount to the General Reserves.

### **5. SUBSIDIARY COMPANIES:**

As at March 31, 2018, the Company has the following subsidiaries viz.

- (1) Disney Entertainment (India) Limited and its subsidiaries i.e. Genx Entertainment Limited, Disney Broadcasting (India) Limited and United Home Entertainment Private Limited (2) 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) (3) UTV Communications (USA) LLC (4) UTV Games Limited and its subsidiary True Games Interactive, Inc.

As at March 31, 2018, IG Interactive Entertainment Limited, UTV Communications (USA) LLC and UTV Games Limited are wholly owned subsidiaries of your Company.

As at March 31, 2018, Disney Entertainment (India) Limited is a 57.43% subsidiary of your Company.

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.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the standalone financial statements, consolidated financial statements and separate audited financial statements along with other relevant documents, in respect of subsidiaries, are available on the website of the Company viz. [www.utvgroup.com](http://www.utvgroup.com).

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

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

As at March 31, 2018, DEIL had two wholly owned subsidiaries - namely Genx Entertainment Limited ("Genx") and Disney Broadcasting (India) Limited ("DBIL") and a 99.99% subsidiary namely United Home Entertainment Private Limited ("UHEPL"). Genx, DBIL and UHEPL 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. Further UHEPL owns and operates one Television Channel named 'Hungama TV'.

During the financial year 2017-18, the Board of Directors of DBIL and Genx at their meeting held on March 09, 2018, had approved the draft Scheme of Merger by absorption between Genx ("Transferor Company") and DBIL ("Transferee Company") and their respective shareholders and creditors ("Scheme") and filing of the same with the Hon'ble National Company Law Tribunal, Mumbai Bench ("the Tribunal/NCLT"). The Scheme was envisaged under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and was to come into effect from April 1, 2017 ("the Appointed Date"). The Scheme was approved by the members of DBIL and Genx at their respective meetings held on May 22, 2018, on the direction of the Hon'ble Tribunal where the application seeking permission for the Scheme was filed. Accordingly, Joint Petition was filed before the Hon'ble Tribunal for sanctioning the proposed

scheme on June 08, 2018. The said Petition was heard by the Hon'ble Tribunal on August 30, 2018 and based on the submissions made the Hon'ble Tribunal was pleased to sanction the Scheme vide their order dated August 30, 2018 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 Genx to take prior permission from the MIB before effecting the Merger with Genx. Accordingly, requisite application has already been made to the MIB for its clearance to the Genx Merger upon receipt of which necessary filings will be made with the Registrar of Companies, Mumbai to give effect to the Scheme.

Subsequent to the balance sheet date, UHEPL stands merged with DBIL pursuant to the order of the Tribunal dated June 08, 2017 ("UHEPL order") and Ministry of Information & Broadcasting approval letter dated August 29, 2018. The above UHEPL order was filed with the Registrar of Companies, Mumbai, Maharashtra on September 16, 2018 and accordingly, the Scheme of Amalgamation and Arrangement between DBIL and UHEPL ("UHEPL Scheme") has become effective from that date. Upon the UHEPL Scheme becoming effective entire assets and business of UHEPL have been transferred and vested in DBIL with effect from the appointed date viz. April 01, 2015.

Pending implementation of the aforementioned UHEPL Scheme on August 06, 2018, the Company had made an application to the Registrar of Companies, Mumbai seeking an extension for holding the 28<sup>th</sup> Annual General Meeting ('28<sup>th</sup> AGM') beyond September 30, 2018 which was approved and an extension of 03 (three) months was granted to the Company allowing it to hold its 28<sup>th</sup> AGM on or before December 31, 2018.

As at March 31, 2018 DEIL, on standalone basis, posted revenue income (from operations) of ₹ 3.96 million (Previous Year ₹ 65.25 million) and a net profit of ₹ 1,449.13 million (Previous Year net loss ₹ 814.83 million).

The contribution of DEIL to the overall performance of the company during the period under report was ₹ 3.96 million (turnover) which amounts to 0.04% of the Company's revenues on consolidated basis.

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

IG was incorporated on September 06, 2004 to carry on Film Acquisition, Syndication and Distribution business in the United Kingdom. As at March 31, 2018 it posted sales of GBP 798,232 (Previous Year GBP 2,678,724) and a net loss of GBP 44,651 (Previous Year net loss GBP 745,891).

As at March 31, 2018, 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 ₹ 68.83 million (consolidated turnover) which amounts to 0.69% of the Company's revenues on consolidated basis.

(Conversion rate of 1 GBP = INR 86.2237)

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

UTV US was incorporated on April 26, 2004 to carry on film acquisition, syndication and distribution business in the United State of America (North America) and other surrounding territories. As at March 31, 2018 it posted sales of USD 841,271 (Previous year USD 6,789,818) and a net loss of USD 859,187 (Previous Year net profit USD 1,524,945).

The contribution of UTV US to the overall performance of the Company during the period under report was ₹ 54.26 million (turnover) which amounts to 0.54% of the Company's revenues on consolidated basis.

(Conversion rate of 1 USD = INR 64.5017)

#### **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 REDUCTION OF SHARE CAPITAL**

Subsequent to the balance sheet date, the Board of Directors of your Company at its meeting held on April 06, 2018, approved the reduction of equity share capital under the provisions of Section 66 of the Companies Act, 2013 held by existing public shareholders (except five employee shareholders) for a consideration of ₹ 500 per equity share subject to the approval of shareholders of the Company at the Extra Ordinary General Meeting. Pursuant to the aforesaid board resolution, an extra-ordinary general meeting of the equity shareholders was convened on May 29, 2018 at Emerald

Hall, Kohinoor Continental, Andheri-Kurla Road, J B Nagar, Andheri East, Mumbai, Maharashtra 400 059, India and the special resolution for approval of the proposed capital reduction was passed by the requisite majority of shareholders of the Company at an extraordinary general meeting held on May 29, 2018.

Pursuant to the aforesaid approvals, the Company had filed an application with the Hon'ble Tribunal on June 14, 2018 to seek confirmation for reduction of paid-up equity share capital and consequential reduction of securities premium account of the Company. Accordingly, the reduction application was admitted by the Hon'ble Tribunal on July 04, 2018. The Tribunal on July 04, 2018 passed the order to issue notices to the unsecured creditors of the Company, statutory authorities like Regional Director, Registrar of Companies, Mumbai and as well as to publish a notice in the newspaper confirming the dispatch of the notice to the creditors. The Company complied with the directions of the Hon'ble Tribunal and the notices were dispatched on July 09, 2018 and the newspaper notices published on July 10, 2018. The matter is pending before the Hon'ble Tribunal for further process.

Upon the Capital Reduction becoming effective under the Act (1) the Company shall debit the equity share capital account to the extent of the face value of the shares cancelled under the Capital Reduction and (2) the difference between the face value per cancelled share and the amount of consideration paid per cancelled share to the Non-promoter shareholder be debited to the securities premium account under the head "Other Equity".

The form of the minute proposed to be registered under Section 66 (5) of the Companies Act, 2013 is as follows:

"The paid up share capital of UTV Software Communications Limited, is henceforth ₹ 891,70,85,790 [Rupees Eight Ninety-One Crores Seventy Lakh Eighty-Five Thousand Seven Hundred and Ninety Only] divided into 89,17,08,579 equity shares of ₹ 10/- each fully paid up, reduced from ₹ 8,91,86,55,740 divided into 89,18,65,574 shares of ₹ 10 each fully paid up. At the date of registration of the minute 89,17,08,579 shares of ₹ 10 each have been issued and are deemed to be fully paid-up. Further the securities premium account of the Company be and is hereby reduced by a sum not exceeding ₹ 7,69,27,550 from the existing ₹ 14,83,26,91,995."

## 7. SHARE CAPITAL:

During the year under review the following changes have taken place in the authorised and paid-up share capital of the Company:

- a) As a part of the implementation of the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("TWDCI"), Indiagames Limited ("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.
- b) 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, 2018 comprises of the following directors:

Name of Director	Director Identification Number	Designation
Mr. Mahesh Samat	02321902	Managing Director
Mr. Sujit Vaidya	03287161	Whole Time Director
Ms. Monisha Shroff	05220951	Non-Executive Director
Mr. Prem Mehta	00005622	Independent Director
Mr. Narendra Ambwani	00236658	Independent Director

During the year under review, Ms. Parul Tevatia resigned as Non-Executive Director of the Company with effect from July 01, 2017. Further, the Board of Director of the Company had appointed Ms. Monisha Shroff (DIN: 05220951) as Non-Executive Director, Mr. Mahesh Samat (DIN: 02321902) as a Managing Director and Mr. Sujit Vaidya (DIN: 03287161) was designated as Whole Time Director of the Company with effect from July 01, 2017.

The members of the Company at the Annual General Meeting held on December 18, 2017, have approved and regularised the aforesaid appointments of Ms. Monisha Shroff as Non-Executive Director, Mr. Mahesh Samat as a Managing Director and Mr. Sujit Vaidya as Whole Time Director of the Company and had also approved the payment of remuneration to Mr. Mahesh Samat and Mr. Sujit Vaidya.

In accordance with the provisions of the Act and the Articles of Association of the Company, Ms. Monisha Shroff retires at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors on the recommendation of Nomination & Remuneration Committee has recommended her re-appointment.

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, 2018 were as follows:

Name of Key Managerial Personnel	Designation
Mr. Mahesh Samat*	Managing Director
Mr. Sujit Vaidya*	Whole Time Director
Mr. Vishwas Joshi	Chief Financial Officer
Mr. Puneet Juneja	Company Secretary

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

#### Board Meetings

During the financial year 2017-18, the Board of Directors met 05 (five) times on June 21, 2017, July 07, 2017, November 03, 2017, November 17, 2017 and March 09, 2018 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 2017-18.

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:

Name of the Director	Category	Number of board meetings during the year 2017-18	
		No. of meetings held	No. of meetings attended
Mr. Mahesh Samat**	Managing Director	5	2
Mr. Sujit Vaidya***	Whole Time Director	5	5
Ms. Monisha Shroff**	Non-executive Director	5	2
Ms. Parul Tevatia*	Non-executive Director	5	0
Mr. Prem Raj Mehta	Independent Director	5	5
Mr. Narendra Kumar Ambwani	Independent Director	5	5

\*Resigned with effect from July 01, 2017

\*\*Appointed with effect from July 01, 2017

\*\*\*Designated as Whole Time Director with effect from July 01, 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, 2018 the committee comprised of Ms. Monisha Shroff (Chairperson), 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 2017-18, the Committee met 03 (three) times on June 21, 2017, November 17, 2017 and March 09, 2018.

The details of Committee meetings held and attendance of each member thereat is as follows during the year 2017-18:

Name of the Member	Category	Number of Audit Committee meetings during the year 2017-18	
		No. of meetings held	No. of meetings attended
Mr. Sujit Vaidya*	Whole Time Director	3	1
Ms. Monisha Shroff*	Non-executive Director	3	2
Mr. Prem Raj Mehta	Independent Director	3	3
Mr. Narendra Kumar Ambwani	Independent Director	3	3

\*Mr. Sujit Vaidya ceased to be a Chairman of the Committee with effect from July 07, 2017 and Ms. Monisha Shroff elected as Chairperson of Committee with effect from July 07, 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, 2018, the Committee comprised of Ms. Monisha Shroff (Chairperson), 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 2017-18, the Committee met 02 (two) times once on July 07, 2017 and November 17, 2017.

The details of Committee meetings held and attendance of each member thereat is as follows during the year 2017-18:

Name of the Member	Category	Number of Nomination & Remuneration Committee meetings during the year 2017-18	
		No. of meetings held	No. of meetings attended
Ms. Monisha Shroff*	Non-executive Director	2	1
Mr. Sujit Vaidya*	Whole Time Director	2	1
Mr. Prem Raj Mehta	Independent Director	2	2
Mr. Narendra Kumar Ambwani	Independent Director	2	2

\*Mr. Sujit Vaidya ceased to be a Chairman of the Committee with effect from July 07, 2017 and Ms. Monisha Shroff elected as Chairperson of Committee with effect from July 07, 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.