

## Report on Corporate Governance : 2018

The Company has complied with the provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Corporate Governance. The Company has constituted various committees and discloses various information to the public through its Annual Reports, web-site, press releases, etc.

### I. OUR CORPORATE GOVERNANCE PHILOSOPHY

Hikal's philosophy of corporate governance envisages the highest level of transparency, accountability and equity in all its dealings with shareholders, employees, Government and lenders. It continues to focus on good corporate governance, in line with emerging local and global standards. It understands and respects its fiduciary role in the corporate world. We ensure fairness for every stakeholder i.e. our investors, customers, vendors, employees, communities where we operate through accountability and transparency. The Company's guiding principles are focused to achieve the highest standards of corporate governance. Our corporate governance report for fiscal 2018 forms part of this Annual Report.

### II. BOARD OF DIRECTORS

The strength of the Board of Directors is 11 as on 31 March 2018, whose composition is given below:

#### A Composition and category :

<b>JAI HIREMATH</b> Chairman & Managing Director DIN:00062203	Executive Director
<b>SAMEER HIREMATH</b> Joint Managing Director & CEO DIN:00062129	Executive Director
<b>SUGANDHA HIREMATH</b> DIN:00062031	Non-Executive Director
<b>BABA KALYANI</b> DIN:00089380	Non-Executive Director
<b>AMIT KALYANI</b> DIN:00089430	Non-Executive Director
<b>KANNAN UNNI</b> DIN:00227858	Independent, Non-Executive Director
<b>PRAKASH MEHTA</b> DIN:00001366	Independent, Non-Executive Director
<b>SHIVKUMAR KHENY</b> DIN:01487360	Independent, Non-Executive Director
<b>WOLFGANG WELTER</b> DIN:00580197	Independent, Non-Executive Director
<b>AXEL KLEEMANN<sup>#</sup></b> DIN:02977521	Independent, Non-Executive Director
<b>RANJIT SHAHANI<sup>*</sup></b> DIN: 00103845	Independent, Non-Executive Director

<sup>\*</sup> Mr. Ranjit Shahani is appointed as Additional Director (Independent) w.e.f. 8 February 2018.

<sup>#</sup> Mr. Axel Kleemann resigned/ retired as Director w.e.f. 5 May 2018.

Mrs. Sugandha Hiremath is Wife of Mr. Jai Hiremath, Mother of Mr. Sameer Hiremath and sister of Mr. Baba Kalyani.

Mr. Amit Kalyani is son of Mr. Baba Kalyani

The attendance of each Director at the Board, last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committees of each Director in various Companies is as under:

Name of Director	Attendance		Directorships (excluding Directorship in Private Companies)*	Committee Memberships**	Committee Chairmanships
	Board Meeting	Last AGM			
JAI HIREMATH	4	Yes	2	1	1
SAMEER HIREMATH	4	Yes	1	-	-
SUGANDHA HIREMATH	4	Yes	-	2	-
BABA KALYANI	1	No	6	3	-
AMIT KALYANI	1	No	6	1	-
KANNAN UNNI	4	Yes	3	3	3
PRAKASH MEHTA	4	Yes	5	8	3
SHIVKUMAR KHENY	4	Yes	7	3	1
WOLFGANG WELTER	3	No	-	-	-
AXEL KLEEMANN	2	No	-	-	-
RANJIT SHAHANI	-	NA	-	-	-

\* excludes directorship in own Company and foreign Companies

\*\* includes membership / chairmanship in own Company (for committee membership Audit Committee and Stakeholders' Relationship Committee is considered)

**B Board Procedure:**

Board members are given appropriate documents and information in advance of each Board and Committee meeting. To enable the Board to discharge its responsibilities effectively, the Chairman & Managing Director reviews Company's overall performance.

**C Succession Plan:**

The Nomination and Remuneration Committee works with the Board on the leadership succession plan and prepares contingency plans for succession in case of any exigencies.

**D Details of Board of Directors Meetings held during the year:**

The Board met 4 (four) times during the financial year, details of which are as follows:

(1) 10 May 2017 (2) 10 August 2017 (3) 1 November 2017 (4) 8 February 2018.

The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

**E Nomination and Remuneration Policy:**

In framing its remuneration policy, the Nomination and Remuneration Committee / Board of Directors take into consideration the remuneration practices of companies of a size and standing similar to the Company.

The Executive Directors are paid remuneration as per the Agreements entered between them and the Company. These Agreements are placed for approval before the Nomination and Remuneration Committee, Board and the shareholders and such authorities as may be necessary. The remuneration structure of the Executive Directors comprises of salary, commission, perquisites and allowances, contributions to provident fund and gratuity. Commission varies with profit whereas other component is fixed. The Non-Executive Directors do not draw any remuneration from the Company except sitting fees.

Remuneration to Directors for the year ended 31 March 2018.

**i) Remuneration to Non-Executive Directors**

The Non-executive Directors are paid sitting fees of ₹100,000/- (Rupees One Lakh only) for each meeting of the Board and Committees thereof except Share Transfer Committee meeting attended by them.

<u>Director</u>	<u>Sitting Fees (₹ in million)</u>
Baba Kalyani	0.10
Prakash Mehta	1.30
Shivkumar Kheny	0.90
Kannan Unni	1.20
Sugandha Hiremath	1.00
Axel Kleemann	0.30
Wolfgang Welter	0.40
Amit Kalyani	0.10

**ii) Remuneration to Executive Directors**

<u>Name of the Director</u>	<u>Salary &amp; Perquisites</u>	<u>Commission</u>	<u>₹ in million</u> <u>Total</u>
Jai Hiremath	30.35	11.38	41.73
Sameer Hiremath	17.14	11.38	28.52

Shareholding of Non-Executive Directors in the Company:

<u>Name of the Director</u>	<u>Number of shares held</u>
Baba Kalyani	15,000
Prakash Mehta	9,850
Shivkumar Kheny	30,750
Kannan Unni	10,000
Sugandha Hiremath	6,445,000
Axel Kleemann	Nil
Wolfgang Welter	Nil
Amit Kalyani	Nil

The details of programs for familiarization of 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 and related matters are uploaded on the Company's website at the link; [http://www.hikal.com/investors/corporate\\_governance.htm/Familiarisation-Programme-for-Independent-Director](http://www.hikal.com/investors/corporate_governance.htm/Familiarisation-Programme-for-Independent-Director)

### III. COMMITTEES OF THE BOARD

Currently, the Board has six committees, Audit Committee, Share Transfer Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

#### A. Audit Committee

##### Composition

The Committee consists of Mr. Kannan Unni, Independent Non-Executive Director, Mr. Prakash Mehta, Non-Executive Independent Director, Mr. Shivkumar Kheny, Non-Executive Independent Director and Mrs. Sugandha Hiremath, Non-Executive Director. Mr. Kannan Unni is the Chairman of the Audit Committee.

##### The terms of reference of the Audit Committee include :

1. To review the Company's systems of internal control and to ensure that adequate system of internal audit exists and is functioning.
2. To ensure compliance of internal control systems and action taken on internal audit reports.
3. To establish accounting policies.
4. To review financial statements and pre publication announcements before submission to the Board.
5. To apprise the Board on the impact of accounting policies, accounting standards and legislation.
6. To review the Company's financial and risk management policies.

The Audit Committee invites such executives, as it considers appropriate, representatives of the Statutory Auditors and representatives of the Internal Auditors/Cost Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

##### Meetings and Attendance

The Audit Committee met 4 (four) times during the financial year, the details of which are as under :

- 1) 10 May 2017      (2) 10 August 2017      (3) 1 November 2017      (4) 8 February 2018.

The attendance of the Committee meetings are as under:

<u>Name of the Director</u>	<u>Number of meetings attended</u>
Kannan Unni	4
Prakash Mehta	4
Shivkumar Kheny	4
Sugandha Hiremath	4

#### B. Share Transfer Committee

The Share Transfer Committee consists of Mrs. Sugandha Hiremath, Director (Non-Executive), Mr. Jai Hiremath, Chairman & Managing Director (Executive), and Mr. Sameer Hiremath, Joint Managing Director & CEO (Executive). Mrs. Sugandha Hiremath is the Chairperson of the Share Transfer Committee.

The share transfer committee met 7 (seven) times during the financial year, the details of which are as under:

- (1) 4 April 2017      (2) 19 June 2017      (3) 15 November 2017      (4) 30 November 2017  
 (5) 11 December 2017      (6) 15 December 2017      (7) 7 March 2018

The attendance of the Committee meetings are as under:

<u>Name of the Director</u>	<u>Number of meetings attended</u>
Sugandha Hiremath	7
Jai Hiremath	7
Sameer Hiremath	5

#### C. Stakeholders Relationship Committee

The Committee consists of Mr. Kannan Unni, Independent Non-Executive Director, Mr. Prakash Mehta, Independent Non-Executive Director and Mrs. Sugandha Hiremath, Non-Executive Director. Mr. Kannan Unni is the Chairman of the Stakeholders Relationship Committee.

The Committee looks into redressing of shareholders/investors' complaints. No complaint was outstanding as on 1 April 2017. During the year 3 complaints were received from shareholders / investors and the same were resolved. Thus, no complaints were outstanding as on 31 March 2018.

The Stakeholder Relationship Committee Meeting was held on 8 February 2018.

The attendance of the Committee meeting is as under:

<u>Name of the Director</u>	<u>Number of meetings attended</u>
Kannan Unni	1
Prakash Mehta	1
Sugandha Hiremath	1

#### Compliance Officer

The Board has designated Mr. Sham Wahalekar, Sr. Vice President Finance & Company Secretary as the Compliance Officer.

#### D. Nomination and Remuneration Committee

The Committee consists of Mr. Kannan Unni, Independent Non-Executive Director, Mr. Baba Kalyani, Non-Executive Director and Mr. Prakash Mehta, Independent Non-Executive Director. Mr. Kannan Unni is the Chairman of the Nomination and Remuneration Committee. The terms of reference of Nomination and Remuneration Committee includes fixation and revision of remuneration packages of Chairman & Managing Director and Joint Managing Director & CEO and recommending the same to the Board for approval and review.

During the year 2017–18, 2 (two) meetings were held on 1 November 2017 and 8 February 2018. Mr. K K Unni and Mr. Prakash Mehta attended both the meetings.

#### E. Corporate Social Responsibility Committee

The Committee consists of Mr. Jai Hiremath, Chairman & Managing Director, Mrs. Sugandha Hiremath, Non-Executive Director, Mr. Sameer Hiremath, Joint Managing Director & CEO and Mr. Prakash Mehta, Independent Non-Executive Director. Mr. Jai Hiremath is the Chairman of the Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee consists of 4(four) members. The said CSR committee will considers, reviews, and amends the CSR policy/initiatives. The Committee is responsible for preparation of detailed plan on CSR activities including expenditure, type of activities & recommend the same to the Board of Directors and monitoring the mechanism for CSR activities.

During the year 2017–18, 1 meeting was held on 8 February 2018.

The attendance of the Committee meeting is as under:

Name of the Director	Number of meetings attended
Jai Hiremath	1
Sameer Hiremath	1
Prakash Mehta	1
Sugandha Hiremath	1

#### F. Risk Management Committee

The Committee consists of Mr. Jai Hiremath, Chairman & Managing Director, Mr. Sameer Hiremath, Joint Managing Director & CEO, Mr. Kannan Unni, Independent Non-Executive Director, and Mr. Prakash Mehta, Independent Non-Executive Director. Mr. Jai Hiremath is the Chairman of the Risk Management Committee. The terms of reference of Risk Management Committee includes periodically reviewing the risk management and minimization procedure vis a vis the company. No meeting took place during the year 2017–18. Requirement of Risk Management Committee as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, the risk management & minimization procedures are periodically reviewed at the Audit Committee and Board Meetings.

### IV. GENERAL BODY MEETING

The details of Annual General Meetings held in the last 3 years are as under:

Financial Year	Location	Day, Date & Time	Special Resolutions Passed
2014-2015	Centrum Hall 'A', 1st Floor, Centre 1, World Trade Centre, Mumbai – 400 005.	Wednesday, 12 August 2015 11.00 AM	Resolution under Section 14 of the Companies Act, 2013 passed to alter Articles of Association by insertion of new Article No. 183 in respect of appointment of an individual as Chairman & Managing Director at the same time.
2015-2016	Centrum Hall 'A', 1st Floor, Centre 1, World Trade Centre, Mumbai – 400 005.	Wednesday, 10 August 2016 3:30 PM	No Special Resolution was passed at the meeting.
2016-2017	Centrum Hall 'A', 1st Floor, Centre 1, World Trade Centre, Mumbai – 400 005.	Thursday, 10 August 2017 3.30 PM	No Special Resolution was passed at the meeting.

## Postal Ballot

Special Resolutions passed during the last three years by way of postal ballot pursuant to the provisions of Section 110 of Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014:

1. The Company issued postal ballot notice dated 1 November 2017 to obtain the consent from the Shareholders by way of Special Resolutions through postal ballot/e-voting for :
  - Resolution (1): To re-appoint Mr. Jai Hiremath as Chairman & Managing Director of the Company for the period from 1 April 2018 to 30 September 2022,
  - Resolution (2): To re-appoint Mr. Shivkumar Kheny as Independent Director of the Company for the period from 5 May 2018 to 30 September 2022 and
  - Resolution (3): To re-appoint Dr. Wolfgang Welter as Independent Director of the Company for the period from 5 May 2018 to 30 September 2019.

Mr. Ashish C. Bhatt of M/s. Ashish Bhatt and Associates, Company Secretaries, Thane, was appointed as the Scrutinizer for conducting the postal ballot / e-voting process.

After due scrutiny of all the postal ballot forms / e-voting received upto the close of the working hours on 20 February 2018 (being the last date fixed for receipt of duly filled postal ballot forms) the Scrutinizer submitted his final report on Thursday, 22 February 2018. The date of declaration of the results of postal ballot / e-voting i.e. 22 February 2018 has been taken as the date of passing of the Resolutions.

Mr. Jai Hiremath, Chairman & Managing Director announced the following results of the Postal Ballot/ e-voting.

	Resolution 1	Resolution 2	Resolution 3
A Number of Valid Postal Ballots forms received and e-voting by shareholders	81	81	81
B Votes in favour of the Resolution	50,320,496	50,498,590	51,638,606
C Votes against the Resolution	1,318,223	1,140,129	113
D Number of invalid Postal Ballot Forms received	NIL	NIL	NIL

The votes cast assenting to all the above mentioned Special Resolutions are 100% of the total votes polled and consequently the Resolutions as mentioned in the Notice of Postal Ballot dated 1 November 2017 were passed by the shareholders by overwhelming majority.

In addition to Annual General Meetings, the Company holds Extra-Ordinary General Meetings of the Shareholders as and when need arises.

## V. DISCLOSURES

- (i) The Company has entered into related party transactions as set out in the Notes to Accounts, which are not likely to have a conflict with the interest of the Company. The details of all significant transactions with the relevant parties are periodically placed before the Audit Committee.
- (ii) No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.
- (iii) In the preparation of financial statements, the Company has followed the Accounting Standards notified under Section 133 of the Companies Act, 2013 to the extent applicable.
- (iv) The Company has laid down the Risk Management Policy defining risk profiles involving Strategic, Technological, Operational, Financial, Organisational, Legal and Regulatory risks within well defined framework. The Board periodically reviews the business related risks.
- (v) The Company has a code of conduct for Board members and senior management of the Company, which is posted on the Company's website. The employees covered by code of conduct, affirm on annual basis the compliance with the said code. The Company has a whistle blower policy. No personnel of the Company have been denied access to the grievance redressal mechanism and Audit Committee of the Board of the Company.
- (vi) The Company has complied with non-mandatory requirement of Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance, in respect of formation of remuneration Committee / Risk Management Committee.

## VI. MEANS OF COMMUNICATION

The Board Meeting Notice are published in Free Press Journal and Navashakti and the quarterly, half yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are published in leading Financial/Non-financial newspapers viz: in Economic Times and Maharashtra Times.

These results and shareholding pattern of the Company at the end of each quarter are simultaneously posted on the web site of the Company at [www.hikal.com](http://www.hikal.com). The Annual Report has detailed Chapter about Management Discussion and Analysis Report.

In line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has created a separate e-mail address viz. [secretarial@hikal.com](mailto:secretarial@hikal.com) to receive complaints and grievances of the investors.

## VII. GENERAL SHAREHOLDERS INFORMATION

### (A) Annual General Meeting

Day & Date : Wednesday, 8 August 2018  
Time : 3.30 P. M.  
Venue : Centrum Hall 'A', 1st Floor,  
Center 1, World Trade Centre, Cuffe Parade  
Mumbai – 400 005.

(B) Financial Calendar : 1 April to 31 March

### (C) Tentative Financial

Calendar 2018-19 :  
1<sup>st</sup> Quarter results on or before 14 August 2018  
2<sup>nd</sup> Quarter results on or before 14 November 2018  
3<sup>rd</sup> Quarter results on or before 14 February 2019  
4<sup>th</sup> Quarter results before end of May 2019

(D) Book Closure : 2 August 2018 to 8 August 2018 (both days inclusive)

(E) Dividend Payment Date : Dividend will be paid within 30 days from the date of declaration.

(F) Listing of Shares & Other Securities : The Shares are listed on the Stock Exchanges at BSE Limited, Mumbai, and National Stock Exchange of India Limited, Mumbai.  
The Company has paid the listing fees to these Exchanges.

(G) Stock Code : Trading Symbol at :  
BSE Ltd. - Security ID: Hikal, Security Code - 524735,  
P J Towers, Dalal Street, Fort, Mumbai 400001.  
National Stock Exchange of India Ltd. (NSE) – HIKAL  
Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai 400051.  
Demat ISIN Number in NSDL & CDSL – INE475B01022  
CIN No. - L24200MH1988PTC048028

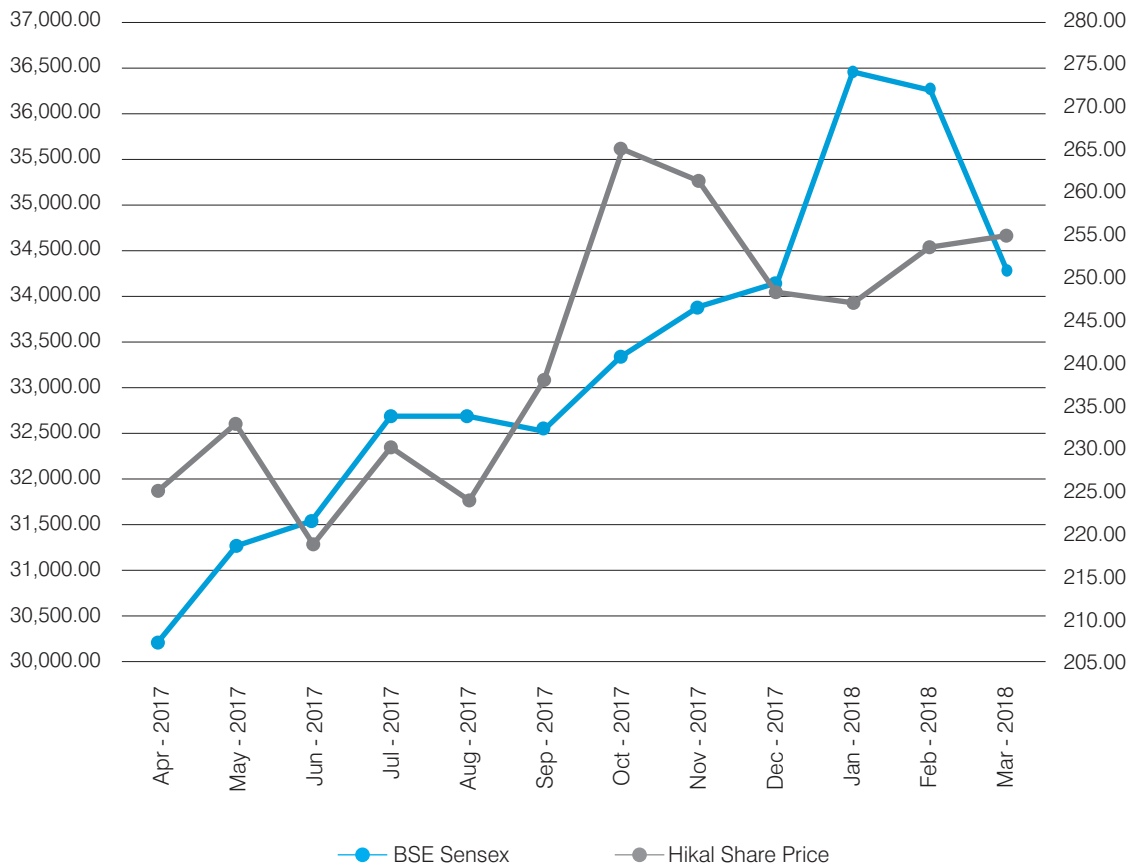
### (H) Market Price Data

The details of high/low market price of the shares at the Stock Exchange, Mumbai, are as under:

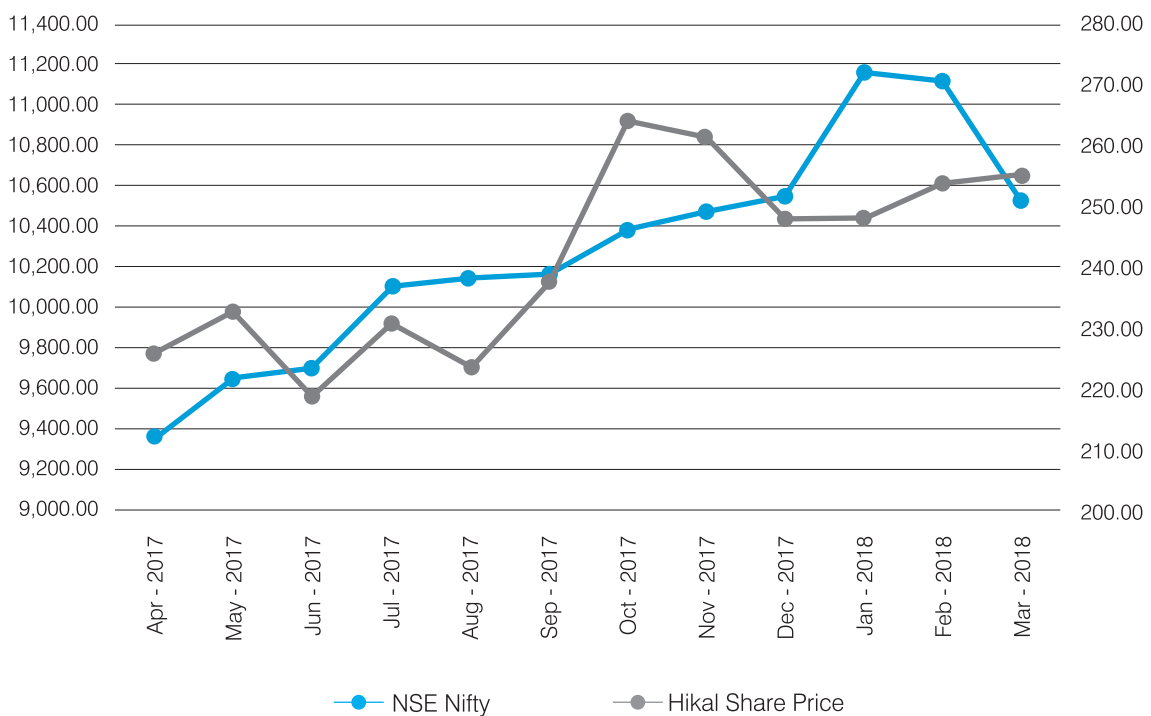
Month	BSE			NSE		
	High(₹)	Low(₹)	Close(₹)	High(₹)	Low(₹)	Close(₹)
April 2017	224.80	208.05	210.50	225.70	205.40	211.75
May 2017	233.00	201.00	207.00	232.65	200.05	206.80
June 2017	218.65	200.00	201.60	218.90	199.25	201.55
July 2017	229.80	200.00	222.80	230.80	200.60	222.95
August 2017	223.95	196.20	206.05	223.75	195.00	209.35
September 2017	237.90	203.00	211.80	237.70	202.20	212.00
October 2017	264.90	208.80	253.20	264.00	206.20	252.95
November 2017	261.35	230.40	237.35	261.20	229.80	236.70
December 2017	248.20	225.00	234.60	248.10	224.10	234.70
January 2018	247.00	217.20	219.10	248.00	217.05	219.05
February 2018	253.50	195.00	251.00	254.00	199.45	251.30
March 2018	254.80	202.15	205.45	254.95	201.55	205.75

(I) Performance Comparison: BSE SENSEX v/s Hikal Ltd. and NSE NIFTY v/s Hikal Ltd.

### BSE SENSEX V/S HIKAL LTD.



### NSE NIFTY V/S HIKAL LTD.



**(J) Share Transfer Agents**

Universal Capital Securities Pvt. Ltd.  
 21, Shakil Niwas, Mahakali Caves Road  
 Opp. Satya Sai Baba Temple, Andheri (East),  
 Mumbai – 400 093  
 Phone : 022- 28207203 /04/05 Fax : 022- 28207207  
 Email: info@unisec.in

**(K) Share Transfer System**

Shares sent for transfer in physical form are registered by our Registrars and Share Transfer Agents within 15 days of receipt of the documents, if the documents are found to be in order. Shares under objection are returned within one week. The Share Transfer Committee meets generally twice in a month to consider the transfer request if there are any.

**(L) Distribution of Shareholding (Equity) as on 31 March 2018.**

Share holding Range Nominal Value of		Share holders		Share holdings		Share Amount	
From	To	Number	% To Total	Holdings	% To Total	₹	% To Total
UPTO	5,000	18,039	95.94	5,194,471	6.32	10,388,942	6.32
5,001	10,000	363	1.93	1,339,558	1.63	2,679,116	1.63
10,001	20,000	204	1.09	1,537,308	1.87	3,074,616	1.87
20,001	30,000	58	0.31	725,654	0.88	1,451,308	0.88
30,001	40,000	23	0.12	408,789	0.50	817,578	0.50
40,001	50,000	25	0.13	581,057	0.71	1,162,114	0.71
50,001	100,000	34	0.18	1,290,060	1.57	2,580,120	1.57
100,001	And Above	56	0.30	71,123,603	86.52	142,247,206	86.52
<b>Total</b>		<b>18,802</b>	<b>100.00</b>	<b>82,200,500</b>	<b>100.00</b>	<b>164,401,000</b>	<b>100.00</b>

**(M) Shareholding pattern as on 31 March 2018 is as under:**

Category of Shareholders	No. of Equity Shares	Percentage
Promoters	56,528,510	68.77
Resident Individuals	9,841,329	11.97
Mutual Funds / UTI	3,502,253	4.26
Fills	3,351,739	4.08
Insurance Company	100,500	0.12
Foreign National	121,550	0.15
Non Resident Indians	437,825	0.53
Corporate Bodies	1,834,792	2.23
Foreign Corporate Bodies	4,826,318	5.87
Others	1,655,684	2.02

**(N) Dematerialisation of Shares**

93.56% (81,782,690 shares) of total equity capital is held in dematerialised form with NSDL and 5.93% (417,810 shares) of total equity capital is held in dematerialised form with CSDL as on 31 March 2018.

**(O) Plant Locations**

- MIDC, Talaja, Dist. Raigad, Maharashtra
- MIDC, Mahad, Dist. Raigad, Maharashtra
- GIDC, Panoli, Dist. Bharuch, Gujarat
- KIADB, Jigani, Bangalore, Karnataka
- Hinjewadi, Pune, Maharashtra



**(P) Investor Correspondence**

- (i) Universal Capital Securities Pvt. Ltd.  
21, Shakil Niwas, Mahakali Caves Road  
Opp. Satya Sai Baba Temple, Andheri (East),  
Mumbai – 400 093  
Phone : 022- 28207203 /04/05 Fax : 022- 28207207  
Email: info@unisec.in

**(ii) Investors Relations Center**

Mr. Sham Wahalekar – Sr. V. P. Finance & Company Secretary  
603-A, Great Eastern Chambers, 6th Floor,  
Sector 11, CBD Belapur, Navi Mumbai - 400 614.  
Tel: 91 22 3097 3100  
Fax: 91 22 3097 3281  
Email: secretarial@hikal.com  
Website: www.hikal.com

**CEO/CFO Certification issued pursuant to the provisions of Regulation 17(8) read with Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Board of Directors,  
**Hikal Ltd.**

9 May 2018

**Sub: CEO/CFO Certificate**

We have reviewed the financial statements, read with the cash flow statements of Hikal Ltd. for the year ended 31 March 2018 and that to the best of our knowledge and belief, we state that:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.  
(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee of the Company:
- (i) significant changes in internal control over financial reporting during the year;
- (ii) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Hikal Ltd.**

**Jai Hiremath**  
Chairman & Managing Director  
DIN:00062203

**Sham Wahalekar**  
Company Secretary & CFO