



### 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 Management has consistently followed the principles of Corporate Governance, based on fairness, transparency, integrity, accountability and the compliance with laws in all corporate decisions.

#### 2. BOARD OF DIRECTORS

Composition of the Board, Category of Directors, Other Directorships, Committee Memberships and Chairmanships of other companies are given in the table below:

Sr. No	Name of the Directors	Category	No. of other Directorships held*	No. of Committee Memberships of other Companies#	No. of Committee Chairmanships of other Companies#
1	Dr. B. Samal	NI / E Executive Chairman	7	3	3
2	Mr. Bipin Agarwal	NI / NE Promoter	7	2	1
3	Mr. R.S. Loona	I / NE	4	3	1
4	Mr. Venkatesan Narayanan	I / NE	3	4	Nil
5	Mr. Subhash C. Bhargava	I / NE	9	6	Nil
6	Mr. P.K. Rath	NI / NE Representative of LIC of India	Nil	Nil	Nil
7.	Mrs. Bhagyam Ramani (appointed w.e.f. March 30, 2015)	I / NE	7	3	Nil

NI - Non Independent Director

I - Independent Director

NE - Non-Executive Director

E - Executive Director

\* Excludes alternate directorships and directorships in foreign companies and private companies and Companies u/s.8 of the Companies Act, 2013.

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

#### Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with requirement of Clause 49 of the Listing Agreement

entered into with the Stock Exchanges. As required by the Companies Act, 2013 and the Listing Agreement, a formal letter of appointment has been issued to the Independent Directors. The terms and conditions of appointment have been disclosed on the website of the Company viz. [www.iitlgroup.com](http://www.iitlgroup.com).

#### Board Meetings and Annual General Meeting

The meetings of the Board are scheduled well in advance. The Board meets at least once in a quarter inter alia to review the performance of the Company. For each meeting, a detailed agenda is prepared in consultation with the Chairman.

During the year 2014-2015, 6 Board Meetings were held i.e., on April 03, 2014, May 20, 2014, July 25, 2014, November 08, 2014, February 04, 2015 and March 30, 2015.

#### Attendance at the Board Meetings and at the Annual General Meeting (AGM)

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Dr. B. Samal	6	Yes
Mr. Bipin Agarwal	4	Yes
Mr. R.S. Loona	5	Yes
Mr. Venkatesan Narayanan	6	Yes
Mr. P.K. Rath	3	No
Mr. Subhash C. Bhargava	6	Yes
Mrs. Bhagyam Ramani#	1	Not Applicable

#Appointed w.e.f. March 30, 2015

#### 3. FAMILIARISATION PROGRAMME

The Company has formulated a Familiarisation Programme for Independent Directors with an aim to familiarize 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 shall conduct periodical meetings and make presentations to familiarize Independent Directors with the strategy, operations and functions of the Company.

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

#### 4. GOVERNANCE CODES

##### Code of Conduct

As required by Clause 49 of the Listing Agreement, 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. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

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

### Code of Conduct for Prohibition of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992. 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 Promoters and Promoter group, all Directors and such Designated Employees 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.

### 5. COMMITTEES OF THE BOARD

The Board has constituted the following Committees of Directors:

#### a) Audit Committee:

The Audit Committee was constituted on March 14, 2001. It was last reconstituted on January 28, 2013. The 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 and the provisions of the Clause 49 of the Listing Agreement.

During the year under review, four meetings of the Audit Committee were held, the dates being May 20, 2014, July 25, 2014, November 08, 2014 and February 04, 2015.

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

Audit Committee Members	Status	No. of Audit Committee Meetings Attended
Mr. Subhash C. Bhargava	Chairman	4
Mr. R.S. Loona	Member	4
Mr. P.K. Rath	Member	2

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

Mr. Subhash C. Bhargava, the Chairman of Audit Committee was present at the Annual General Meeting held on August 30, 2014.

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. Cumi Banerjee, CEO & Company Secretary acts as Secretary to the Committee and attends the meetings.

#### Terms of Reference:

1. 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;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. 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:
  - a. 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
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. 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;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. 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:**

In line with the Companies Act, 2013 / Clause 49 of the Listing Agreement requirements, the nomenclature of Remuneration Committee has been changed to Nomination and Remuneration Committee. The Committee was last reconstituted on May 20, 2014.

During the year under review, two meetings of the Nomination and Remuneration Committee were held on July 25, 2014 and March 30, 2015.

The composition and attendance of members as on March 31, 2015 is as follows:

Nomination and Remuneration Committee Members	Status	No. of Nomination and Remuneration Committee Meetings Attended
Mr. Subhash C. Bhargava*	Chairman	2
Mr. R.S. Loona	Member	2
Mr. P.K. Rath	Member	1

\* Appointed as Chairman w.e.f. May 20, 2014.

**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 the 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.

The Nomination and Remuneration Policy is annexed at

the end of this Report.

Details of remuneration paid to the Executive Chairman for the year 2014-2015 are given below:

Name	Salary	Perquisites	Contribution to P.F and other funds	Total
	₹	₹	₹	₹
Dr. B. Samal	2,700,000/-	1,500,000/-	324,000/-	4,524,000/-

Apart from fixed components set by the Nomination and Remuneration Committee, no performance linked incentives are paid to Dr. B. Samal.

Details of remuneration paid to Non-Executive Directors for the year 2014-2015 are given below:

#### Sitting Fees

Name	Board Meetings	Committee Meetings	Total
	₹	₹	₹
Mr. Bipin Agarwal	110,000/-	120,000/-	230,000/-
Mr. R.S. Loona	140,000/-	520,000/-	660,000/-
Mr. Venkatesan Narayanan	160,000/-	140,000/-	300,000/-
Mr. P.K. Rath	80,000/-	180,000/-	260,000/-
Mr. Subhash Bhargava	160,000/-	320,000/-	480,000/-
Mrs. Bhagyam Ramani	30,000/-	30,000/-	60,000/-
<b>Total</b>	<b>680,000/-</b>	<b>1,310,000/-</b>	<b>1,990,000/-</b>

The Board in its meeting held on July 25, 2014, has accorded its approval for increase in payment of sitting fees from ₹20,000/- to ₹30,000/- for attending each Meeting of the Board and Committees, by the Non-Executive Directors of the Company w.e.f. July 25, 2014.

Mr. Bipin Agarwal holds 25,000 equity shares in the Company and none of the remaining Directors hold any equity share of the Company as on March 31, 2015.

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

#### c) Stakeholders Relationship Committee (SRC)

The Board had constituted Share Transfer & Shareholders'/Investors' Grievance Committee on January 16, 2002. The Committee was last re-constituted on January 28, 2013.

In line with the Companies Act, 2013 / Clause 49 of the Listing Agreement requirements, the nomenclature of Share Transfer & Shareholders'/Investors' Grievance Committee has been changed to Stakeholders Relationship Committee (SRC).

The Committee as on March 31, 2015 comprises of 3 members, namely:

Mr. R.S. Loona	- Non Executive Director - Chairman
Dr. B. Samal	- Member
Mr. P.K. Rath	- Member

This Committee:

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

To expedite share transfer process, the Board has authorised the CEO & Company Secretary of the Company to approve share transfer / transmissions up to one thousand shares. Share transfers for more than one thousand shares are approved by the SRC. During the year, 7 meetings were held. Transfer formalities have been attended at least once in a fortnight.

- Name and designation of Compliance Officer:	Ms. Cumi Banerjee CEO & Company Secretary
- No. of shareholders complaints received	17
- No. of Shareholders complaints resolved	17
- No. of complaints not resolved to the satisfaction of the shareholders	Nil
- Pending complaints as on 31.03.2015	Nil

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

#### d) Committee for Investments / Loans and Risk Management

The Board had constituted 'Committee of Directors' on March 05, 2008 to deal with matters concerning investments and granting loans. On July 20, 2010, the nomenclature of Committee of Directors was changed to 'Committee for Investment and Loans'.

The Board had constituted a Risk Management Committee on June 02, 2006.

The Board of Directors in their meeting held on August 01, 2013, decided that a new Committee by the name '**Committee for Investments / Loans and Risk Management**' be constituted in place of 'Committee for Investments and Loans' and 'Risk Management Committee' which would deal with matters concerning investments, granting loans, taking / providing guarantees / securities and address all risks which can create impact on the business of the Company.

The Committee as on March 31, 2015 consisted of 4 members, namely:

Mr. Subhash C. Bhargava	- Chairman
Dr. B. Samal	- Member
Mr. Bipin Agarwal	- Member
Mr. R.S. Loona	- Member

During the year under review, four meetings of Committee for Investments / Loans and Risk Management were held on October 16, 2014, November 07, 2014, February 04, 2015 and March 30, 2015.

**e) Asset Liability Management Committee**

The Board has constituted 'Asset Liability Management Committee' (ALCO) on August 01, 2013 consisting of senior management executives which monitors liquidity and interest rate risks of the Company. The functioning of ALCO is reviewed by the Committee for Investments / Loans and Risk Management which meets on quarterly basis and reports to the Board of Directors.

During the year under review, the Asset Liability Management Committee met thrice on May 19, 2014, December 10, 2014 and March 25, 2015.

**f) Corporate Social Responsibility Committee (CSR)**

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted on May 20, 2014.

The Committee as on March 31, 2015 comprises of 3 Directors out of which one Director is an Independent Director:

Dr. B. Samal	-	Chairman
Mr. Bipin Agarwal	-	Member
Mr. Venkatesan Narayanan	-	Member

During the year under review, one meeting of Corporate Social Responsibility Committee was held on November 07, 2014.

The Company has formulated CSR Policy, which is uploaded on the Website of the Company (Weblink; <http://iitlgroup.com/newStatic/AboutUs.aspx>).

**5. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS**

**a) Management Discussion and Analysis**

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49(VIII) (D) of the Listing Agreement.

**b) Separate Meeting of Independent Directors**

During the year under review, the Independent Directors met on March 30, 2015, inter alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- ii) Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- iii) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**c) 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 participations 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, 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

**d) Subsidiary Companies**

Under Clause 49 of the Listing Agreement, an Independent Director of the Company is required to be appointed as Director on the Board of the material unlisted Indian subsidiaries.

The following Independent Directors have been appointed as an Additional Director/ Director on the Board of the unlisted subsidiary company:

1. Mr. Venkatesan Narayanan - IIT Insurance Broking and Risk Management Private Limited (non-material unlisted subsidiary) w.e.f. February 04, 2015;
2. Mr. R.S. Loona has been appointed as Director of IITL Marketing Management Private Limited (non-material unlisted subsidiary) w.e.f. January 27, 2010;
3. Mr. Venkatesan Narayanan - IITL Corporate Insurance Services Private Limited (non-material unlisted subsidiary) w.e.f. January 31, 2014; and
4. Mr. Venkatesan Narayanan - IIT Investtrust Limited (non-material unlisted subsidiary) w.e.f. May 13, 2013.

The Audit Committee of the Company reviews the financial statements, including the investments made, of its unlisted subsidiaries.

The Minutes of the meetings of the Board of Directors

of the unlisted subsidiary companies are regularly placed before the Board of Directors of the Company. A statement containing the significant transactions and arrangements entered into by the unlisted subsidiaries are periodically placed before the Board of Directors of the Company.

The Company has formulated a Policy for determining material subsidiaries. The policy is available on the website of the Company. (Weblink: <http://www.iitlgroup.com/newStatic/AboutUs.aspx>).

**e) Disclosures – Related Party transactions**

Statements in summary form of transactions with related parties are periodically placed before the Audit Committee.

As required under Clause 49 of the Listing Agreement, the Company had formulated the policy on dealing with Related Party Transactions. The policy is available on the website of the Company. (Weblink: <http://www.iitlgroup.com/newStatic/AboutUs.aspx>).

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

As required by Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/ CEO/ Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/ employee 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.iitlgroup.com/newStatic/AboutUs.aspx> and circulated to all the Directors and employees.

**g) 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

**h) Disclosure on Risk Management**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically reviews the same.

**i) CEO / CFO Certification**

In terms of the requirements of Clause 49 (IX) of the Listing Agreement, the Executive Chairman, Dr. B. Samal

and CEO & Company Secretary, Ms. Cumi Banerjee have submitted necessary certificate to the Board of Directors stating the particulars specified under the said clause.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on May 30, 2015.

The Company is in the process of appointing Chief Financial Officer.

**j) Non-mandatory requirements**

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

**i) Audit Qualifications**

The Company continues to remain in the regime of unqualified financial statements and submits Form A for Unqualified Auditors Report along with its Annual Report to the Stock Exchanges.

**ii) Separate posts of Chairman and Chief Executive Officer (CEO)**

Separate persons have been appointed as Chairman and Chief Executive Officer of the Company.

**6. GENERAL BODY MEETINGS**

Location and time where last three AGMs were held:

Sr. No.	Date	Location	Time	Special Resolution passed
1.	August 30, 2014	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.30 p.m.	1) Approval for Limit of Borrowings under Section 180(1)(c) of the Companies Act, 2013 2) Approval for Related Party Transactions under Section 188 of the Companies Act, 2013
2.	September 07, 2013	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	3.30 p.m.	Re-appointment of Dr. B. Samal as Executive Chairman and Increase in Remuneration
3.	September 20, 2012	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	3.30 p.m.	1) Alteration of Articles of Association of the Company 2) Raising of Funds through Issue of 10% Compulsorily Convertible Preference Shares of the Company on Preferential basis

No resolution has been approved by way of Postal Ballot, nor the Company proposed any resolution which required approval by way of Postal Ballot.



**7. OTHER DISCLOSURES:**

- a) There were no materially significant transactions with the related parties during the year, which had or could have potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Note 2.24 of the Financial Statements in the Annual Report.
- b) No penalties or strictures have been imposed on the Company by SEBI, Stock Exchanges or any other statutory authority, for non-compliance of any laws, on any matter related to the capital markets, during the last three years.
- c) There are no inter-se relationships between Directors of the Company.

**8. MEANS OF COMMUNICATIONS**

- a) Quarterly and Annual financial results of the Company are forwarded to the BSE Limited and The National Stock Exchange of India Limited and published in Free Press Journal (English) and Navshakti (Marathi). Half yearly report is not sent to each shareholder. However, the results of the Company are published in the Newspapers.
- b) The Company has not made any presentation to any institutional investors or to any analysts during the year.
- c) Management Discussion and Analysis Report forms part of the Directors' Report.
- d) The Company has launched its website www.iitlgroup.com. Annual Report of the Company shall be available on the website in a user friendly and downloadable form. The quarterly / half yearly results are also available on the Company's website.

**9. GENERAL SHAREHOLDER INFORMATION**

**a) Annual General Meeting**

Date & Time : Wednesday, September 16, 2015 at 2:30 p.m.  
Venue : M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001.

**b) Financial Calendar : 2015-2016**

Adoption of Quarterly Results for

Quarter ending	In the month of (Tentative)
June 2015	: On or before August 14, 2015
September 2015	: On or before November 14, 2015
December 2015	: On or before February 14, 2016
March 2016 (Audited annual results)	: On or before May 30, 2016

**c) Dividend Payment Date** : On or before October 16, 2015

**d) Book Closure period** : September 09, 2015 to September 16, 2015

**e) Listing on Stock Exchange** : BSE Limited (BSE), Dalal Street, Mumbai 400001  
The National Stock Exchange of India Limited (NSE) BKC, Bandra (E), Mumbai 400051

Listing fees, as prescribed, have been paid to the BSE and NSE up to March 31, 2016.

**f) Stock Code at BSE** : 501295

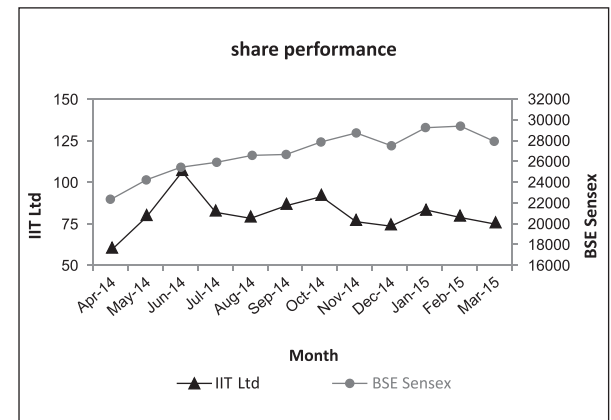
**NSE Stock Symbol** : IITL

**g) Stock price data at the BSE and NSE**

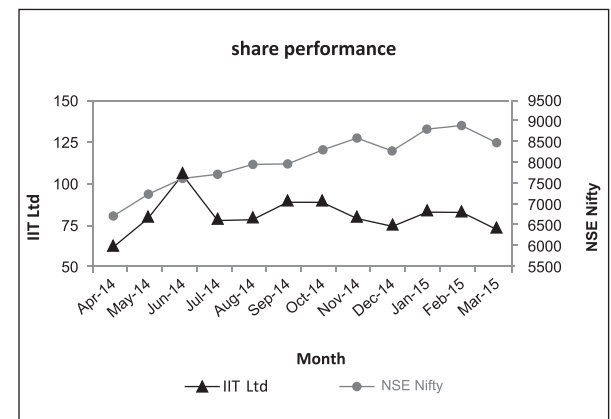
Month	BSE			NSE		
	High (₹)	Low (₹)	Close (₹)	High (₹)	Low (₹)	Close (₹)
April, 2014	65.65	57.85	60.00	67.95	57.50	61.65
May, 2014	79.80	54.85	79.30	79.80	54.20	78.70
June, 2014	106.40	74.00	106.40	105.55	71.65	105.55
July, 2014	117.25	79.65	81.95	118.70	77.00	77.00
August, 2014	87.00	75.00	78.85	87.00	76.05	78.00
September, 2014	98.70	76.60	86.05	98.00	76.55	88.95
October, 2014	94.50	82.15	91.85	93.00	80.25	88.00
November, 2014	88.00	70.00	76.65	88.00	70.00	78.60
December, 2014	79.45	70.00	73.00	80.00	68.05	73.50
January, 2015	95.00	71.40	83.55	97.85	71.25	82.30
February, 2015	89.50	77.05	79.00	90.80	75.10	82.50
March, 2015	84.00	65.00	74.80	86.00	62.70	72.00

**h) Graph**

Share Price / BSE (Monthly Closing)



Share Price / NSE (Monthly Closing)



**i) Registrar and Transfer Agents**

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West), Mumbai 400 078.  
Tel. No.: 022 2596 3838

**j) Share Transfer System**

The transfer of shares held in physical mode is processed by Link Intime India Private Limited and is approved by the Stakeholders Relationship Committee / CEO & Company Secretary of the Company as the case may be. The transfer of shares is effected and share certificates are dispatched within a period of 30 days from the date of receipt, provided that the relevant documents are complete in all respects.

**k) Distribution of shareholding as on March 31, 2015**

Grouping of Shares	No. of Share-holders	% of total share-holders	No. of Shares per Category	% of total shares
1 – 500	1604	73.61	276,682	1.23
501 – 1000	227	10.42	198,823	0.88
1001 – 2000	149	6.84	234,101	1.04
2001 – 3000	75	3.44	194,326	0.86
3001 – 4000	20	0.92	72,029	0.32
4001 – 5000	35	1.61	171,373	0.76
5001 – 10000	33	1.51	239,162	1.06
10001–22547550	36	1.65	21,161,054	93.85
<b>TOTAL</b>	<b>2179</b>	<b>100.00</b>	<b>22,547,550</b>	<b>100.00</b>

**Shareholding pattern as on March 31, 2015**

Category	No. of Shareholders	No. of shares held	% of shareholding
Promoters	6	9,321,387	41.34
Foreign Company	-	-	-
Non Resident (Individual & Companies)	35	76,451	0.34
Foreign Institutional Investors	-	-	-
Insurance Companies	3	1,243,311	5.51
Financial Institutions / Banks	16	69,150	0.31
Mutual Funds	-	-	-
Central Government / State Government(s)	2	37,200	0.17
Resident Individuals	2,022	1,426,077	6.33
Clearing Member	16	21,227	0.09
Trusts	7	47,767	0.21
Other bodies corporate	71	527,430	2.34
Shares held by custodians and against which Depository Receipts have been issued	1	9,777,550	43.36
<b>TOTAL</b>	<b>2,179</b>	<b>22,547,550</b>	<b>100.00</b>

**l) Dematerialisation**

The Company has entered into agreements with National Security Depository Limited and Central Depository Services Limited for the dematerialisation of shares. As on March 31, 2015, a total of 21,698,149 shares, which

forms 96.23% of the share capital of the Company stands dematerialized and 849,401 shares which forms 3.77% of the share capital are in physical form.

**m) Outstanding GDRs / ADRs / Warrants or any convertible instruments**

(a) On June 15, 2012, the Company had issued 4,888,775 Global Depository Receipts (GDRs), each GDR representing two Equity Shares of ₹10/- each. The GDRs issued by the Company are listed on the Luxembourg Stock Exchange. As on March 31, 2015, the total outstanding GDRs stood at 4,888,775.

(b) The Company has converted the balance 720,000, 10% Compulsorily Convertible Preference Shares (CCPS) of ₹10/- each issued and allotted on preferential basis to the promoters on April 3, 2014, namely N. N. Financial Services Private Limited and Nimbus India Limited. The Equity Shares issued and allotted as above are listed on BSE Limited and The National Stock Exchange of India Limited and have been admitted to dealings on both the Stock Exchanges.

**n) Plant Location**

The Company does not have a manufacturing plant.

**o) Address for Correspondence**

Shareholders can correspond with the Registrars & Share Transfer Agents or at the Registered Office of the Company.

**Address of the Registrar & Share Transfer Agents**

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup (West), Mumbai 400 078.  
Tel. No.: 022 2596 3838

For the convenience of the investors, transfer requests are also accepted at the Registered Office of the Company.

**Address of Registered Office**

14 E Rajabhadur Mansion, 2nd Floor  
28, Bombay Samachar Marg, Fort, Mumbai - 400 001

**Contact Person**

Ms. Cumi Banerjee - CEO & Company Secretary  
Tel. No.: 022 4325 0100

**Auditors' Certificate on Corporate Governance**

The Auditors' Certificate on compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Directors' Report.

**Declaration on Compliance with 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

**Dr. B. Samal**  
Chairman  
(DIN: 00007256)

Place : Mumbai  
Date: August 04, 2015



**Annexure**

**Nomination and Remuneration Policy**

The Board of Directors of Industrial Investment Trust Limited (“the Company”) constituted the “Nomination and Remuneration Committee” at the Meeting held on July 25, 2014, consisting of three (3) Non-Executive Directors of which majority are Independent Directors.

**1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

The Key Objectives of the Committee would be:

- i) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

**2. DEFINITIONS**

- i) Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii) Board means Board of Directors of the Company.
- iii) Directors mean Directors of the Company.
- iv) Key Managerial Personnel means
  - Chief Executive Officer or the Managing Director or the Manager;
  - Whole-time director;
  - Chief Financial Officer;
  - Company Secretary; and
  - Such other officer as may be prescribed.
- v) Senior Management means, personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

**3. ROLE OF COMMITTEE**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- A) Policy for appointment and removal of Director, KMP and Senior Management

**Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**Term / Tenure**

- a) **Managing Director/Whole-time Director:**  
The Company shall appoint or reappoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:**
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board’s report.
  - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- Any tenure of an Independent Director on the date of commencement of Companies Act, 2013 i.e. April 01, 2014 shall not be counted for his appointment / holding office of Director under the Act.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### **Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel once a year.

#### **Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### **Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **B) Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**

#### **General:**

- a) The remuneration / commission to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / commission shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration / commission to be paid to the Whole-time Director shall be in accordance with the Articles of Association of the Company and as per the provisions of the Act.

- c) Increments to the existing remuneration structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

#### a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

#### c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **Remuneration to Non- Executive / Independent**

**Director:**

**a) Remuneration:**

The remuneration payable shall be fixed as mentioned in the Articles of Association of the Company and the Act.

**b) Sitting Fees:**

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.

**c) Commission:**

If at any time the Company desires to pay Commission, it may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

**4. MEMBERSHIP**

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

**5. CHAIRPERSON**

- Chairperson of the Committee shall be an Independent Director.
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting.

**6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

**7. COMMITTEE MEMBERS' INTERESTS**

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**8. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

**9. VOTING**

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**10. DUTIES OF THE COMMITTEE**

**The duties of the Committee in relation to nomination matters include:**

- To ensure that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- To ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identify and recommend Directors who are to be put forward for retirement by rotation.
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company.
- to consider any other matters as may be requested by the Board.
- Professional indemnity and liability insurance for Directors and senior management.

**11. MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.