

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.

The Securities and Exchange Board of India (SEBI) on September 02, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. The Listing Regulations were effective from December 01, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 (six) months from the effective date. Your Company has entered into Listing Agreement with BSE Limited and the National Stock Exchange of India Limited during the month of November, 2015.

A report on compliance with the provisions of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of the Listing Regulations is given hereunder.

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	6	1	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	8	8	Nil
6.	Mrs. Bhagyam Ramani	I/NE	7	3	Nil
7.	Mr. Deb Kumar Banerjee (appointed w.e.f. November 07, 2015)	NI / NE Representative of LIC of India	Nil	Nil	Nil
8.	Mr. P.K. Rath (resigned w.e.f. September 28, 2015)	NI / NE Representative of LIC of India	Nil	Nil	Nil

NI - Non Independent Director

I - Independent Director

NE - Non-Executive Director

E - Executive Director

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

Excludes Committees other than Audit Committee and Stakeholders' Relationship Committee of public limited companies.

Board Procedures

The dates for meetings of the Board of Directors and its Committees are scheduled in advance and published as a part of the Annual Report. The Agenda and the explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards.

The CEO / CFO make presentations to the Board on matters including but not limited to the Company's performance, operations, plans, etc. The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the Listing Regulations.

The draft minutes of the Board and its Committees are sent to the Directors / Members of the Board / Committees for their comments and then the minutes are entered in the minutes book within 30 days of the conclusion of the meeting.

Independent Directors

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations. Your Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013. The terms and conditions of appointment have been disclosed on the website of the Company viz. 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 2015-2016, five Board Meetings were held i.e., on May 30, 2015, August 04, 2015, November 07, 2015, January 28, 2016 and March 15, 2016.

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	5	Yes
Mr. Bipin Agarwal	5	Yes
Mr. R.S. Loona	5	Yes
Mr. Venkatesan Narayanan	5	Yes
Mr. Subhash C. Bhargava	5	Yes
Mrs. Bhagyam Ramani	5	Yes
Mr. Deb Kumar Banerjee#	2	Not applicable
Mr. P.K. Rath*	2	No

Appointed w.e.f. November 07, 2015

* Resigned w.e.f. September 28, 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 the Listing Regulations, the Board of Directors of the Company have adopted a Code of Conduct for all Board members which incorporates the duties of Independent Directors and Senior Management of the Company. In terms of Regulation 26(3) of the Listing Regulations, 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.

Code of Conduct for Prevention of Insider Trading

During the year, a Code of Conduct to regulate, monitor and report trading by Insiders has been approved by the Board on May 14, 2015 to conform to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code has been made applicable to cover Directors, Senior Management Personnel, persons forming part of Promoter(s)/ Promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company ("Designated Persons"). 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 November 07, 2015. 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 Regulation 18 of the Listing Regulations.

During the year under review, six meetings of the Audit Committee were held, the dates being May 30, 2015, August 04, 2015, November 07, 2015, December 21, 2015, January 19, 2016 and January 28, 2016.

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	6
Mr. R.S. Loona	Member	6
Mr. Deb Kumar Banerjee#	Member	4
Mr. P.K. Rath*	Member	2

* Ceased to be member of Audit Committee on September 28, 2015

Appointed as a member of Audit Committee on November 07, 2015

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 September 16, 2015.

The representatives of Statutory Auditors are invitees to the Audit Committee Meetings at the discretion of the Committee Members. They have attended four Audit Committee meetings out of six meetings held during the year.

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

Terms of Reference:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing and examination, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same

- 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:

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Committee was last reconstituted on November 07, 2015.

During the year under review, four meetings of the Nomination and Remuneration Committee were held on May 30, 2015, August 04, 2015, November 07, 2015 and December 15, 2015.

The composition and attendance of members at the Committee Meetings as on March 31, 2016 are as follows:

Nomination and Remuneration Committee Members	Status	No. of Nomination and Remuneration Committee Meetings Attended
Mr. Subhash C. Bhargava	Chairman	4
Mr. R.S. Loona	Member	4
Mr. P.K. Rath *	Member	2
Mr. Deb Kumar Banerjee#	Member	-

* Ceased to be member of Nomination and Remuneration Committee on September 28, 2015

Appointed as a member of Nomination and Remuneration Committee on November 07, 2015

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:
- Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 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 2015-2016 are given below:

Name	Salary	Perquisites	Contribution to P.F and other funds	Total
	₹	₹	₹	₹
Dr. B. Samal	2,869,354/-	1,500,000/-	344,322/-	4,713,676/-

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 2015-2016 are given below:

Sitting Fees (excluding Service Tax)

Name	Board Meetings	Committee Meetings	Total
	₹	₹	₹
Mr. Bipin Agarwal	150,000/-	120,000/-	270,000/-
Mr. R.S. Loona	150,000/-	600,000/-	750,000/-
Mr. Venkatesan Narayanan	150,000/-	180,000/-	330,000/-
Mr. P.K. Rath*	60,000/-	120,000/-	180,000/-
Mr. Subhash Bhargava	150,000/-	450,000/-	600,000/-
Mrs. Bhagyam Ramani	150,000/-	30,000/-	180,000/-
Mr. Deb Kumar Banerjee#	60,000/-	210,000/-	270,000/-
Total	870,000/-	1,710,000/-	2,580,000/-

* Resigned w.e.f. September 28, 2015

Appointed w.e.f. November 07, 2015

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, 2016.

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

c) **Stakeholders Relationship Committee (SRC)**

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee was last re-constituted on November 07, 2015.

The Committee as on March 31, 2016 comprises 3 members, namely:

- | | |
|-------------------------|-------------------------------------|
| Mr. R.S. Loona | - Non Executive Director - Chairman |
| Dr. B. Samal | - Member |
| #Mr. Deb Kumar Banerjee | - Member |
| *Mr. P.K. Rath | - Member |

* Ceased to be member of Stakeholders Relationship Committee on September 28, 2015

Appointed as a member of Stakeholders Relationship Committee on November 07, 2015

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 redressal of complaints received from shareholders relating to transfer of shares, non-receipt of annual report, dividends etc.

To expedite share transfer process, the Board has authorised the CEO & Company Secretary and Chief Financial Officer of the Company to approve share transfer / transmission /consolidation/ split / deletion up to five thousand shares. Requests for share transfer/ transmission / consolidation/ split / deletion for more than five thousand shares are approved by the SRC. 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 7
- No. of Shareholders complaints resolved 7
- No. of complaints not resolved to the satisfaction of the shareholders Nil
- Pending complaints as on 31.03.2016 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, 2016 comprises 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 June 18, 2015, August 04, 2015, November 07, 2015 and January 19, 2016.

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 June 16, 2015, November 05, 2015 and January 18, 2016.

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, 2016 comprises 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, two meetings of Corporate Social Responsibility Committee were held on November 07, 2015 and January 28, 2016.

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

6. 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 the Listing Regulations.

b) Separate Meeting of Independent Directors

During the year under review, the Independent Directors met on March 15, 2016, 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 is 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

As per clause (c) of sub-regulation (1) of regulation 16 of the Listing Regulations "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

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>).

As on March 31, 2016, there is no material unlisted subsidiary of the Company.

The unlisted subsidiary companies are managed by their separate Board of Directors, who are empowered to exercise the rights and perform the duties for efficient monitoring and management of the unlisted subsidiary companies. The Company oversees and monitors the performance of subsidiary companies by following means:

- i. The Audit Committee reviews the financial statements and, in particular the investments made by the unlisted subsidiary companies.
- ii. The minutes of the meetings of the Board of Directors of the unlisted subsidiary companies are placed before the Board of Directors of the Company.

- iii. A statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Board of Directors of the Company.

e) Disclosures - Related Party transactions

As per Section 188 of the Companies Act 2013 and Regulation 23 of the Listing Regulations, all the Related Party transactions were on arm's length basis and the same were duly approved by the Audit Committee.

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

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

As required under Listing Regulations, the Company has formulated a policy on materiality of related party transactions and 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 the Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has formulated a Vigil Mechanism/ Whistle Blower Policy to maintain the standard of ethical, moral and legal conduct of business operations. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees or Directors or any other person to avail of the mechanism 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/ any other person 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 / 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 and Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

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 Regulation 17(8) of the Listing Regulations, the Executive Chairman, Dr. B. Samal, CEO & Company Secretary, Ms. Cumi Banerjee and Mr. Kaushik Desai, Chief Financial Officer have submitted necessary certificate to the Board of Directors stating the particulars specified under the said regulations.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on May 26, 2016.

j) Non-mandatory requirements

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

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 Annual Audited Financial Results 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.

iii) Reporting by internal auditor

The internal auditor reports directly to the Audit Committee.

7. GENERAL BODY MEETINGS

Location and time where last three AGMs were held:

Sr. No.	Date	Location	Time	Special Resolution passed
1.	September 16, 2015	M.C. Ghia Hall, 18/20, K. Dubash Marg, Mumbai - 400 001	2.30 p.m.	1) Re-appointment of Dr. B. Samal as Executive Chairman 2) Adoption of new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 3) Approval of Related Party Transactions under Clause 49 of the Equity Listing Agreement
2.	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
3.	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

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

8. OTHER DISCLOSURES:

- 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.
- 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.
- There are no inter-se relationships between Directors of the Company.
- The Company has submitted the quarterly compliance reports to the Stock Exchanges for the Financial Year 2015-2016.

9. MEANS OF COMMUNICATIONS

- 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.
- The Company has not made any presentation to any institutional investor or to any analyst during the year.
- Management Discussion and Analysis Report forms part of the Directors' Report.
- The Company has its website namely 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.

10. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date & Time : Friday, September 16, 2016 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 Year : 2016-2017

Adoption of Quarterly Results for

Quarter ending	In the month of (Tentative)
June 2016	: On or before August 14, 2016
September 2016	: On or before November 14, 2016

December 2016 : On or before
February 14, 2017

March 2017 : On or before May 30, 2017
(Audited annual results)

c) **Book Closure period** : September 10, 2016 to
September 16, 2016

d) **Listing on Stock** : BSE Limited,
Exchange 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, 2017.

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

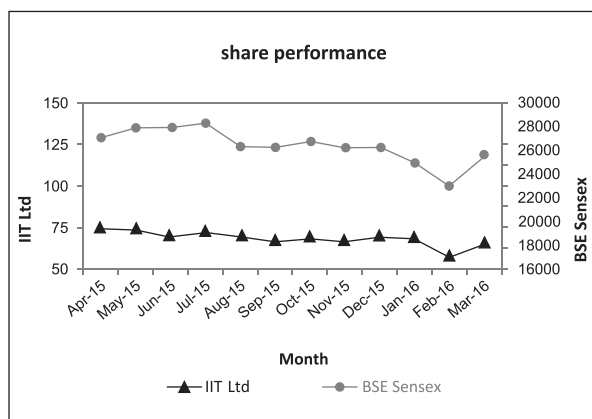
NSE Stock Symbol : IITL

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

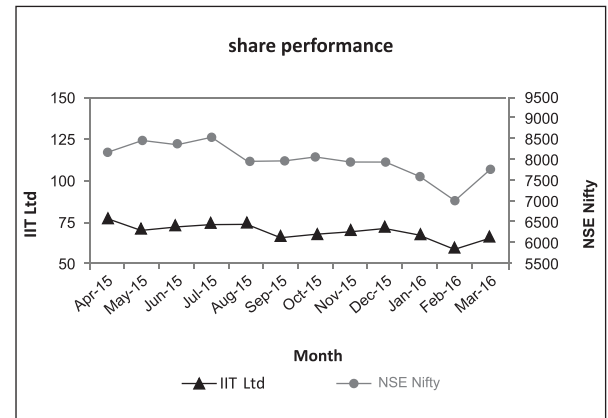
Month	BSE			NSE		
	High (₹)	Low (₹)	Close (₹)	High (₹)	Low (₹)	Close (₹)
April, 2015	82.00	72.10	74.20	84.00	72.10	75.95
May, 2015	77.00	67.20	73.80	78.45	69.10	69.10
June, 2015	74.85	66.10	70.00	74.50	65.50	71.70
July, 2015	76.00	68.10	72.00	74.75	67.00	73.25
August, 2015	89.50	70.05	70.05	90.00	70.00	72.85
September, 2015	73.55	59.05	66.90	74.65	59.00	65.00
October, 2015	72.00	63.00	69.00	74.30	60.55	67.10
November, 2015	70.80	61.15	67.00	74.50	61.90	68.45
December, 2015	76.20	65.35	72.40	72.95	64.10	71.05
January, 2016	74.00	63.75	68.45	72.00	63.40	66.00
February, 2016	68.45	57.95	57.95	64.70	56.20	57.80
March, 2016	68.70	55.30	65.30	69.15	59.05	64.95

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, 2016**

Grouping of Shares	No. of Shareholders	% of total shareholders	No. of Shares per Category	% of total shares
1 - 500	1625	73.76	273,749	1.21
501 - 1000	233	10.58	204,085	0.90
1001 - 2000	142	6.45	222,348	0.99
2001 - 3000	77	3.49	198,922	0.88
3001 - 4000	20	0.91	71,805	0.32
4001 - 5000	35	1.59	171,422	0.76
5001 - 10000	37	1.68	276,884	1.23
10001-22547550	34	1.54	21,128,335	93.71
TOTAL	2203	100.00	22,547,550	100.00

Shareholding pattern as on March 31, 2016

Category	No. of Shareholders	No. of shares held	% of shareholding
Promoters	6	9,321,387	41.34
Foreign Company	-	-	-
Non Resident (Individual & Companies)	40	76,351	0.34
Foreign Institutional Investors	-	-	-
Insurance Companies	3	1,232,517	5.47
Financial Institutions / Banks	16	69,150	0.30
Mutual Funds	-	-	-
Central Government / State Government(s)	2	37,200	0.17
Resident Individuals	2,006	1,423,191	6.31
Clearing Member	18	20,815	0.09
Trusts	7	47,767	0.21
Other bodies corporate	63	526,920	2.34
Hindu Undivided Family	41	14,702	0.07
Shares held by custodians and against which Depository Receipts have been issued	1	9,777,550	43.36
TOTAL	2,203	22,547,550	100.00

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, 2016, a total of 21,726,349 shares, which forms 96.36% of the share capital of the Company stands dematerialized and 821,201 shares which forms 3.64% of the share capital are in physical form.

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

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, 2016, the total outstanding GDRs stood at 4,888,775.

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 the Listing Regulations 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 personnel.

On behalf of the Board of Directors

Dr. B. Samal
Chairman
(DIN: 00007256)

Place : Mumbai
Date: August 09, 2016

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 or any amendments thereto.

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 re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment 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 re-appointment 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.