

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company has been upholding the core values in all facets of its corporate working, with due concern for the welfare of shareholders of the Company. The Board of Directors, Management and Employees of the Company consistently endeavor towards attainment of highest level of transparency, integrity, accountability and fairness in all operations of the Company. We keep our governance practices under continuous review and benchmark ourselves towards best practices.

Your Company is in compliance with the Corporate Governance guidelines as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). A report on compliance with the provisions of Corporate Governance as prescribed by SEBI in the Listing Regulations is given hereunder:

- b) The Board periodically reviews the compliance reports of all applicable laws to the Company, prepared by the Company.
- c) The names and categories of the Directors on the Board, their attendance at the Board Meetings during the year 2016-17 and at the Annual General Meeting and also the number of Directorship and Committee Membership/Chairmanship held by them in various companies are given in the table below:

#### FY 2016-17

Sr. No.	Name of the Director	Category	Directors' Identification Number (DIN)	No. of other Directorships held *	No. of Committees Memberships of other Companies#	No. of Committee Chairmanships of other Companies#
1.	Dr. B Samal	NI/NEC	00007256	7	3	3
2.	Mr. Bipin Agarwal	NI/NE Promoter	00001276	6	1	1
3.	Mr. D.P. Goyal	Managing Director	03132505	Nil	Nil	Nil
4.	Mr. R.S. Loona (resigned w.e.f. June 21, 2016)	I/NE	02305074	4	3	1
5.	Mr. Venkatesan Narayanan	I/NE	00765294	3	3	1
6.	Mr. Milind S. Desai	I/NE	00326235	1	1	Nil
7.	Mrs. Beroz R. Gazdar	I/NE	00390861	Nil	Nil	Nil

**NI-** Non Independent Director    **I-** Independent Director    **NE-** Non Executive Director    **NEC-** Non Executive Chairman

\* Excludes directorships in foreign companies, private limited companies and Companies under Section 8 of the Companies Act, 2013.

# Excludes Committees other than Audit Committees and Stakeholders Relationship Committee of Public Limited Companies.

None of the Directors on the Board hold directorships in more than ten public companies and memberships in more than ten Committees and they do not act as Chairman of more than five Committees across all companies in which they are directors.

### d) Board Meetings and Annual General Meeting:

The Board meets at regular intervals to discuss and decide on business strategies/policies and to review the financial performance of the Company. The Board Meetings are scheduled well in advance to facilitate the Directors to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted in the subsequent Board Meeting.

The notice and detailed agenda alongwith notes and other material information are sent in advance separately to each Director. For each meeting, a detailed agenda is prepared in consultation with the Chairman.

During the Financial Year 2016-17, the Board met six times. The meetings were held on May 25, 2016, August 09, 2016, October 13, 2016, November 12, 2016, February 08, 2017 and March 08, 2017. The interval between two meetings was well within the maximum period under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Listing Regulations.

The necessary quorum was present for all the meetings.

**Attendance of Directors at the Board Meetings during the year 2016-17 and at the Annual General Meeting (AGM):**

Name of the Director	No. of Board Meetings held during the year 2016-2017		Attendance at the AGM held on September 16, 2016
	Held	Attended	
Dr. B. Samal	6	6	Yes
Mr. Bipin Agarwal	6	6	Yes
Mr. D.P. Goyal	6	4	Yes
Mr. Venkatesan Narayanan	6	6	Yes
Mr. Milind S. Desai	6	6	Yes
Mrs. Beroz R. Gazdar	6	3	No
Mr. R.S. Loona*	6	1	Not Applicable

\*Resigned w.e.f June 21, 2016.

**e) Disclosure of relationship between directors inter-se**

None of the Directors of the Company are related to each other.

**f) Number of shares and convertible instruments held by Non-Executive Directors**

None of the Non-Executive Directors hold any share or convertible instrument of the Company.

**g) Independent Directors:**

The Company has appointed Independent Directors who possess relevant expertise and experience and are persons of high integrity. Apart from receiving Directors remuneration, they do not have material pecuniary relationship with the Company and do not hold two percent or more of the total voting power of the Company. None of the Independent Directors are promoters or related to the promoters.

All Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to Independent Directors. The terms and conditions of appointment have been disclosed on the website of the Company viz. [www.iitlprojects.com](http://www.iitlprojects.com).

**3. FAMILIARISATION PROGRAMME:**

The Company has formulated a Familiarisation Programme for Independent Directors with an aim to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., to provide them with better understanding of the business and operations of the Company and so as to enable them to contribute significantly to the Company.

The Company conducts periodical meetings and makes presentations to familiarise Independent Directors with the strategy, operations and functions of the Company. During the year under review a meeting of Independent Director was held on March 08, 2017.

The details of such familiarisation programme have been disclosed on the website of the Company under the web link <http://www.iitlprojects.com/AboutUs.aspx>

**4. EVALUATION OF BOARD AND ITS COMMITTEES:**

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee (NRC) has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, structure of the Board, including qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and Management.

**5. GOVERNANCE CODES:****Code of Conduct**

As required by Regulation 17 (5) (b) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, the Board of Directors of the Company have adopted a Code of Conduct for all Board members and Senior Management of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. The code of conduct suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013. A declaration to this effect signed by the Managing Director of the Company forms part of this Annual Report.

The full text of the Code is disclosed on the Company's website [www.iitlprojects.com](http://www.iitlprojects.com)

**Code of Conduct for Prohibition of Insider Trading**

A Code of Conduct to regulate, monitor and report trading by Insiders has been approved by the Board on May 14, 2015 to conform to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code is amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations. The Code is applicable to Promoter(s) and Promoter Group(s), all Directors and such other designated employees of the Company, who are expected to have access to the Unpublished Price Sensitive Information relating to the Company. The Company Secretary is a Compliance Officer for monitoring adherence to the said Regulations.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive

Information (UPSI)" in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website viz. [www.iitlprojects.in](http://www.iitlprojects.in).

## 6. COMMITTEES OF THE BOARD:

The Board of Directors has constituted various Committees to deal with specific area and activities which concern the Company and requires a closer review. The Committees are formed with the approval of the Board and function under their respective charters. These Committees play an important role in the overall day- to- day affairs and governance of the Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Board currently has the following Committees:

### A) Audit Committee:

The Audit Committee was constituted on June 30, 2001. It was last reconstituted on August 09, 2016. Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 read with the provisions of Regulation 18 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

### Meetings and Attendance:

The Audit Committee met five times during the Financial Year 2016-17. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 25, 2016, August 09, 2016, November 12, 2016, February 08, 2017 and March 08, 2017. The requisite quorum was present at all the Meetings. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 16, 2016.

The composition and attendance of members at the Audit Committee Meetings are as follows:

Audit Committee Members	Category/Status	Number of meetings during the Financial Year 2016-17	
		Held	Attended
Mr. Milind S. Desai	Independent Director/ Chairman	5	5
Dr. B. Samal	Non- Independent Director/Member	5	5
Mr. Venkatesan Narayanan	Independent Director/ Member	5	5
Mr. R. S. Loona*	Independent Director/ Member	5	1

\* Ceased to be a member of Audit Committee w.e.f June 21, 2016.

Each member of the Audit Committee has relevant experience in the field of accounts, finance and taxation with the Chairman of the Committee being a Chartered Accountant.

The representatives of Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all the Audit Committee meetings during the year.

Ms. Shubhangi Lohia, Company Secretary & Compliance Officer acts as Secretary to the Committee as required by Regulation 18(1) (e) of the Listing Regulations.

### Terms of reference:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing and Examination, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as prescribed by the Board of Directors from time to time.

#### B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of three Non-Executive Directors. Mr. Milind Desai, Independent Director is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Mr. Venkatesan Narayanan and Mrs. Beroz R. Gazdar, Independent Directors. The Composition of Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Committee was last reconstituted on August 09, 2016.

#### Objective

The Key Objectives of the Committee:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### Meeting and Attendance

The Nomination and Remuneration Committee met twice during the year on April 16, 2016 and March 04, 2017. The requisite quorum was present in the meeting. The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company.

The Composition and attendance of members at the Nomination and Remuneration Committee Meeting are as follows:

Nomination and Remuneration Committee Members	Status	No. of Nomination and Remuneration Committee Meetings Attended
Mr. Milind S. Desai	Chairman	2
Mr. Venkatesan Narayanan	Member	2
Mrs. Beroz R. Gazdar*	Member	1
Mr. R.S. Loona#	Member	1

\* Appointed as a Member of Nomination and Remuneration Committee on August 09, 2016.

# Ceased to be Chairman/Member of Nomination and Remuneration Committee w.e.f. June 21, 2016.

#### Terms of reference:

- a. Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommendation to the Board about their appointment and removal and carrying out evaluation of every Director's performance;
- b. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- c. Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating the policy the Committee to ensure that the:
  - i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- d. In cases where any services rendered by a Director are of a professional nature to opine whether the Director possesses the requisite qualification for the practice of the profession;
- e. Approve the payment of remuneration of Managing Director or Whole-time Director or a Manager (Managerial Person) for the purposes of Section II (dealing with remuneration payable by companies having no profit or inadequate profit without Central Government approval) of Part II of the Schedule V (under sections 196 and 197) of Companies Act, 2013;
- f. To look into the entire gamut of remuneration package for the working Director(s) and revise their remuneration suitably within the limits prescribed under the Companies Act, 2013 or any rules, or amendments thereto, with power to consider fixing/re-fixing salaries, perquisites and other terms of remuneration of the working Director(s) of the Company subject to approval of shareholders, where necessary;
- g. To decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company;
- h. To attend to such other matters and functions as may be prescribed from time to time.

#### Evaluation

The Committee carries out evaluation of performance of every Director, Key Managerial Personnel and Senior Management at regular intervals (yearly).

#### Performance Evaluation of Independent Directors

The Nomination and Remuneration Committee of the Board laid down the evaluation criteria for performance of all its Directors including the Independent Directors. The performance evaluation of the Independent Directors has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation of the Independent Directors are as follows:

- Attendance and participation in the Meetings and timely inputs on the minutes of the meetings
- Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent and unbiased opinion
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information

#### Pecuniary transactions with non-executive directors

During the year under review, there were no pecuniary transactions with any non-executive director of the Company. The register of contracts is maintained by the Company under section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

#### Criteria of making payments to non-executive directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making, and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company. The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### Nomination and Remuneration Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Remuneration Policy providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The detailed Nomination and Remuneration Policy is placed on <http://www.iitlprojects.com/AboutUs.aspx>

Mr. D.P. Goyal, Managing Director of the Company was paid remuneration during the financial year as per the recommendation of the Nomination and Remuneration Committee at its meeting held on August 04, 2015 and approved by the Members at the Annual General Meeting held on September 16, 2015. The tenure of office of the Managing Director is from July 5, 2016 to September 30, 2017. The service condition provides that his service may be terminated by either party, by giving three months' notice in writing. There are no severance fees fixed by the Company in case of early termination of service contract.

Apart from fixed components set by Nomination & Remuneration Committee, no performance linked incentives are paid to Mr. D. P. Goyal. The details of the remuneration as per the Company's rules paid to Mr. D. P. Goyal during the financial year 2016-2017 is given below:

Name	Salary ₹	Perquisites ₹	Contribution to P.F and other funds ₹	Total ₹
Mr. D.P.Goyal	27,00,000	2,92,576	Nil	29,92,576

Details of remuneration paid to Non-Executive Directors for the year 2016-2017 are given below:

**Sitting Fees (excluding Service Tax)**

Name	Board Meetings ₹	Committee Meetings ₹	Total ₹
Dr. B. Samal	1,20,000	1,00,000	2,20,000
Mr. Bipin Agarwal	1,20,000	-	1,20,000
Mr. Venkatesan Narayanan	1,20,000	1,60,000	2,80,000
Mr. Milind S. Desai	1,20,000	1,60,000	2,80,000
Mrs. Beroz Rumie Gazdar	60,000	40,000	1,00,000
Mr. R.S. Loona*	20,000	40,000	60,000

\* Ceased to be Director w.e.f. June 21, 2016.

None of the directors held any equity shares in the company as on March 31, 2017.

**Stock Option:**

Presently, the Company does not have any practice of granting stock options.

**C) Stakeholders' Relationship Committee:**

The Board had constituted Stakeholders' Relationship Committee on December 16, 2002. The Committee was last reconstituted on August 09, 2016. All the members of the Committee are Non-Executive and Independent Directors. The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations.

The Committee as on March 31, 2017 comprises of 3 members, namely:

Mr. Venkatesan Narayanan	-	Chairman
Mr. Milind S. Desai	-	Member
Mrs. Beroz R. Gazdar	-	Member

During the year under review, no meeting of the Stakeholders' Relationship Committee was held.

The broad terms of reference of this stakeholders' relationship committee are as under:

- 1) approves and monitors transfers, transmissions, splitting and consolidation of shares and the issue of duplicate certificates; and
- 2) looks into various issues relating to stakeholders, including redressing of complaints received from stakeholders, relating to transfer of shares, non-receipt of Annual Reports, dividends etc.

During the year under review, there were no transfers/transmissions request and no grievances were received from the shareholders of the Company.

**Name address and designation of Compliance Officer:**

**Ms. Shubhangi Lohia**

**Company Secretary**

Rajabhadur Mansion, 2<sup>nd</sup> Floor, 28, B.S. Marg, Fort, Mumbai-400 001. Telephone -011-43250100

**Details of Shareholders' Complaints:**

Shareholders / Investors Complaints	No. of Complaints
Complaints as on April 01, 2016	Nil
Complaints received during 2016-2017	Nil
Complaints not solved to the satisfaction of shareholders	Nil
Complaints pending as on March 31, 2017	Nil

The Company attends to investors & shareholders grievances within 15 days from the date of receipt of the same.

**D) Corporate Social Responsibility Committee:**

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted on February 03, 2015. The CSR Committee of the Company comprised of 3 Members of which one is Independent Director as a member of the Committee.

Dr. B. Samal - Chairman of the Committee

Mr. Bipin Agarwal - Member of the Committee

Mr. Venkatesan Narayanan - Member of the Committee

During the year under review, no meeting of the CSR Committee was held.

The Company has formulated the CSR Policy, which is uploaded on the website of the Company viz. [www.iitlprojects.com](http://www.iitlprojects.com)

The terms of reference of the Corporate Social Responsibility Committee, are as follows:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and amendments thereto;
- b) To recommend the amount of expenditure to be incurred on such activities; and
- c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

**E) General Body Meetings / Postal Ballot**

**i) Annual General Meeting**

Details of the last three Annual General Meetings (AGM) of the Company and Special Resolutions passed there at are as under:



Financial Year	AGM	Day, Date	Time	Venue	Special Resolution Passed
2013-2014	20 <sup>th</sup> AGM	Saturday, August 30, 2014	11.30 a.m.	M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kaala Ghoda, Mumbai- 400 001.	<ul style="list-style-type: none"> <li>Re-appointment of Mr. D.P.Goyal as Managing Director of the Company.</li> <li>Approval of Limits of Borrowings under Section 180(1)(c) of the Companies Act, 2013.</li> <li>Approval for Related Party Transaction under Section 188 of the Companies Act, 2013 with Nimbus Projects Limited.</li> <li>Approval for Related Party Transactions under Section 188 of the Companies Act, 2013 with Industrial Investment Trust Limited.</li> <li>Approval for Related Party Transaction under Section 188 of the Companies Act, 2013 with M/s Alliance Corporate Lawyers.</li> </ul>
2014-2015	21 <sup>st</sup> AGM	Wednesday, September 16, 2015	11:30 a.m.	M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kaala Ghoda, Mumbai- 400 001.	<ul style="list-style-type: none"> <li>Re-appointment of Mr. D.P.Goyal as Managing Director of the company</li> <li>Adoption of New Set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013</li> <li>Approval of Related Party Transactions with Joint Ventures/ Associate of the Company</li> </ul>
2015-2016	22 <sup>nd</sup> AGM	Friday, September 16, 2016	11:30 a.m.	M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kaala Ghoda, Mumbai- 400 001.	<ul style="list-style-type: none"> <li>Ratification of Terms of Appointment of Mr. D. P. Goyal as Managing Director of the Company.</li> </ul>

**ii) Postal Ballot:**

During the year under review, the Company approached the shareholders through Postal Ballot. The details of the postal ballot are as follows:

Date of Postal Ballot Notice: March 08, 2017

Voting Period: March 20, 2017 to April 18, 2017

Date of Declaration of Result: April 19, 2017

Date of Approval: April 18, 2017.

Particulars of the resolution	Type of resolution	No. of votes polled	Votes casted in favor on votes polled		Votes casted against on votes polled		Votes casted Invalid on votes polled	
			No. of votes	%	No. of votes	%	No. of votes	%
Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Industrial Investment Trust Limited, Holding Company	Ordinary	2070	2067	99.86	2	0.09	1	0.05

Ms. Chandanbala Mehta, Practicing Company Secretary (Membership No. F6122) was appointed as the Scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

**Procedure for postal ballot**

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting (e-voting) facility, in addition to physical ballot, to all its members. For this purpose, the Company has engaged the services of CDSL. Postal ballot notices and forms are dispatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The same notice is sent by email to members who have opted for receiving communication through the electronic mode. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules. Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical postal ballot are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting. The scrutinizer completes the scrutiny and submits the report to the Chairman, and the consolidated results of the voting are announced by the Chairman. The results are also displayed on the Company website, [www.iitlprojects.com](http://www.iitlprojects.com), besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The last

date for the receipt of postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

#### Remote e-voting and ballot voting at the AGM

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company arranged for a remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members. Members whose names appear on the register of members as on September 16, 2017 shall be eligible to participate in the e-voting. The facility for voting through ballot will also be made available at the AGM, and the members who have not already cast their vote by remote e-voting can exercise their vote at the AGM.

### 7. OTHER DISCLOSURES:

#### a) Related Party Transactions:

All transactions entered into by the Company with related parties, during the financial year 2016-2017, were in ordinary course of business, on arm's length basis and were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and Regulation 23 of the Listing Regulations.

Sub-regulation (1) of Regulation 23 of SEBI Listing Regulations explains that "A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity."

The Company has formulated a policy on materiality of Related Party Transactions as required by Regulation 23. The policy is available on the website of the Company (web link; <http://www.iitlprojects.com/AboutUs.aspx>).

All Related Party Transactions were placed before the Audit Committee for its prior approval, during the financial year 2016-17 and the Committee has approved Related Party Transactions in line with the policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The details of the Related Party Transactions are set out in the Note 3.26 to Financial Statements forming part of this Annual Report.

#### Materially significant related party transactions that may have potential conflict with the interests of the Company at large:

Pursuant to the approval received from the shareholders of the Company and Industrial Investment Trust Limited (IITL), the Company entered into One Time Settlement (OTS) Agreement on May 18, 2017 with IITL for the outstanding Unsecured Loan as availed by the Company from IITL along with the outstanding interest thereon.

As mentioned in the para 'Material changes and commitments occurred after the close of the year till date of this report which affects the financial position of the Company in the Directors' Report, the transaction of One Time Settlement (OTS) entered into with IITL for the outstanding Unsecured Loan availed by the Company from IITL alongwith the outstanding interest thereon is deemed to be a materially significant Related Party Transaction of the Company which may be considered to have potential conflict with the interest of the Company.

b) The Company has complied with all requirements of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchange or any statutory authority for non-compliances of any matter related to the capital markets during the last three years.

c) The Company has submitted the Quarterly Compliance Report to the Stock Exchange for the FY.2016-2017.

### 8. COMPLIANCE WITH OTHER MANDATORY/NON MANDATORY REQUIREMENTS:

#### (a) Management Discussion and Analysis

A Management Discussion Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Regulation 34(3) read with Schedule V of SEBI Listing Regulations, 2015.

(b) The Company has adopted a **Policy on Determination of Materiality for Disclosures and Policy for Preservation of Documents**. The said policy has been also put up on the website of the Company at the following link: <http://www.iitlprojects.com/AboutUs.aspx>

#### (c) Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on March 08, 2017, as required under Schedule IV to the Act and Regulation 25(3) of the Listing Regulations. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform its duties.

All Independent Directors of the Company attended the Meeting of Independent Directors. Mr. Venkatesan Narayanan chaired the Meeting.



**(d) Vigil Mechanism/ Whistle Blower Policy**

As required by Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has formulated a Vigil Mechanism / Whistle Blower Policy to maintain the standard of ethical, moral and legal conduct of business operations. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees or Directors or any other person to avail of the mechanism.

Your Company hereby affirms that no Director/ employee or any other person who avails the mechanism has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link <http://www.iitlprojects.com/AboutUs.aspx> and circulated to all the Directors / employees.

**(e) Reconciliation of Share Capital Audit**

M/s Chandanbala Jain & Associates, Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed issued equity share capital. The audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**(f) Disclosure of Accounting Treatment:** In the preparation of financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013.

**(g) Disclosure on Risk Management:** The Company has framed a Risk Management Policy which is periodically reviewed by the Board.

**(h) CEO/CFO Certification:**

In terms of the requirements of Regulation 17(8) of the Listing Regulations, Chairman, Dr. B. Samal, Managing Director, Mr. D. P. Goyal and Chief Financial Officer, Mr. Kaushik Desai have submitted necessary certificate to the Board of Directors stating the particulars specified under the said regulations.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on May 29, 2017.

**(i) Note on appointment or re-appointment of Directors**

As required under Regulation 36(3) of the Listing Regulations, particulars of the Directors seeking

re-appointment/ appointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on September 23, 2017.

**(j) Discretionary Requirements as prescribed in Schedule II Part E of SEBI Listing Regulations, 2015.**

Besides complying with mandatory requirements of the Listing Agreement, the Company has also complied with the following Non-mandatory requirements of Listing Agreement.

- Modified Opinion(s) in audit report  
The Statutory Auditors of the Company have issued a qualified opinion on the Financial Statements of the Company for the financial year ended March 31, 2017.
- Internal Auditors  
The Internal Auditor reports directly to the Audit Committee.
- Separate posts of Chairman and Managing Director  
The Company has maintained separate posts of a Non-Executive Chairman and a Managing Director.

**9. MEANS OF COMMUNICATION:**

- a) The quarterly / half -yearly/ annual results are communicated to the BSE Limited where the Company's shares are listed and published in Free Press Journal (English) and Navshakti (Marathi).
- b) The Company has not made any presentation to any institutional investor or to any analyst during the year.
- c) The Annual General Meeting of the Company is the principal forum for face-to-face communication with the Shareholders.
- d) Management Discussion and Analysis Report forms part of the Company's Annual Report.
- e) The Company has its website namely [www.iitlprojects.com](http://www.iitlprojects.com), which contains a separate dedicated section 'Investor Relations', which provides comprehensive information of interest to our investors and the Annual Report of the Company in a user-friendly and downloadable form. The quarterly/half-yearly results are also available on the Company's website and website of BSE Limited where the shares of the Company are listed.

**10. GENERAL SHAREHOLDERS INFORMATION:**

<b>Company Registration Details</b>	The Company is registered in the state of Maharashtra. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L01110MH1994PLC082421.
<b>AGM : Date, Time and Venue</b>	September 23, 2017 at 11.30 a.m. at M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, Dubash Marg, Kaala Ghoda, Mumbai- 400 001.



<b>Financial Calendar</b> Financial Year ending	<b>2017-18</b> March 31, 2018 <b>(Tentative)</b>
Results for Quarter ending: June 30, 2017 September 30, 2017 December 31, 2017 March 31, 2018 (Audited annual results)	On or before September 14, 2017 On or before December 14, 2017 On or before February 14, 2018 On or before May 30, 2018
<b>Date of Book Closure</b>	September 16, 2017 to September 23, 2017 (both days inclusive)
<b>Dividend Payment Date</b>	Not Applicable
<b>Listing on Stock Exchange</b>	BSE Limited, Dalal Street, Mumbai-400001
<b>Scrip Code</b>	531968
<b>Payment of Listing Fees</b>	Annual listing fee for the year 2017-2018 (as applicable) has been paid by the Company to BSE.
<b>Market price Data : High, Low and performance details during each month in the financial year 2015-2016</b>	Refer point (a) & (b) below
<b>Registrar and Share Transfer Agents</b>	<b>Purva Sharegistry (India) Private Limited</b> 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011. Tel: (022) 2301 8261/2301 6761
<b>Share Transfer System</b>	Share Transfers are processed and share certificates are returned within a period of 15 days from the date of receipt, if the documents are clear in all respects.
<b>Distribution of shareholding &amp; Summary of Shareholding Pattern</b>	Refer Point (c) & (d) below
<b>Demat ISIN Numbers in NSDL &amp; CDSL for Equity Shares</b>	ISIN: INE786E01018
<b>De-materialization of shares and liquidity</b>	As on March 31, 2017, 86.98% of the Company's total equity shares representing 4,341,185 shares were held in dematerialized form and balance 13.02% representing 649,715 shares were held in physical form.
<b>Outstanding GDR's/ ADR's/Warrants or any convertible instruments, conversion date and likely impact on equity</b>	The Company has not issued any GDRs/ ADRs/Warrants or any convertible instruments in the Financial Year 2016-17.
<b>Commodity price risk or foreign exchange risk and hedging activities</b>	The Company has not faced any Commodity price risk or foreign exchange risk and is not engaged in any hedging activities.
<b>Plant Location</b>	The Company does not have a manufacturing plant.

<b>Address for correspondence</b>	<b>Regd. Off.:</b> Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400001. Tel : 91 22 43250100 Fax : 91 22 22651105
	Or <b>Purva Sharegistry (India) Private Limited</b> 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011. Tel: (022) 2301 8261/2301 6761

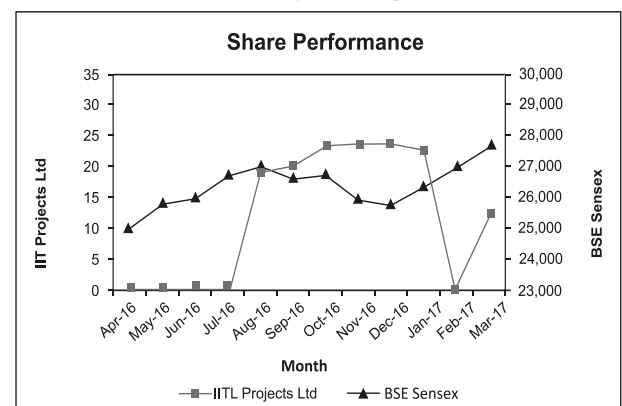
**a) Stock Market Price Data at BSE**

Month	BSE	
	High	Low
April , 2016	Nil*	Nil*
May, 2016	Nil*	Nil*
June, 2016	Nil*	Nil*
July, 2016	Nil*	Nil*
August, 2016	27.30	25.85
September, 2016	27.10	24.50
October, 2016	32.00	28.00
November, 2016	33.50	29.45
December, 2016	31.50	31.50
January , 2017	29.95	29.95
February , 2017	Nil*	Nil*
March, 2017	28.50	25.75

\* There were no trades conducted during these month.

**b) Graph**

**Share Price/BSE (Monthly Closing)**



**c) Distribution of shareholding as on March 31, 2017**

Range of equity shares held	No. of Shareholders	% of total shareholders	No. of Shares	% of total shares
upto 5,000	330	72.69	34,265	0.69
5,001 to 10,000	34	7.49	27,875	0.56
10,001 to 20,000	37	8.15	56,494	1.13
20,001 to 30,000	6	1.32	14,917	0.30
30,001 to 40,000	8	1.76	27,562	0.55
40,001 to 50,000	3	0.66	13,294	0.27
50,001 to 1,00,000	18	3.96	1,42,584	2.86
1,00,001 and above	18	3.96	46,73,909	93.65
<b>Total</b>	<b>454</b>	<b>100.00</b>	<b>49,90,900</b>	<b>100.00</b>

**d) Summary of Shareholding Pattern as on March 31, 2017**

Category	No. of Shareholders	No. of Shares held	% of total shares
Promoters	1	35,80,347	71.74
Bodies Corporate	20	3,73,321	7.48
Indian Public :			
a) Individual Shareholders holding nominal share capital up to ₹ 2 lakh.	408	2,77,560	5.56
b) Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh.	10	7,27,176	14.57
NRIs	3	604	0.01
HUF	9	22,382	0.45
Clearing Member	3	9,510	0.19
<b>Total</b>	<b>454</b>	<b>49,90,900</b>	<b>100.00</b>

**Auditors Certificate on Corporate Governance**

The Auditors Certificate in Compliance with SEBI Listing Regulations, 2015 relating to Corporate Governance is published as an annexure to the Directors Report.

**Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct**

It is hereby affirmed that all the Directors and the Senior Management Personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and Senior Management.

**On behalf of the Board of Directors**

**August 08, 2017**  
**Mumbai**

**D.P.Goyal**  
Managing Director  
(DIN : 03132505)