26th Annual Report 2019-2020

DILIGENT INDUSTRIES LIMITED

Diligent Industries Limited

COMPANY INFORMATION

Board of Directors

Mr. Bhanu Prakash Vankineni	: Managing Director
Mr. Kiran Kumar Vankineni	: Executive Director
Mrs. Phani Anupama Vankineni	: Non-Executive Non-Independent Director
Mr. Srinivas Babu Edupuganti	: Independent Director
Mr. V. V. Vinod Kumar	: Independent Director (Resigned w.e.f. 28.11.2019)
Mr. Lokeswararao Nelluri	: Additional Director (Independent- appointed w.e.f. 14.09.2020
Mr.Majeti Venkatasesha Kumar Sridhar	:Additional Director (Independent- appointed w.e.f. 14.09.2020 & Ceased as additional Director w.e.f. 24.11.2020
Mr.Mohammed Baba	: Additional Director (Independent- appointed w.e.f. 14.09.2020

Key Managerial Personnel

Mr. Kiran Kumar Vankineni	: Chief Financial Officer
Ms. Gagandeep Kaur Saluja	: Company Secretary & Compliance Officer

Board Committees

Audit Committee

Mr. Srinivas Babu Edupuganti	- Chairperson
Mr. Lokeswararao Nelluri	- Member
Mr. Mohammed Baba	- Member

Nomination & Remuneration Committee

Mr. Srinivas Babu Edupuganti	- Chairperson
Mr. Mohammed Baba	- Member
Mr. LokeswararaoNelluri	- Member

Auditors

M/s.NSVR& Associates LLP
Chartered Accountants
Flat No. 202, Plot No: 28,
Panchavathi Co-operative society,
Road No.10, Banjara Hills,
Hyderabad – 500 034.

Stakeholders Relationship Committee

Mrs. Lokeswararao Nelluri	- Chairperson
Mr. Mohammed Baba	- Member
Mr.Srinivas Babu Edupuganti	- Member

Secretarial Auditors

M/s P.S.RAO & Associates
6-3-347-22/2, Flat-10, 4th Floor,
Dwarakapuri Colony, Punjagutta,
Hyderabad,Telangana-500 082.

Registrars & Share Transfer Agent

M/s Venture Capital and Corporate
Investments Private Limited,
12-10-167, Bharat Nagar,
Hyderabad -500 018
Email: info@vccipl.comEmail:diligentinvestors@gmail.com
Website: www.vccipl.com

Registered Office

DwarkaThirumala Road,
Denduluru Village and Mandal,
West Godavari-534 432,
Andhra Pradesh

Web: www.diligentindustries.com

Bankers

Indian Bank
R.R Pet, Eluru,
Andhra Pradesh.

Diligent Industries Limited

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of Diligent Industries Limited will be held on **Wednesday** the **30thday of December, 2020 at 11.30 AM** at Registered Office of the Company at Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari District, AP– 534 432, to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1 - Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31stMarch, 2020 together with the Reports of Board of Directors, Auditors and such other reports annexed thereon.

ITEM NO. 2-Appointment of a Director

To appoint a Director in the place of Mrs. Phani Anupama Vankineni (DIN:00935032) who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

ITEM NO. 3: To appoint Mr. Lokeswararao Nelluri (DIN:08679768) as Independent Director of the Company:

To consider, and if thought fit, to pass with or without modification, the following Resolution as Special Resolution:

"RESOLVED THAT pursuant to Sec.149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014(including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and other applicable provisions if any, Mr.Lokeswararao Nelluri(DIN:08679768), who was appointed by the Board of Directors as an Additional Director of the Company with effect from September 14, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as an Independent Director of Company to hold office for a term of five consecutive years commencing from 14th September 2020 and not liable to retire by rotation."

ITEM NO. 4: To appoin Mr. Mohammed Baba (DIN:08422704) as Independent Director of the Company:

To consider and if thought fit, to pass with or without modification, following resolution as Special Resolution:

"RESOLVED THAT pursuant to Sec.149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014(including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and other applicable provisions if any, Mr.Mohammed Baba (DIN: 08422704), who was appointed by the Board of Directors as an Additional Director of the Company with effect from December 04, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the company, be and is hereby appointed as an Independent Director of Company to hold office for a term of five consecutive years commencing from 04th December 2020 and not liable to retire by rotation."

By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED

Place: Denduluru
Date: 04.12.2020

Sd/-
Gagandeep Kaur Saluja
Company Secretary

NOTES:

1 The Statement pursuant to Section 102 of the Companies Act, 2013 ('**Act**') with respect to item No. 3,&4 forms part of this Notice. Additional Information, pursuant to applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India in respect of Directors seeking appointment/ re- appointment at this Annual General Meeting ('**Meeting**' or '**AGM**') is furnished annexure to this Notice.

2 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.

3 Proxy forms, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the company not less than forty-eight hours before the time fixed for the Meeting. A Proxy Form is annexed to this Notice.

4 The Share Transfer Register and the Register of Members of the Company will remain closed from **23-12-2020 to 30-12-2020** (both days inclusive).

5 M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad-500018 is the Registrar &Share Transfer Agent (RTA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.

6 Members desiring any information or clarification as regards the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.

7 Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent enclosing their share certificates to enable consolidation of their shareholdings in one folio.

8 Members holding Shares in physical form may write to the Company/Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.

9 In compliance with the aforesaid MCA circular and SEBI circular dated 12th May 2020 notice of AGM along with Annual report 2019-20 is being sent only through electronic mode to those members whose emails are registered with the Company or depository participant. Members may also note that the annual report will also be available on the Company's Website www.diligentindustries.com

10 To support the "Green Initiative" the members who have not registered their e-mail addresses are requested to register the same with Registrar and Share Transfer Agent.

11 Process and manner for members opting for e-voting are as under: In Compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Including statutory modification(s) or re-enactment(s) for the time being in force), The Company is pleased to provide e-voting facility to its members enabling them to cast their votes electronically through e-Voting services provided by M/s Central Depository Services (India) Limited.

The instructions for e-voting are as under:

(i) The voting period begins on **27thDecember, 2020 at 9.00 AM and ends on 29th December, 2020 at 5.00 PM**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23rd December, 2020**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iii) Click on "Shareholders" tab.

(iv) Now, select the "DILIGENT INDUSTRIES LMITED" from the drop-down menu and click on "SUBMIT"

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

	• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <DILIGENT INDUSTRIES LIMITED> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

11. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.

12. The Board of Directors has appointed Mr. M B Suneel, Practicing Company Secretary as a Scrutinizer to process the e-voting and submit a report to the Chairman.

13. Compliance Officer of the Company will address all the grievances in relation to this annual general meeting including e-voting. His contact details are Email: diligentinvestors@gmail.com Phone Nos.040-23352185.

14. The members may download a copy of the notice of this meeting and the results declared along with the Scrutinizer's Report from the website of the Company (www.diligentindustries.com) or from www.evotingindia.com.
15. Brief Profile of Directors seeking appointment and re-appointment at the 26th Annual General Meeting (pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015) is attached to this Notice as **Annexure-A.**

Explanatory Statement

(Pursuant to the provisions of Section 102 (1) and Section 110 of the Companies Act, 2013)

The following statement sets out the all material facts relating to special businesses mentioned in the accompanied Notice:

Item No: 3:
To Appoint Lokeswararao Nelluri (DIN: 08679768) as Independent Director of the Company:

The Board of Directors of the Company appointed, Mr.Lokeswararao Nelluri as an Additional Director of the Company with effect from 14.09.2020, pursuant to the provisions of Section 161(1) of the Companies Act, 2013("Act") and the Articles of Association of the Company.

In terms of the provisions of Section 161(1) of the Act, Mr.Lokeswararao Nelluriwill hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160(1) of the Act proposing the candidature of Mr.Lokeswararao Nelluri for the office of Independent Director of the Company. Mr.Lokeswararao Nelluri is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr.Lokeswararao Nelluri that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations. The resolution seeks the approval of members for the appointment of Mr.Lokeswararao Nelluri as an Independent Director of the company up to September 13, 2025 pursuant to Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr.Lokeswararao Nelluri fulfils the conditions for his appointment as an Independent Director as specified in the Act and SEBI Listing Regulations. Mr.Lokeswararao Nelluri is independent of the management and possesses appropriate skills, experience and knowledge.

Brief Resume: Mr.Lokeswararao Nelluri as done his Graduation. Keeping in view his expertise and knowledge, it will be in the interest of the Company that Mr.Lokeswararao Nelluri is appointed as an Independent Director of the Company.
Mr.Lokeswararao Nelluri does not hold by himself or for any other person on a beneficial basis, any shares in the Company. The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.Lokeswararao Nelluri as an Independent Director. Accordingly, the Board recommends the said resolution for the approval of the shareholders. Copy of the draft letter for appointment of Mr.Lokeswararao Nelluri as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Except Mr.Lokeswararao Nelluri being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3. This Explanatory Statement may also be regarded as a disclosure Regulation 27 of SEBI (Listing obligations and disclosure Requirements) Regulations, 2015.

A brief profile of the Independent Director to be re-appointed, including the nature of his expertise and other disclosures as required under Regulation 36 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 is provided in Annexure-A to this notice.

ITEM NO: 4
To Appoint Mohammed Baba (DIN: 08422704) as Independent Director of the Company:

The Board of Directors of the Company appointed, Mr.Mohammed Baba (DIN: 08422704)as an Additional Director of the Company with effect from 04.12.2020, pursuant to the provisions of Section 161(1) of the Companies Act, 2013("Act") and the Articles of Association of the Company.

In terms of the provisions of Section 161(1) of the Act, Mr.Mohammed Baba will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160(1) of the Act proposing the candidature of Mr.Mohammed Baba for the office of Independent Director of the

Company. Mr.Mohammed Baba is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr.Mohammed Baba that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations. The resolution seeks the approval of members for the appointment of Mr.Mohammed Baba as an Independent Director of the company up to December 03, 2025 pursuant to Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr.Mohammed Baba fulfils the conditions for his appointment as an Independent Director as specified in the Act and SEBI Listing Regulations. Mr.Mohammed Baba is independent of the management and possesses appropriate skills, experience and knowledge.

Brief Resume: Mr.Mohammed Baba as done his Graduation. Keeping in view his expertise and knowledge, it will be in the interest of the Company that Mr.Mohammed Baba is appointed as an Independent Director of the Company.

Mr.Mohammed Baba does not hold by himself or for any other person on a beneficial basis, any shares in the Company. The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.Mohammed Baba as an Independent Director. Accordingly, the Board recommends the said resolution for the approval of the shareholders. Copy of the draft letter for appointment of Mr.Mohammed Baba as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Except Mr.Mohammed Baba being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4. This Explanatory Statement may also be regarded as a disclosure Regulation 27 of SEBI (Listing obligations and disclosure Requirements) Regulations, 2015.

A brief profile of the Independent Director to be re-appointed, including the nature of his expertise and other disclosures as required under Regulation 36 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 is provided in Annexure-A to this notice.

By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED

Place: Denduluru
Date: 04.12.2020

Sd/-
Gagandeep Kaur Saluja
Company Secretary

Diligent Industries Limited

ANNEXURE-A

Details of Directors as on 31st March, 2020 seeking appointment/ re-appointment at the Annual General Meeting [pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	**Mr.Lokeswararao Nelluri**	**Mr.Mohammed Baba**
Date of Birth	33 Years	24 Years
Date of Appointment	14-09-2020	04-12-2020
Relationship with other Directors	None	None
Expertise in specific functional areas:	He has overall experience of 5 years in Business Administration, Direct & Indirect taxes, audit and assurances.	He is well versed in the field of with accounts, finance, legal and Management affairs.
Qualifications	B. Com, M.B.A	B. Com,
Board Membership of other Listed Companies as on March 31, 2020	NIL	1. GENESIS IBRC INDIA LIMITED
Chairman/Member of the Committee of the Board of Directors of Diligent Industries Limited as on March 31, 2020	Nil	NIL
Chairman/Member of the Committee of Directors of other companies in which he is a director as on March 31, 2020	NIL	3
a) Audit Committee	NIL	1
b) Stakeholders' Relationship	NIL	1
c) Nomination and Remuneration Committee	NIL	1
Number of shares held in the Company as on March 31, 2020	NIL	NIL

By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED

Place: Denduluru
Date: 04.12.2020

Sd/-
Gagandeep Kaur Saluja
Company Secretary

Diligent Industries Limited

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting herewith the 26th Annual Report on the business of Your Company together with the Audited Accounts for the financial year ended 31st March, 2020.

FINANCIAL SUMMARY:

(Rs. In Lakhs)

PARTICULARS	Financial Year 2019-20	Financial Year 2018-19
TOTAL INCOME	8255.13	7971.98
TOTAL EXPENDITURE	8192.75	7725.98
Profit/(Loss) before Depreciation & Financial Charges	273.07	246.00
Depreciation	60.45	48.85
Financial Charges	150.24	148.27
Profit/Loss Before Tax	62.38	48.88
Prior period items	-	-
Provision for tax	22.91	14.00
Deferred tax	(8.53)	(6.13)
NET PROFIT/(LOSS)	48.01	41.00

REVIEW OF OPERATIONS:

With a view to get hold of, stabilize, compete and increase the Company's presence in the market initially the Company is concentrating on the trading. The move would certainly create good presence and name to the Company, which would enable the Company in future to generate good income. During the year under review, as the price volatility of trading was very high, the volume of trade restrained to the extent reported.

CHANGE IN NATURE OF BUSINESS:

During the year under review, there is no change in the nature of business carried out by your Company.

DIVIDEND:

Due to inadequacy of profits, the Directors of your Company did not recommend any dividend for the Financial Year 2019-20.

TRANSFER TO RESERVES:

The profit after tax for the period has been transferred to the general reserve / other equity.

DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Your Board consists of Five (5) Directors including Two Independent Non- Executive Directors and One Non-Executive Non-Independent Director. None of the Directors of the Company are disqualified under the Provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All independent Directors have provided confirmations as contemplated under Section 149(7) of the Companies Act 2013 stating that they meet the criteria of independence, as provided in Section 149(6) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Appointments/Re-appointments:

During the year at the annual general meeting held on 30th September 2019, Mr. V.V.Vinod Kumar and Edupuganti Srinivas Babu re-appointed as Independent Directors of the Company, for further period of 5 years and Mr. Bhanu Prakash Vankineni, Managing Director of the Company re-appointed for another period of 3 years.

During the year Mr. Chada Jagadish Reddy has resigned and ceased to be as Company Secretary and compliance officer of the Company and Mr. V.V. Vinod Kumar Independent director of the Company has resigned w.e.f 28.11.2019.

However after closing of financial year Mr. Lokeswararao Nelluri and Mr. Majeti Venkatasesha Kumar Sridhar were appointed as Additional Directors (Independent) of the Company w.e.f. 14.09.2020. But Due to sudden and sad demise of Mr. Majeti Venkatasesha Kumar Sridhar, he has been removed from the board w.e.f. 24.11.2020 and Mr. Mohammed Baba, has been appointed as Additional Director (Independent) of the Company w.e.f. 04th December 2020.

And also after closing of financial year Ms. Gagandeep Kaur Saluja has been appointed as Company Secretary and compliance officer of the Company w.e.f. 14.09.2020.

FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an Annual Evaluation of its own performance and has devised a Policy on evaluation of performance of Board of Directors, Committees and Individual Directors, pursuant to the provisions of the Act, the Corporate Governance requirements and as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Extract of the Policy on Evaluation of Performance of the Board, its Committees and individual Directors, is available on the website of the Company www.diligentindustries.com.

In a separate meeting of independent directors held on February 14, 2020 , the performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive directors and non-executive directors. The same was discussed in the Board meeting that followed, at which the performance of the Board, its Committees and individual directors was also discussed.

The performance of the Board as a whole was evaluated by the Independent Directors, after seeking inputs from all the directors on the basis of the criteria such as the Board's composition, structure, effectiveness of Board processes, information and functioning, etc.

The Independent Directors reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Evaluation by Board (Other than Independent Directors):
In accordance with Regulation 17(10) of SEBI Listing Regulations, the entire Board of Directors of the Company shall evaluate the performance of Independent Directors of the Company. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Criteria for Performance Evaluation:

a. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.
b. Adherence to the Code of Conduct in letter and in spirit by the Independent Directors.
c. Bringing objectivity and independence of view to the Board's discussions in relation to the Company's strategy, performance, and risk management.
d. Statutory Compliance and ensuring high standards of financial probity and Corporate Governance.
e. Responsibility towards requirements under the Companies Act, 2013, Responsibilities of the Board and Accountability under the Director's Responsibility Statement.

Familiarization Programmes for Independent Directors: