

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is the structure of rules, practices, and processes used to direct and manage a company. A company's board of directors is the primary force influencing corporate governance. A company's corporate governance is important to investors since it shows a company's direction and business integrity. Good corporate governance helps companies build trust with investors and the community. As a result, corporate governance helps promote financial viability by creating a long-term investment opportunity for market participants.

The Company always tries to disclose Corporate Governance by fair and transparent business practice, effective management control, adequate representation of Promoters and Independent Directors on the Board, Compliance of various laws.

A Report on compliance with the principles of Corporate Governance in reference of relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

### 1) BOARD OF DIRECTORS:

The business of the Company is managed and leadership of the Board. The Board formulates strategies, regularly reviews the performance of the Company with its projected targets and goal. The Board has constituted various committees, which guide the matters delegated to them in accordance with their terms of reference. The Executive Directors/Senior Managerial Personnel/Department Heads assist the Chairman and Managing Director and the Senior Managerial Personnel/Department Heads assist to the Executive Directors in overseeing the functional matters of the Company.

### MATRIX OF SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD:

In order to effective implementation of presence of Board members, it is necessary that collectively the Board holds the appropriate skills and experience. The following qualifications, skills and expertise which are taken into consideration while nominating a person to represent Company on the Board.

Appropriate Knowledge about Understanding of the Company's business, policies, and culture.	Understanding of the Company's business, policies, and culture, mission, vision, Company's SWOT analysis and knowledge of the industry in which the Company operates.
Leadership Quality	Significant leadership experience is necessary to lead and implement the necessary to change in organization for the Moto of the Company.
Financial expertise Qualification / experience in accounting / finance is necessary with ability to evaluate	Qualification / experience in accounting / finance is necessary for the purpose of evaluation of internal control and financial performance of the Company.
Corporate Compliance and Accountability	To establish good corporate governance practices, management accountability, and responsibilities towards various stakeholders like customers, employees, suppliers, regulatory bodies and society at large.
Soft Skill	Interaction with other Board members, with stakeholders, require to have sufficient soft skill to perform the duties.

These skills/expertise are broad-based, and it may vary from person to person and it is not necessary that all Directors possess such skills and expertise.

### Composition of the Board:

The Board of Directors of your company consists of balanced mix of Executive and Non-Executive Directors which meets the requirement of the Corporate Governance as stipulated under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company immensely benefits from the professional expertise of the Independent Directors in their individual capacity as Professionals and also from Business Executives and through their valuable experience.

The Executive Chairman heads the Board of Directors. The total strength of the Board of Directors of the Company is 8 (Eight) as on 31<sup>st</sup> March 2020 comprising 4 Executive Directors and 4 Non-Executive Independent Directors including a Woman Director.



The details of composition of the Board as at 31<sup>st</sup> March, 2020 and other information are given herein below:

Category	Name of the Director(s)	Position held	No. of Directorships in listed entities includig Co.	Membership / Chairmanships of Committee		No. of Equity Shares held as on 31 <sup>st</sup> March, 2020.
				Membership	Chairmanship	
Promoter Executive	Shri Kirit Patel	Chairman & Managing Director	1	1	0	66,99,650
	Shri Ramakant Patel	Whole Time Director	1	0	0	11,82,900
	Shri Kanu Patel	Director	2	0	0	0
	Shri Karshanbhai Patel	Director	1	0	0	35,75,000
Independent Non- Executive	Shri SudhirMaheshwari	Independent Director	1	3	1	0
	Ms. Chaitali Parikh	Independent Woman Director	1	3	1	0
	Shri Dhiren Parikh	Independent Director	1	0	0	0
	Shri Yogesh Patel	Independent Director	1	0	0	0

**Notes:**

- None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2020 have been made by the Directors.
- None of the Directors are related to each other.
- None of the Directors on the Board is a member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees (as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) across all the Companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

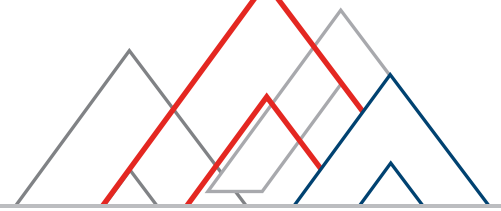
**Director's Attendance Records for the Financial Year ended on 31<sup>st</sup> March, 2020.**

Sr. No.	Name of Director(s)	No. of Board Meetings held During the period when Director was on the Board	No. of Board Meetings attended	Presence at the Last Annual General Meeting
1	Shri Kirit Patel Chairman & Managing Director	4	4	Yes
2	Shri Ramakant Patel Whole Time Director	4	4	Yes
3	Shri Kanu Patel Director	4	4	Yes
4	Shri Karshanbhai Patel Director	4	4	Yes
5	* Shri Shyam Agrawal Independent Director	2	0	No
6	Ms. Chaitali Parikh Independent Woman Director	4	4	Yes
7	* Shri Sanjiv Srivastava Independent Director	1	1	No
8	Shri Sudhir Maheshwari Independent Director	4	4	Yes
9	** Shri Dhiren Parikh Independent Director	2	2	No
10	** Shri Yogesh Patel Independent Director	2	1	No

During the Financial Year 2019-20, 04 Board Meetings were held on 20-05-2019, 03-08-2019, 11-11-2019, and on 11-02-2020.

Note : \* Shri Sanjiv Srivastava and Shri Shyam Agrawal were resigned from Board with effect from 05<sup>th</sup> August, 2019 and 11<sup>th</sup> November, 2019 respectively.

Note : \*\* Shri Dhiren Parikh and Shri Yogesh Patel were appointed as Independent Director of the Company w.e.f 03rd August, 2020.



#### MEMBERSHIPS OF OTHER BOARDS/ BOARD COMMITTEES:

Name / Designation of the Director	Listed Company	Other Company	Name of the other listed entities where Directorship held & Category of Directorship	No. of other Board Committees of which Member / Chairperson
Shri Kirit Patel Chairman & Managing Director	0	1	Nil	Nil
Shri Ramakant Patel Whole Time Director	0	2	Nil	Nil
Shri Kanu Patel Director	1	1	Asian Granito India Limited- Executive Director	Nil
Shri Karshanbhai Patel Director	0	3	Nil	Nil
Shri Sudhir Maheshwari Independent Director	0	0	Nil	Nil
Shri Dhiren Parikh Independent Director	0	0	Nil	Nil
Shri Yogesh Patel Independent Director	0	0	Nil	Nil
Ms. Chaitali Parikh Independent Woman Director	0	0	Nil	Nil

#### INDEPENDENT DIRECTOR'S MEETING:

The Independent Directors of your Company met on 11<sup>th</sup> February, 2020 during the year without presence of Non- Independent Directors and members of the management. The meeting was conducted to review the performance of Non- Independent Directors and the Board as a whole, review the performance of the Chairman of the Company after taking into account the views of the Executive and Non-Executive Directors, assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Regulation 25 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013 mandates the Company to familiarize the Independent Directors with the Company by conducting training programmes. During the year, the Board members were regularly apprised with the overview of the Company and its operations by the Management. Further, the CFO made presentation to the Board during the Board meeting on a quarterly basis pertaining to the performance and future strategy for their respective business goals. The Board was also regularly apprised of all regulatory and policy changes.

#### EVALUATION OF THE BOARD'S PERFORMANCE:

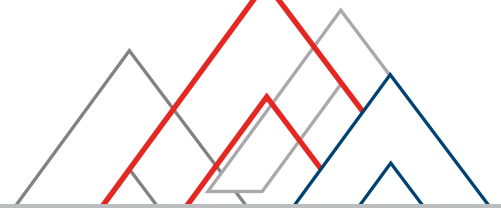
The performance evaluation is based on performance of the Company, including financial, vis. a vis. the market conditions, its peers, global market conditions, its installed capacities, etc. It also covers compliance of various statues, regulations, rules, etc. and the technological up gradations.

Performance of individual Directors have been evaluated considering their attendance, participation in the discussions, contribution at the meetings and otherwise, guiding the management on budgetary proposals, risk management, independent judgment, safeguarding of interest of all the stakeholders, and interaction with various stakeholders. etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors. The criteria for evaluation of Independent Directors are their knowledge, expertise in their fields, benefit in important decisions making in the Board and Committee Meeting.

#### Board Meeting, Board Committee Meetings and Procedures:

The Board meets at least once in a quarter with a gap between two meetings not exceeding one hundred and twenty days. Additional meetings of the Board are held when deemed necessary to address the specific needs/agenda of the Company. In case of urgency of matters, resolutions are passed by circulation in Board Meetings as well as Committee Meetings. Generally the meetings are usually held at the Company's Registered Office.



The Agenda and the supporting papers for consideration at the Board Meeting are circulated to all the Directors in advance. Adequate information is circulated as part of the Board papers and is made available at the Board Meeting to enable the Members of the Board to take important decisions. Senior Heads are invited to attend the Board Meetings as and when required.

The information as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being made available to the Shareholders.

Other provisions as to Board and Committees were compiled with during the year under review.

## 2) BOARD COMMITTEES:

The Board Committees plays a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensures expedient resolution of the diverse matters. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information and / or for approval.

The Company has at present following Committees namely:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders Relationship Committee
- iv. Corporate Social Responsibility Committee
- v. Executive Committee

### 2.1 Audit Committee

#### Composition:

The Audit Committee comprises of Two Non-Executive Independent Directors who are eminent professionals and one Executive Director.

The members of the Audit Committee comprise of Shri. Sudhir Maheshwari, Chartered Accountant who is the Chairman of the Committee, Ms. Chaitali Parikh, a Company Secretary and Shri Kirit Patel, Chairman & Managing Director of the Company.

The Audit Committee Meetings were also attended by the Statutory Auditors, Internal Auditors and Chief Financial Officer of The Company.

The Company Secretary acts as the Secretary to the Committee.

#### Meetings and Attendance:

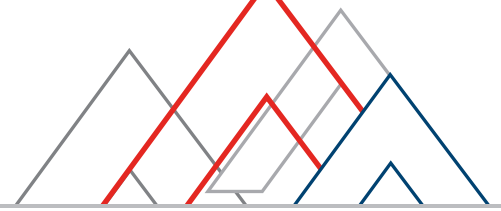
During the year, four meetings of Audit Committee were held on 20-05-2019, 03-08-2019, 11-11-2019, and on 11-02-2020. Shri Sudhir Maheshwari who is Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on 25<sup>th</sup> September, 2019.

The following table summarizes the attendance of the Committees members:

Name of Director	Category	Status	No. of Meetings held	No. of Meetings attended
Shri Sudhir Maheshwari	Independent Non- Executive	Chairman	4	4
*Shri Shyam Agrawal	Independent Non- Executive	Member	2	0
Ms. Chaitali Parikh	Independent Non- Executive	Member	4	4
Shri Kirit Patel	Promoter Executive	Member	4	4

\*Shri Shyam Agrawal was resigned from Directorship w.e.f 11<sup>th</sup> November, 2019.

The Audit Committee meetings during the year were held as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Minutes of each Audit Committee Meeting are placed and discussed in the meeting of the Board of Directors.



### **Terms of Reference:**

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's Internal Control and Financial Reporting Process. The terms of reference of the Audit Committee are in accordance with all the items listed as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and it inter-alia performs the following functions.

- A. Oversight of financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- B. Recommending for appointment, remuneration and terms of appointment of auditors of the company.
- C. Approval of payment to statutory auditors for any other service rendered by them.
- D. Examination of the annual financial statements and auditor's report thereon.
- E. Reviewing the quarterly financial statements of the Company.
- F. Management Discussion and analysis of financial conditions and results of operation.
- G. Internal audit report or statutory auditor's report.
- H. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- I. Approval or any subsequent modification or transactions of the company with related parties.
- J. Scrutiny of inter- corporate loans and investments.
- K. Valuation of undertakings or assets of the company, wherever it is necessary.
- L. Evaluation of internal financial controls and risk management systems.
- M. Reviewing statutory and internal auditor's performance and adequacy of the internal control system.
- N. Reviewing the adequacy of internal audit function including structure of the internal audit department, staffing, reporting structure coverage and frequency of internal audit.
- O. Reviewing finding of any internal investigations by the internal auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting matter to the Board.
- P. Review the functioning of the whistle blower mechanism.

### **Powers:**

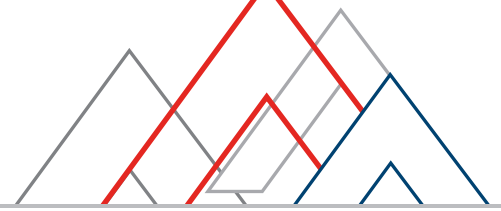
The Audit Committee has the following powers:

- i. To investigate any activity within its terms of reference.
- ii. To seek any information from any employee.
- iii. To obtain outside legal and professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers it necessary.

## **2.2 Nomination and Remuneration Committee:**

### **Composition**

Pursuant to the Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee comprises of following three Independent Non-Executive Directors, namely Shri Yogesh Patel is the Chairman of the Committee, Shri Sudhir Maheshwari and Ms. Chaitali Parikh eminent professionals are the member of the Committee.



### Meetings and Attendance

The meeting of the Nomination and Remuneration Committee was held on 03-08-2019 and 11-02-2020. Due to social reason, the Chairman of the Committee could not be able to attend the last Annual General Meeting of the Company held on 25<sup>th</sup> September, 2019.

Name of Director	Category	Status	No. of Meetings held	No. of Meetings attended
Shri Sanjiv Srivastava	Independent Non- Executive	Chairman	1	0
Shri Yogesh Patel	Independent Non- Executive	Chairman	1	1
Shri Sudhir Maheshwari	Independent Non- Executive	Member	2	2
Ms. Chaitali Parikh	Independent Non- Executive	Member	2	2

Shri Sanjiv Srivastava was resigned from Board w.e.f 05<sup>th</sup> August, 2019, while Shri Yogesh Patel was appointed on Board with effect from 03<sup>rd</sup> August, 2019.

The Company Secretary acts as the Secretary to the Committee.

### Terms of reference:

The terms of reference of the Committee inter alia, include the following:

- 1) To formulate the criteria for determining qualifications, positive attributes and independence of a director and to decide to extend or continue the term of appointment of the Independent director on the basis of the report of performance evaluation and to recommend to the board of directors a policy relating to the remuneration of the directors and KMP and other employees.
- 2) To evaluate of performance of Independent directors and the Board of Directors.
- 3) To devise a policy on diversity of Board of Directors.
- 4) To identify persons who are qualified to become Directors, as and when so required, and who may be appointed in senior management in accordance with the criteria laid down by the Committee.
- 5) To consider and recommend to the Board removal of directors, other persons in senior management and key managerial personnel (KMP).
- 6) To review HR Policies and Initiatives.

### Remuneration of Directors / Key Managerial Personnel / Senior Management / Other Employees:

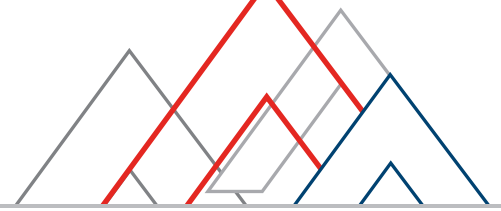
- 1) To evolve the principles, criteria and basis of Remuneration Policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMPs, Senior Management and other employees of the Company and to review the same from time to time.

The Remuneration Policy of Key Managerial Personnel and other employee are as under:

- i. **Fixed Pay:**
  - a) Basic Salary
  - b) Allowances
  - c) Perquisites
  - d) Retirement benefits
- ii. **Variable pay (applicable to Executive Directors)**

### Factors for determining and changing fixed pay:

- i. Existing compensation
- ii. Educational Qualifications
- iii. Experience
- iv. Salary structure for the position
- v. Performance
- vi. Compensation ruling in the market in similar industries for similar positions



**Factors for determining variable pay:**

- i. Company performance
  - ii. Individual's performance
- 2) Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and certain Committees thereof. The Company also reimburses out of pocket expenses to Non-Executive Directors for attending the meetings.

**a) Details of Remuneration / Sitting fees of Directors**

The details of Remunerations / Sitting fees paid to Executive and Non- Executive Directors for the financial year 2019-20 are as under:

(₹ in Lacs)

Name of Director	Salary	Commission	Perquisites	Retirement Benefits	Assignment of Key Man Insurance Policy	Sitting Fees	Total
Shri Kirit Patel	24.00	-	-	-	-	-	24.00
Shri Ramakant Patel	6.00	-	-	-	-	-	6.00
Shri Kanubhai Patel	-	-	-	-	-	-	-
Shri Karshanbhai Patel	-	-	-	-	-	-	-
Shri Sanjiv Srivastava	-	-	-	-	-	0.25	0.25
Shri Sudhir Maheshwari	-	-	-	-	-	1.00	1.00
Ms. Chaitali Parikh	-	-	-	-	-	0.40	0.40
Shri Dhiren Parikh	-	-	-	-	-	0.30	0.30

**2.3 Stakeholders Relationship Committee:**

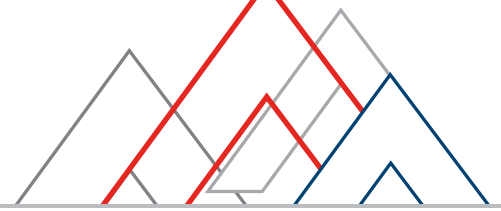
**Composition and terms of reference**

The Stakeholder Relationship Committee has been constituted as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is entrusted with the responsibility of addressing the shareholders / Investors complaints with respect to transfer of shares, Non-receipt of Annual Report, Non-receipt of dividend etc.

Four meeting of the Stakeholders Relationship Committee were held on 20-05-2019, 03-08-2019, 11-11-2019, and on 11-02-2020. The Committee also recommends steps to be taken for quality services to the investors. The composition of the said Committee and details of meeting are as under:

Name of Director	Category	Status	No. of Meetings held	No. of Meetings attended
Ms. Chaitali Parikh	Independent Non- Executive	Chairperson	4	4
Shri Sudhir Maheshwari	Independent Non- Executive	Member	4	4
Shri Ramakant Patel	Executive	Member	4	4

The Company Secretary acts as the Secretary to the Committee.



### Investors Complaints:

The particular of Investor's complaints received and redressed during the financial year are furnished below:

Sr. No.	Nature of Complaints	Opening Balance as on 1 <sup>st</sup> April, 2019	Received during the Year	Redressed / Attended during the Year	Pending as on 31 <sup>st</sup> March, 2020
1	Non- receipt of share certificates after transfer of shares	NIL	NIL	NIL	NIL
2	Non- receipt of dividend	NIL	NIL	NIL	NIL
3	Non receipt of Annual Reports	NIL	NIL	NIL	NIL
4	Others:				
	a) Query regarding Demat Credit	NIL	NIL	NIL	NIL
	b) Non- receipt of duplicate share certificate after issue	NIL	NIL	NIL	NIL
	c) Non- Exchange of New Shares	NIL	NIL	NIL	NIL
	d) Non- receipt of Refund (ASBA Query)	NIL	NIL	NIL	NIL
<b>Total</b>		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

At present entire activities related to share transfers, transmission, exchange of shares, etc. handled by Registrar and Transfer Agent, a SEBI authorized Registrar, which also provides electronic connectivity with NSDL and CDSL to carry out such assigned work.

The Company obtains half- yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40 (9) of the Listing Regulations. Further, the Compliance Certificate under Regulation 7 (3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent is also submitted to the Stock Exchanges on a half yearly basis.

## 2.4 Corporate Social Responsibility Committee:

### Composition & Terms of Reference:

The Corporate Social Responsibility Committee has been constituted as per the Companies Act, 2013. The committee formulates, reviews and recommends the amount of expenditure to be incurred on CSR activities and regularly monitors CSR activities to accomplish the objectives of implementation of CSR policy. The CSR Committee comprises of four Directors. Three Directors are executive and one is an Independent Director of the Company. Shri Ramakant Patel, Executive Director is the Chairman, and Shri Kanubhai Patel, Executive Director, Shri Karshanbhai Patel, Executive Director and Shri Yogesh Patel, Non- Executive Independent Director are the members of the Committee.

### Meeting and Attendance:

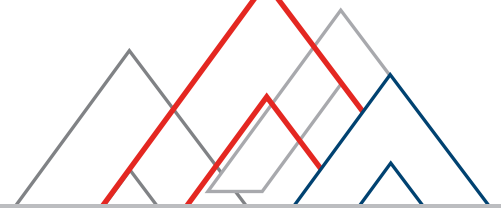
During the year, two meeting was held on 24-12-2019 and on 11-02-2020. All the members were present in the above meetings.

The Company Secretary acts as the Secretary to the Committee.

## 2.5 Risk Management Committee:

As this clause is applicable to Top 500 Listed Companies, Company have not constituted Risk Management Committee, however Board review various risk and its corrective action plan from time to time. Approach towards various risk are mentioned in Management Discussion and Analysis Report.





### 3 GENERAL MEETINGS INFORMATION :

#### ❖ Annual General Meetings:

The details of date, time and place of the Annual General Meetings (AGMs) of the Company held during the preceding three years and the Special Resolution passed there are as under:

AGM	Financial Year	Date	Place	Time	Special Resolutions passed
07 <sup>th</sup>	2016-17	23 <sup>rd</sup> May, 2017	At the Registered Office D-702, Ganesh Meridian, Opp High Court, S G Highway, Ahmedabad-380060.	11:00 a.m.	9
08 <sup>th</sup>	2017-18	22 <sup>nd</sup> September, 2018	AMA Seminar Hall No. 3 & 5, ATIRA Campus. AMA Complex, Dr. V S Marg, Vastrapur, Ahmedabad- 380 015.	11: 00 a.m.	NIL
9 <sup>th</sup>	2018-19	25 <sup>th</sup> September, 2019	AMA Seminar Hall No. 3 & 5, ATIRA Campus. AMA Complex, Dr. V S Marg, Vastrapur, Ahmedabad- 380 015.	11: 00 a.m.	NIL

#### ❖ Postal Ballot:

No special resolutions were passed through Postal Ballot during the financial year 2019-20

#### ❖ Extra Ordinary General Meeting : No extraordinary general meeting of the members was held during F.Y. 2019-20

### 4 MANDATORY & NON- MANDATORY CLAUSES:

The mandatory requirements complied with are disclosed below:

#### COMPLIANCE OF REGULATION 17 TO 27 AND 46 OF LISTING REGULATIONS:

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

The non-mandatory requirements complied with are disclosed below:

#### 1) Audit qualifications:

There are no qualifications in the Auditor's Report on the Financial Statements of the Company for the F.Y 2019-20.

#### 2) Reporting of Internal Auditors:

The Internal Auditors M/s. S.N.D.K & Associates LLP, Chartered Accountants, Ahmedabad directly report to the Audit Committee.

#### 3) Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2020 is annexed with the Directors' Report and forms part of the Annual Report as given in "ANNEXURE- G".

With regard to qualifications of the Secretarial Auditor, the Board of Directors state as under:

For the violation of Insider Trading by Designated Person, Mr. Bipin Patel (VP Finance), his service has been terminated. He undertaken trades during window closure period. The Company has intimated such violation to SEBI after the close of the accounting year. The notice for recovery of penalty as prescribed by the SEBI has been issued and amount is not recovered till the date of this report.

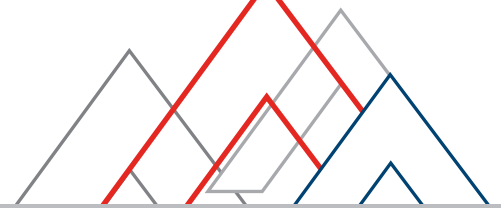
### 5 DISCLOSURES:

#### a) Disclosure on material significant Related Party Transactions:

Note No: 34(b) of Financial Statements is full disclosure of related party transactions as per Indian Accounting Standard 24 issued by the Institute of Chartered Accountants of India. Related Party Transaction Policy is also available on the website of the Company.

#### b) Accounting Treatment:

Financial Statements for the year under review were prepared in accordance with the Indian Accounting Standards and there is no deviation, nor any alternative treatment given.



**c) Risk Management:**

The Company regularly reviews the risks associated with business and its corrective actions for minimizing /managing/avoiding the same. The internal control system provides support for risk management of the Company. The Board on regular basis evaluating the risk factors involved in the businesses.

**d) Strictures / Penalties:**

The Company has complied with all the requirements of the Stock Exchange(s) and the SEBI on matters related to Capital Markets. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard during the last three years.

**e) Statutory Registers:**

All the statutory registers that are required to be maintained, particularly Registers of contracts in which Directors have interests, Registers of Directors Shareholding, Register of Investments etc. are maintained and regularly updated.

**f) Whistle Blower Policy / Vigil Mechanism:**

The Company has established a Whistle Blower Policy / Vigil Mechanism. The policy about the same is also available on Company's website [www.astronpaper.com](http://www.astronpaper.com)

**g) Policy on Preservation of Documents:**

Pursuant to the requirements under Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has formulated and approved a Policy on Preservation of Documents prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained.

**h) Training of Board Members:**

There is no formal policy at present for training the Board Members of the Company, as the members on our Board are Professionals / Business Executives. However, in addition to discussion in meetings, our Executive Directors periodically provided necessary presentation on business model and operations of the company to independent directors.

**i) Compliance of Regulation 26 (6) of Listing Regulations:**

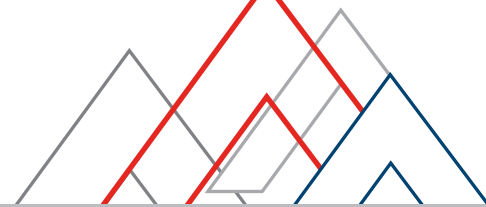
In accordance with the provisions of Regulation 26 (6) of the Listing Regulations, the Key Managerial Personnel, Director(s) and Promoter(s) of the Company have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**j) Certificate of Non-Disqualification of Directors by Company Secretary in Practice**

Pursuant to amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate received from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

**k) The Company have adopted following Policies / code which are available at Company's website [www.astronpaper.com](http://www.astronpaper.com)**

1. Board Diversity Policy
2. Code-for-Independent-Directors
3. CSR Policy
4. Material Subsidiary policy
5. Policy on Materiality of Events
6. Policy on Preservation of Documents
7. Web Archival Policy
8. Whistle Blower Policy
9. Code and conduct for Prevention of Insider Trading
10. Material Related Party Transaction Policy
11. Criteria of Making Payment to Non-Executive Director
12. Familiarization Policy of Independent Directors
13. Code of Conduct for Board of Directors and Senior Managerial Personnel



- l) Disclosures of total fees for all services paid by the Company and its subsidiaries, on consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor as required by the provisions of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 is 4.00 Lakh.

## 6 CERTIFICATION:

The Board has received Managing Director & Chief Financial Officer Certification under Clause 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same was placed before the Board of Directors of the Company.

## 7 MEANS OF COMMUNICATIONS:

The quarterly, half- yearly and annual financial results of the Company are sent to stock exchanges immediately after these are approved by the Board. These are widely published in the Indian Express (English) / Financial Express (Gujarati) etc.

The results are available on the Company's website at [www.astronpaper.com](http://www.astronpaper.com).

### Other communications are as under:

News Releases	Official press releases are sent to stock exchanges as well as displayed on the Company's website.
NSE Electronic Application Processing System (NEAPS)	The listing compliances are also filed electronically on NEAPS through <a href="http://www.connect2nse.com">www.connect2nse.com</a> / <b>LISTING/</b>
BSE Corporate Compliance & Listing Centre	The listing compliances are also filed electronically on BSE Corporate Compliance & Listing Centre through <a href="http://listing.bseindia.com">listing.bseindia.com</a>
Annual Report	Annual Report is circulated to the members and Auditors / equity analysts, etc.
Management Discussion & Analysis	Being part of Annual Report, mailed to the shareholders of the Company along with Annual Report and Notice.
Investor Services	The Company has designated an exclusive e-mail ID viz. <a href="mailto:cs@astronpaper.com">cs@astronpaper.com</a> for investor services and grievances.

### 1) GENERAL SHAREHOLDERS INFORMATION:

#### A. Annual General Meeting:

The 10<sup>th</sup> Annual General Meeting of the Company will be held on Monday, 28<sup>th</sup> September, 2020, at 11.00 AM through Video Conference / Other Audio Visual Means ("VC / OAVM").

Remote E-Voting Period : The voting period begins on Friday, 25<sup>th</sup> September, 2020 at 10.00 A.M. and ends on Sunday, 27<sup>th</sup> September, 2020 at 5.00 P.M.

Remote E-Voting Cut-off date: Monday, 21<sup>st</sup> September, 2020.

#### B. Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 22<sup>nd</sup> September, 2020 to Monday, 28<sup>th</sup> September, 2020 (both days inclusive) for the purpose of 10<sup>th</sup> Annual General Meeting of the Company.

#### C. Tentative Financial Calendar for the Financial Year 2020-21

Sr. No.	Particulars	Tentative Dates
❖	Financial Year	01 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021.
❖	<b>Financial Results</b>	
1	First Quarter ended on 30 <sup>th</sup> June, 2020	Second week of August, 2020.
2	Half Year ended on 30 <sup>th</sup> September, 2020	Second week of November, 2020.
3	Third Quarter ended on 31 <sup>st</sup> December, 2020	Second week of February, 2021.
4	Fourth Quarter ended on 31 <sup>st</sup> March, 2021	Second week of May, 2021.
	AGM for the year FY 2020-21	August / September, 2021.



#### D. Listing on Stock Exchanges:

The Company's shares are listed and traded on BSE Ltd. as well as National Stock Exchange of India Ltd having the following address:

BSE Ltd. (BSE)	National Stock Exchange of India Ltd. (NSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	Exchange Plaza, C-1, Block- G, Bandra –Kurla Complex, Bandra East, Mumbai – 400 051

#### E. Listing Fees to Stock Exchanges:

The Company has paid the Listing Fees for the year 2020-21 to the above stock Exchanges.

#### F. Custodial Fees to the Depositories:

The Company has paid custodial fees for the year 2020-21 to the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”).

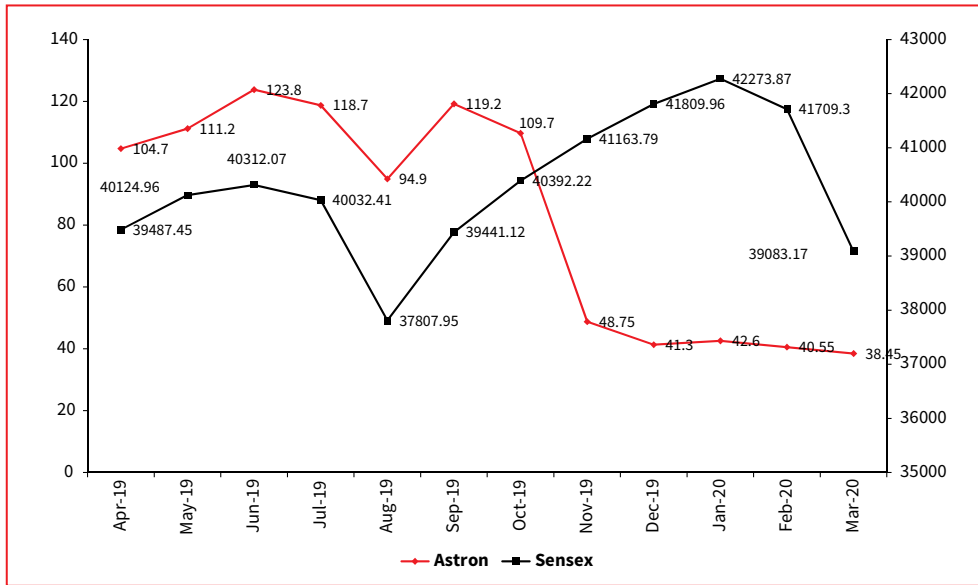
#### G. Stock Code / Symbol:

Stock Exchanges	Scrip Code
BSE Ltd. (BSE)	540824
National Stock Exchange of India Ltd. (NSE)	ASTRON
ISIN	INE646X01014
Corporate Identity Number (“CIN”)	L21090GJ2010PLC063428

#### H. Market Price Data:

Performance in comparison to broad- based indices viz. BSE Sensex

Month	Share price BSE			BSE Volumes (No. of Shares)	Share price NSE			NSE Volumes (No. of Shares)
	High Price	Low Price	Close Price		High Price	Low Price	Close Price	
April- 19	104.7	95.8	97.75	208442	101	96.60	97.50	367098
May- 19	111.2	79.65	108.05	1327735	109.55	106	107.85	197717
June- 19	123.8	104	117.85	1622947	120.25	114.80	116.60	336517
July- 19	118.7	78.6	79.30	1659396	86.90	78.50	79.45	609657
Aug- 19	94.9	78.55	92.65	1484469	93.30	91.45	92.30	274490
Sept- 19	119.2	91.15	107.95	1088093	110.55	107.10	107.85	658489
Oct- 19	109.7	54.15	54.15	3392547	53.75	53.75	53.75	62180
Nov- 19	48.75	35.6	40.10	5987678	40.60	39.65	39.65	187337
Dec- 19	41.3	35.65	40.65	725054	40.55	38.25	40.55	1170830
Jan- 20	42.6	38.05	40.20	166015	40.40	38.60	40.20	90333
Feb- 20	40.55	34.4	35.65	180339	37.10	34.50	35.45	62296
Mar- 20	38.45	24.15	26.55	190361	28	26.25	26.95	23290



#### I. Registrar & Share Transfer Agents (RTA)

M/s. Link Intime (India) Private Limited as a Registrar and Transfer Agent of the Company.

#### J. Share Transfer System:

In compliance with SEBI guidelines, M/s. Link Intime (India) Private Limited as its Registrar & Transfer Agent for Physical and Electronic form of shareholding. All the shareholders of the Company are therefore requested to correspond directly with them on the matters related to transfer and transmission of shares, demat / remate of the shares. Their address for correspondence is mentioned in sub point no "R" given herein after. In view of the above, the work for transfer of shares in physical form is also being carried out at the above address.

Further, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed unless the securities are held in the dematerialised form with the depositories. In view of the same, Equity Shares of the Company shall be eligible for transfer only in Dematerialised form. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company.

The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited & Central Depository Services (India) Limited. The transfer of shares in electronic mode

need not be approved by the Company.

#### K. Demat Suspense Account / Unclaimed Suspense Account / IEPF Suspense Account:

There are no shares lying with demat suspense account or unclaimed suspense account.

#### L. Distribution of Shareholdings as on 31<sup>st</sup> March, 2020.

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 to 500	16014	88.4214	2161599	4.6486
501 to 1000	876	4.8368	713571	1.5346
1001 to 2000	436	2.4074	676209	1.4542
2001 to 3000	201	1.1098	514210	1.1058
3001 to 4000	91	0.5025	332980	0.7161
4001 to 5000	85	0.4693	397892	0.8557
5001 to 10000	169	0.9331	1255761	2.7006
10001 & above	239	1.3196	40447778	86.9845
<b>Total</b>	<b>18111</b>	<b>100.00</b>	<b>4,65,00,000</b>	<b>100.00</b>



#### M. Category wise Shareholders as on 31<sup>st</sup> March, 2020.

Category Code	Category	No. of Shares	% of Shareholding
A	Shareholding of Promoter & Promoter Group		
	1. Indian Promoter	2,03,58,250	43.78
	2. Foreign Promoter	-	-
	<b>Sub- Total (A)</b>	<b>2,03,58,250</b>	<b>43.78</b>
B	Public Shareholding		
	1. Institutions		
	1) Financial Institutions / Banks	1695	0.003
	2) Foreign Institutional Investors	0	0
	3) Mutual Funds	0	0
	4) Foreign Portfolio Investor	120000	0.26
	2. Non Institutions		
	a) Bodies Corporate	10339091	22.23
	b) Individuals		
	i. Nominal Share Capital up to ₹ 1 Lacs.	5384398	11.58
	ii. Nominal Share Capital in excess of ₹ 1 Lacs.	8516146	18.30
	c) Qualified Foreign Investor	0	0
	d) NBFC registered with RBI	0	0
	e) Others		
	i. Trusts	261026	0.56
	ii. Hindu Undivided Family	1197573	2.58
	iii. Clearing member	85421	0.18
	iv. Non Resident (Repat)	182945	0.39
	v. Non Resident (Non Repat)	49955	0.11
	vi. Other Directors and Relatives	3500	0.007
	<b>Sub- Total (B)</b>	<b>2,61,41,750</b>	<b>56.20</b>
	<b>Total (A + B)</b>	<b>4,65,00,000</b>	<b>100.00</b>

#### N. Dematerialization of Shares and liquidity;

The Equity Shares of the Company are traded compulsorily in the dematerialized form. The Company has entered into an agreement with both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) whereby the shareholders have an option to dematerialize their shares with either of the depository.

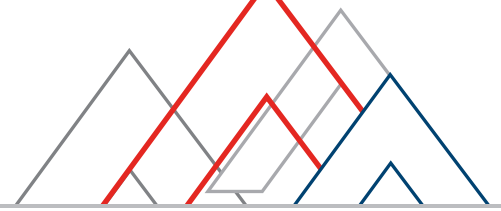
The Demat ISIN No. for both NSDL and CDSL for the Company's Equity Shares is INE646X01014.

Status of Dematerialization and Physical of the Company's Equity Shares as on 31<sup>st</sup> March, 2020 is as under:

Particulars	No. of Shares as on 31 <sup>st</sup> March, 2020	% of Total Capital as on 31 <sup>st</sup> March, 2020
A. National Securities Depository Ltd.	1,41,15,440	30.36
B. Central Depository Services (India) Ltd.	3,23,84,250	69.64
1. Total Dematerialized Shares	4,64,99,690	100
2. Physical	310	0 (R/off)
<b>Total</b>	<b>4,65,00,000</b>	<b>100</b>

Total 4,65,00,000 equity shares having face value of INR 10/- each.

Market Lot : 1 equity shares



**O. Outstanding GDRs /ADR / Warrants or any Convertible instruments, as on 31<sup>st</sup> March, 2020:**

There were no outstanding GDRs / ADRs / Warrants or any convertible instruments as on 31<sup>st</sup> March, 2020.

**P. Plant Locations:**

Sr. No.	Division	Address
1	Unit- I (PM- 1 & 2) Halvad	52/1-2, 53/1-2, 49/1-2, 50, 51/1-2-3, 54, 55, Village Sukhpar, Ta Halvad, Dis Morbi, Gujarat : 363 330.
2	Unit- II Bhuj	Survey No. 64/1, Chubdak, Nr. Ratnal Essar Petrol Pump, Bhuj – Anjar Highway, Bhuj- Kutch, Gujarat- 370 105.

**Q. Address and Contact details of the Registered Office of the Company:**

D- 702, Seventh Floor, Ganesh Meridian, Opp. High Court, S.G Highway, Ahmedabad- 380 060.

E- mail: info@astronpaper.com , Website: www.astronpaper.com

Phone No : 079- 40081221

**R. Address of Registrar & Transfer Agent:**

Shareholders may correspondence directly to M/s. Link Intime India Private Limited at the following address:

RTA's REGISTERED OFFICE ADDRESS	RTA's AHMEDABAD BRANCH ADDRESS
M/s. Link Intime (India) Pvt. Ltd. Unit: Astron Paper & Board Mill Limited C- 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai- 400 083. Tel No: 022- 4918 6000 Fax No: 022- 4918 6060 E- mail: astron.ipo@linkintime.co.in	M/s. Link Intime (India) Private Limited Unit: Astron Paper & Board Mill Limited 5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Centre- 1 (ABC- 1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C.G Road, Navrangpura, Ahmedabad- 380 009. Tel No: 079- 2646 5179 E- mail: ahmedabad@linkintime.co.in

**7) CORPORATE ETHICS:**

**a. Code of conduct for Board Members and Senior Management**

The Board has formulated Code of Conduct for all Board Members and Senior Management of the Company and the same is posted on the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct during the Year 2019-20. A declaration signed by the Managing Director in terms of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is addressed to the Board of Directors. The said declaration has been received by the Company.

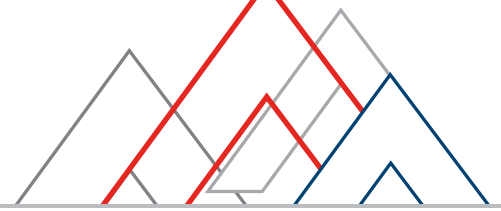
**b. Prevention of Insider Trading:**

In compliance with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has amended the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons ("Insider Trading Code") and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code"), effective from 1<sup>st</sup> April, 2019. The Insider Trading Code is aimed to avoid any insider trading and it is applicable to all the designated persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Company lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company. The Company has also adopted the policy for determination of legitimate purposes which forms part of Fair Disclosure Code.

The said "Code" is also been uploaded on the Company's website at www.astronpaper.com .

**c. Reconciliation of Share Capital Audit Report**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total listed and paid- up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.



**d. Internal Checks**

The Company has both external and internal audit systems in place. The Company has adequate Internal Control Systems to ensure that all assets are safeguarded and transactions are authorized, recorded and reported properly. The Internal controls are periodically reviewed to enhance efficiency and to ensure statutory compliances. The Internal Audit plan is designed in consultation with the Statutory Auditors and Audit Committee. Regular operational and transactional audits are conducted by professionally qualified and technical persons and the results are used for effective control and improvements. Board and the management periodically reviews the findings and recommendation of Auditors and take corrective actions necessary.

**e. Statement of Complaints in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Sr. No.	Particulars	Details
a.	No. of complaints filed during the financial year 2019-20	Nil
b.	No. of Complaints disposed off during the financial year 2019-20	Nil
c.	No. of pending complaints as on March 31, 2020	Nil

**f. Certification by Practicing Company Secretary**

As required under Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) the Company has obtained a Corporate Governance Compliance Certificate from M/s. Pinakin Shah & Co., Company Secretaries in Practice, regarding compliance of conditions of Corporate Governance as stipulated and is annexed herewith.

**g. Certification by Practicing Company Secretary regarding appointment and continuation of Directors:**

The Company has obtained the Certificate from M/s. Pinakin Shah & Co., Company Secretaries in Practice, certifying that none of the Directors on the Board of the Company for the Financial Year ending on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

For and on behalf of the Board,

Sd/-

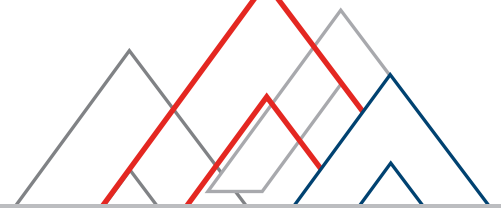
**Shri Kirit Patel**

Chairman & Managing Director

DIN: 03353684

Date: 11-08-2020  
Place: Ahmedabad





## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To  
The Members  
**Astron Paper & Board Mill Limited**  
Ahmedabad

We have examined the compliance of the conditions of Corporate Governance by Astron Paper & Board Mill Limited (“the Company”), for the year ended on 31<sup>st</sup> March 2020, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause and applicable Regulations. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, **Pinakin Shah & Co.,**  
Company Secretaries

**Pinakin Shah**

Proprietor

FCS: 2562 (CP: 2932)

UDIN:F002562B000616991

Date: 26-08-2020  
Place: Ahmedabad