



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance aims at assisting the management of the Company in the efficient conduct of the business and in meeting its responsibilities to all the Stakeholders. The Company always strives to achieve optimum performance at all levels by adhering to good Corporate Governance practices, such as:

- Fair and Transparent business practices.
- Effective management control by Board.
- Adequate representation of Promoters and Independent Directors on the Board.
- Monitoring of executive performance by the Board.
- Compliance of Laws.
- Transparent and timely disclosure of financial and management information.

Your Company believes that good Corporate Governance is essential for achieving long-term corporate goals of the Company and for meeting the needs and aspirations of its stakeholders, including shareholders. The Company's Corporate Governance philosophy has been further strengthened through the Model Code of Conduct for the Directors/ Designated Employees of the Company for prevention of Insider Trading. The said Code of Conduct for prevention of the Insider Trading has also been amended from time to time in line with the amended Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations in this regard.

We take pleasure in reporting that your Company has complied in all respects with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), as applicable, with regard to Corporate Governance.

I. BOARD OF DIRECTORS

(A) COMPOSITION OF BOARD:

The Composition of the Board of directors, with reference to the number of Executive and Non-executive Directors, meets the requirement of provisions of Corporate Governance. The Board is headed by the Non-Executive Chairman Mr. Rajendra S. Shah. The present strength of the Board of Directors is 9 which include 1 Executive - Promoter Director, 1 Executive - Whole-Time Director, 5 Independent Directors and 2 Non-Independent - Non-Executive Directors in terms of the SEBI LODR Regulations. Board represents a balanced mix of professionalism, knowledge and expertise.

Pursuant to the provisions of Section 149(3) of the Companies Act, 2013 and SEBI LODR Regulations, Mrs. Khushali Samip Solanki (Non-Independent Non-Executive), Mrs. Bhumika Shyamal Shodhan (Non-Independent Non-Executive) and Mrs. Janaki Udayan Shah (Independent Non-Executive) are the three Women Directors on the Board of the Company.

(B) DETAILS OF BOARD MEETINGS:

The Board of Directors oversees management performance so as to ensure that the Company adheres to the highest Standards of Corporate Governance. The Board provides leadership and guidance to the management and evaluates the effectiveness of management policies. Board Meeting dates are finalized in consultation with all the Directors and agenda of the Board meetings are circulated well in advance before the date of the meeting. Board members express opinions and bring up matters for discussions at the meetings. Copies of minutes of the various Committees of the Board, and compliance report in respect of various Laws and Regulations applicable to the Company are tabled at Board Meetings.

The Board periodically reviews the items required to be placed before and in particular reviews and approves Quarterly/ Half yearly Un-audited Financial Statements and the Audited Annual Financial Statements, Business Plans, Annual Budgets and Capital Expenditure. The agenda for the Board meetings covers items set out as guidelines in SEBI LODR Regulations to the extent these are relevant and applicable. All agenda items are supported by the relevant information, documents and presentations to enable the Board to take informed decisions.

Company's Board met 5 times during the year under review on 27 May 2019, 12 August 2019, 12 November 2019, 31 January 2020 and 9 March 2020. The Company holds one Board Meeting in each quarter and the gap between any two Board meetings was not more than One Hundred and Twenty days as prescribed under the SEBI LODR Regulations.

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Details of the Directors, their positions, attendance record at Board Meetings and last Annual General Meeting (AGM), other Directorships (excluding Private Limited, Foreign Companies and Alternate Directorships) and the Memberships/ Chairmanships of Board Committees (only Audit Committee and Stakeholders' Relationship Committee) other than your Company as on 31 March 2020 are as follows:

Name of the Board Member	Category	Attendance at the Board of Directors Meeting held on					Attended AGM 12 August 2019
		27 May 2020	12 August 2019	12 November 2019	31 January 2020	9 March 2020	
Mr. Rajendra S. Shah (Chairman)	Independent - Non Executive	√	√	√	√	√	√
Mr. Bhadresh K. Shah (Managing Director)	Executive - Promoter	√	√	√	√	√	√
Mr. Sanjay S. Majmudar	Independent Director	√	√	√	√	√	√
Dr. S. Srikumar	Non Independent - Non Executive	L.A.	-	-	-	-	√
Mr. Yashwant M. Patel Whole-time Director	Executive	√	√	√	√	√	√
Mr. Dileep C. Choksi	Independent Director	L.A.	√	√	√	√	√
Mrs. Khushali S. Solanki	Non Independent - Non Executive	L.A.	√	√	√	√	√
Mrs. Bhumika S. Shodhan	Non Independent - Non Executive	√	√	√	√	√	√
Mr. Rajan Harivallabhdas	Independent Director	√	√	√	L.A.	√	√
Mrs. Janaki Udayan Shah	Independent Director	√	√	L.A.	√	√	√

Dr. S. Srikumar ceased as a Director w.e.f. 12 August 2019 i.e. upto 29th AGM.

* L.A. (Leave of Absence)

As on 31st March, 2020, none of the Directors are related to each other except Mr. Bhadresh K. Shah, Mrs. Khushali S. Solanki and Mrs. Bhumika S. Shodhan. Mr. Bhadresh K. Shah is the father of Mrs. Khushali S. Solanki and Mrs. Bhumika S. Shodhan.

Number of Directorships & Committee Memberships/Chairmanships in other Public Companies (excluding Private & Foreign Companies):

Name of the Director	Other Directorships		Committee Memberships	Committee Chairmanships
	Listed	Unlisted		
Mr. Rajendra S. Shah	2	1	2	1
Mr. Bhadresh K. Shah	2	-	4	-
Mr. Sanjay S. Majmudar	4	1	4	4
Mr. Yashwant M. Patel	-	-	-	-
Mr. Dileep C. Choksi	5	3	7	3
Mrs. Khushali S. Solanki	1	-	-	-
Mrs. Bhumika S. Shodhan	-	-	-	-
Mr. Rajan Harivallabhdas	-	-	-	-
Mrs. Janaki Udayan Shah	-	-	-	-

Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.



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Details of Directorships in other Listed Company alongwith Category:

Name of the Director	Name of Listed Company	Category of Directorship
Mr. Rajendra S. Shah	Dishman Carbogen Amics Ltd.	Independent
	Welcast Steels Ltd.	Independent
Mr. Bhadresh K. Shah	Welcast Steels Ltd.	Non - Independent, Non-Executive
	Cadila Healthcare Ltd.	Independent
Mr. Sanjay S. Majmudar	Dishman Carbogen Amics Ltd.	Independent
	Welcast Steels Ltd.	Independent
	Aarvee Denims and Exports Ltd.	Independent
	Ashima Ltd.	Independent
Mr. Yashwant M. Patel	—	—
Mr. Dileep C. Choksi	Arvind Ltd.	Independent
	Lupin Ltd.	Independent
	Deepak Nitrite Ltd.	Independent
	Swaraj Engins Ltd.	Independent
	ICICI Prudential Life Insurance Company Limited	Independent
Mrs. Khushali S. Solanki	Welcast Steels Ltd.	Non - Independent, Non-Executive
Mrs. Bhumika S. Shodhan	—	—
Mr. Rajan Harivallabhdas	—	—
Mrs. Janaki Udayan Shah	—	—

Chart/Matrix setting out the skills/expertise/competence of the Board of Directors

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Skills/Expertise/Competencies	Director who possess such skills/ expertise/ competencies	
Strategic Leadership	Significant leadership experience to think strategically and develop	Entire Board
Industry Experience	Experience and/or knowledge of the industry in which the Company Operates	Mr. Rajendra S. Shah Mr. Bhadresh K. Shah Mr. Rajan R. Harivallabhdas Mr. Yashwant M. Patel
Financial Expertise	Qualification and/or experience in accounting and/or finance coupled with ability to analyze key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	Mr. Rajendra S. Shah Mr. Bhadresh K. Shah Mr. Sanjay S. Majmudar Mr. Dileep C. Choksi Mr. Rajan R. Harivallabhdas Mrs. Janaki U. Shah
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.	Entire Board
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.	Mrs. Janaki Udayan Shah Mrs. Khushali S. Solanki Mrs. Bhumika S. Shodhan

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(C) CONFIRMATION OF INDEPENDENT DIRECTORS:

The Board of Directors of the Company confirm that the independent directors fulfil the conditions specified in SEBI LODR Regulations and are also independent of the management of the Company. A certificate from Practicing Company Secretary that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Board/Ministry of Corporate Affairs or any such statutory authority is enclosed separately.

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

(D) NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

Non-Executive Directors including Independent Directors are paid sitting fees in accordance with the applicable Laws. Company is paying sitting fees of ₹ 15,000 for attending a Board Meeting and ₹ 10,000 for attending an Audit Committee Meeting.

(E) CODE OF CONDUCT:

Company's Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company www.aiaengineering.com.

The Code lays down the Standard of conduct which is expected to be followed by the Board Members and the Senior Management of the Company in particular on matters relating to integrity in the work place, in business practices and in dealing with Stakeholders.

All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

(F) PROHIBITION OF INSIDER TRADING:

SEBI Vide its Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31 December 2018 has amended the SEBI (Prohibition of Insider Trading) (Amendment) (Regulations) 2018 which is applicable from 1 April 2019. In Compliance with the aforesaid notification of SEBI, the Company has revised Model Code of Conduct of Insider Trading Regulations which is applicable to all the Designated Persons of the Company who are expected to have access to the unpublished Price Sensitive information relating to the Company.

The said Code lays down guidelines which advise them on procedures to be followed and disclosures to be made while dealing in the Shares of the Company.

(G) VIGIL MECHANISM / WHISTLE BLOWER POLICY:

In compliance with Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI LODR Regulations, the Company has formulated a Vigil Mechanism/Whistle Blower Policy (Mechanism) for its stakeholders, Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

This Mechanism also provides for adequate safeguards against victimization of Director (s) / Employee (s) / Stakeholders who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee.

The policy is available on the website of the Company www.aiaengineering.com. Any Stakeholder, who comes across any instances of unethical matters, can report the same by sending an email to inform@aiaengineering.com.

(H) POLICY ON PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT AT WORKPLACE:

The Company is committed to create a healthy and conducive working environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and/or any such orientation in implicit or explicit form. Pursuant to the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the Company has adopted a "Policy on Protection of Women against Sexual Harassment at Work Place" by forming a Committee as prescribed in the Regulation. Through this Policy, the Company seeks to provide protection to its women employees against sexual harassment at work place and thereby provide mechanism for redressal of complaints related to matters connected therewith or incidental thereto. During the year, no complaint was received under the Policy.



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(I) FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's Procedures and practices. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Engineering Industry as a Whole. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.aiaengineering.com/finances/Corporategovernance.php>.

II. COMMITTEES OF THE BOARD:

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory Committees viz:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;
- d) Corporate Social Responsibility Committee; and
- e) Risk Management Committee.

The terms of reference to these Committees are determined by the Board and their relevance reviewed from time to time. Each of these Committees has been mandated to operate within a given framework. Minutes of the meetings of each of these Committees are tabled regularly at the Board Meetings.

a) AUDIT COMMITTEE:

The Company has formed a qualified and Independent Audit Committee which acts as a link between the Statutory and Internal Auditors and the Board of Directors. The very purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for Internal financial controls, governance and reviewing the Company's Statutory and Internal Audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and the SEBI LODR Regulations.

The terms of reference of the Audit Committee cover the matters specified for Audit Committee in the SEBI LODR Regulations, Section 177 of the Companies Act, 2013 and other Regulations are as under:

Brief description of Terms of Reference:

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing 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 judgement 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) Modified Opinion(s) in the draft audit report.
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

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- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) 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;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) 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;
- (xvi) 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;
- (xvii) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- (xviii) Reviewing the functioning of the Whistle Blower mechanism;
- (xix) 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;
- (xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (xxi) Reviewing the Management Discussion and analysis of financial condition and results of operations;
- (xxii) Reviewing the appointment, removal and terms of remunerations of the Chief Internal Auditor;
- (xxiii) Reviewing and discuss with the management the status and implications of major legal cases;
- (xxiiiv) Recommending the Board, the appointment of a Cost Accountant within the meaning of the Cost and Works Accountants Act, 1959 to conduct audit of cost records of the company in compliance with the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder;
- (xxv) Reviewing the statements of significant related party transactions, management letters etc.
- (xxvi) Reviewing the compliance with the provisions of SEBI(Prohibition of Insider Trading)Regulations 2015 as amended from time to time at least once in a financial year and shall verify that the system for internal control are adequate and are operating effectively.
- (xxvii) carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee supervises the Financial Reporting & Internal Control process and ensures the proper and timely disclosures to maintain the transparency, integrity and quality of financial control and reporting. The Company continues to derive benefits from the deliberations of the Audit Committee Meetings as the members are experienced in the areas of Finance, Accounts, Taxation and the Industry.

During Financial Year 2019-20, four (4) Audit Committee Meetings were held on 27 May 2019, 12 August 2019, 12 November 2019 and 31 January 2020. Necessary quorum was present in all the meetings. The time gap between any two Audit Committee Meetings was not more than four months.



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As on 31 March 2020, the Audit Committee comprises of 3 Independent Directors and 1 Executive Director. Names of the members and the Chairman of the Committee as on 31 March 2020 together with their attendance are given in the following table.

Name of the Member / Chairman	Category	Attendance at the Audit Committee Meetings held on			
		27 May 2019	12 August 2019	12 November 2019	31 January 2020
Mr. Sanjay S. Majmudar - Chairman	Independent	√	√	√	√
Mr. Rajendra S. Shah	Independent	√	√	√	√
Mr. Rajan Harivallabhdas	Independent	√	√	√	-
Mr. Bhadrash K. Shah	Executive	√	√	√	√

The Audit Committee was re-constituted on 12 August 2019 and Mr. Sanjay S. Majmudar, who was the member of the Audit Committee was appointed as Chairman in place of Mr. Rajendra S. Shah who will continue to be the member of the Committee.

Chairman of the Audit Committee attended the last Annual General Meeting (AGM) of Shareholders of the Company.

All the members of the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

Statutory Auditors, Internal Auditors and their representatives are permanent invitees to the Audit Committee Meetings. They have attended all the Meetings during the year under review. The representative of the Cost Auditor is invited to attend the meeting of the Audit Committee when the Cost Audit Report is tabled for discussion. The Whole-Time Director, Chief Financial Officer and other Executives of the Company are also invited to attend the Audit Committee Meetings.

Mr. S. N. Jetheliya, Company Secretary of the Company acts as the Secretary of the Committee.

b) NOMINATION AND REMUNERATION COMMITTEE:

The Terms of Reference of the Nomination and Remuneration Committee cover the matters specified in SEBI LODR Regulations and Section 178 of the Companies Act, 2013 are as under:

- (i) shall identify persons who are qualified to become directors and who may be appointed in Senior Management;
- (ii) recommend to the Board their appointment and removal;
- (iii) carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval;
- (iv) Devising a policy on Board diversity;
- (v) shall formulate the criteria for determining qualifications, positive attributes and independence of a director;
- (vi) recommend to the Board a Policy relating to the remuneration for the directors, Key Managerial personnel and other employees;
- (vii) administer, monitor and formulate detailed terms and conditions of the Employees Stock Option Scheme including:
 - (a) The quantum of options to be granted under Employees Stock Option Scheme per employee and in aggregate;
 - (b) The conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - (c) The exercise period within which the employee shall exercise the option and that the option would lapse on failure to exercise the option within the exercise period;
 - (d) The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - (e) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - (f) The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as right issues, bonus issues, merger, sale of division and others;;
 - (g) The granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options.

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- (viii) carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- (ix) perform such other functions as may be necessary or appropriate for the performance of its duties.
- (x) recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee shall look into the following while taking into account Remuneration Policy of the Company:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company;
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmark;
- (c) remuneration to directors, KMP 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) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;
- (e) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;
- (f) percentage increase in the median remuneration of employees in the financial year;
- (g) the number of permanent employees on the rolls of the company;
- (h) the explanation on the relationship between average increase in remuneration and company performance;
- (i) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;
- (j) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
- (k) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;
- (l) the key parameters for any variable component of remuneration availed by the directors;
- (m) the ratio of the remuneration of the highest paid director to that of the employee who are not directors but receive remuneration in excess of the highest paid director during the year;

Composition, Name of Members and Chairperson of Nomination and Remuneration Committee are:

1. Mr. Sanjay S. Majmudar - Chairman
2. Mr. Rajendra S. Shah - Member
3. Dr. S. Srikumar - Member (upto 12 August, 2019)
4. Mrs. Khushali S. Solanki - Member (from 12 August, 2019)

Meeting and Attendance during the year:

Name of the Member / Chairman	Category	Attendance at the Nomination and Remuneration Committee Meetings held on	
		27 May 2019	12 August 2019
Mr. Sanjay S. Majmudar - Chairman	Independent	√	√
Mr. Rajendra S. Shah	Independent	√	√
Dr. S. Srikumar	Non-Executive	-	√
Mrs. Khushali S. Solanki	Non-Executive	-	-

As Dr. S. Srikumar, a Non-Executive Director, ceased to be a Director and member of the Nomination and Remuneration Committee w.e.f. 12 August 2019, Mrs. Khushali S. Solanki, Non-Executive Director of the Company has been appointed as a member to re-constitute the committee as per SEBI LODR Regulations w.e.f. 12 August 2019.



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c) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Terms of Reference of the Stakeholders' Relationship Committee cover the matters as under:

- (i) resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings etc.;
- (ii) review of measures taken for effective exercise of voting rights by stakeholders;
- (iii) review of adherence to the service Standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (iv) Review of various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant/annual reports/statutory notices by the shareholders of the Company;

Composition, Name of Members and Chairperson:

1. Mr. Rajendra S. Shah - Chairman
2. Mr. Bhadresh K. Shah - Member
3. Mr. Yashwant M. Patel - Member

Mr. S. N. Jetheliya, Company Secretary acts as the Compliance Officer of the Committee.

Meetings and attendance during the year:

Name of the Member / Chairman	Category	Attendance at the Stakeholders' Relationship Committee Meetings held on			
		27 May 2019	12 August 2019	12 November 2019	31 January 2020
Mr. Rajendra S. Shah - Chairman	Independent	√	√	√	√
Mr. Bhadresh K. Shah	Executive	√	√	√	√
Mr. Yashwant M. Patel	Executive	√	√	√	√

Number of Shareholders' complaints received during the Financial Year:-

The Committee ensures that the Shareholders'/Investors' grievances and correspondences are attended and resolved expeditiously.

During the period under review, Company has received one Complaint from Shareholder which has been resolved. There is no outstanding complaint as on 31 March 2020.

d) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In compliance with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, the Board of Directors of the Company has constituted a CSR Committee. The Committee is governed by its Charter. The terms of reference of the Committee inter alia comprises of the following:

- To review, formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the Company specified in Schedule VII of the Companies Act, 2013 and Rules made thereunder;
- To provide guidance on various CSR activities and recommend the amount of expenditure to be incurred on the activities;
- To Monitor the CSR policy from time to time and may seek outside agency advice, if necessary.

The Composition of the Corporate Social Responsibility Committee as on 31 March 2020 and the details of members participation at the Meetings of the Committee are as under:



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Composition, Name of Members and Chairperson of Corporate Social Responsibility are:

1. Mr. Bhadresh K. Shah - Chairman
2. Mr. Sanjay S. Majmudar - Member
3. Mr. Yashwant M. Patel - Member

Meeting and Attendance during the year:

During the year under review, three meetings of CSR Committee were held on 27 May 2019, 12 November 2019 and 31 January 2020 respectively in which all members of CSR Committee were present.

e) INDEPENDENT DIRECTORS' MEETING:

As per Secretarial Standard (SS) 1 issued by the Institute of Company Secretaries of India and relevant provisions of the Companies Act, 2013 and Rules made thereunder, the Independent Directors should meet once in a calendar year.

During the year under review, the Independent Directors met on 27 May 2019, inter alia, to discuss:

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



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III. SUBSIDIARY COMPANIES:

Company has one Material Subsidiary Company i.e. Vega Industries (Middle East) FZC. UAE whose Net worth exceeds 20% of the Consolidated Net Worth of the Holding Company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. The Company has complied with all compliances related to its Material Subsidiary.

The Company has also formed a Policy on Material Subsidiary which has been placed at the website of Company at http://www.aiaengineering.com/finances/pdf/AIA_PolicyfordeterminingMaterialSubsidiaries.pdf.

The Company does not have any Unlisted Material Indian Subsidiary.

IV. RISK MANAGEMENT COMMITTEE:

SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 has amended the Regulation 21 of SEBI LODR Regulations making it compulsory to have Risk Management Committee for top 500 listed companies. However, the Board of Directors has already constituted a Risk Management Committee, voluntarily since 2014.

Corporate Risk Evaluation and Management is an ongoing process within the Organization. The Company has a well-defined Risk Management framework to identify, monitor and minimizing/mitigating risks as also identifying business opportunities.

The Risk Management framework has been developed and approved by the senior management in accordance with the business strategy.

The key elements of the framework include

- Risk Structure;
- Risk Portfolio;
- Risk Measuring & Monitoring and
- Risk Optimizing.

The implementation of the framework is supported through criteria for Risk assessment, Risk forms & MIS.

The objectives and scope of Risk Management Committee broadly comprises of:

1. To review the Company's risk governance structure, risk assessment and minimisation procedures and the guidelines, strategies and policies for risk mitigation on short term as well as long term basis;
2. To monitor and review the risk management plan of the Company;
3. To review the current and expected risk exposures of the organization, to ensure that the same are identified, qualitatively and quantitatively evaluated, analysed and appropriately managed;
4. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable;
5. To review cyber security function of the Company. ("Cyber security refers to the body of technologies, processes, and practices designed to protect networks, devices, programs, and data from attack, damage, or unauthorized access. Cyber security may also be referred to as Information Technology Security").

The Composition of Risk Management Committee and its meeting and attendance during the year is as under :

Name of the Member / Chairman	Category	Attendance at the Risk Management Committee Meetings held on			
		27 May 2019	10 August 2019	9 November 2019	31 January 2020
Mr. Bhadresh K. Shah- Chairman	Executive	√	√	√	√
Mr. Yashwant M. Patel - Member	Executive	√	√	√	√
Dr. Ajit Nath Jha- Member	Consultant	-	-	-	-

The Risk Management Committee has appointed a Risk Council which comprises of Executive Director – Corporate Affairs, Chief Financial Officer, V.P. Corporate Planning and Company Secretary. The Risk Council is responsible for day-to-day oversight of risk management including identification, impact assessment, monitoring, mitigation and reporting. The Risk Council also keeps the Risk Management Committee and the Board updated from time to time, on the enterprise risks and actions taken.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

V. RELATED PARTY TRANSACTIONS:

All transactions entered into with Related Parties as defined under the Section 188 of the Companies Act, 2013 and of SEBI LODR Regulations during the Financial Year 2019-20 were in the Ordinary Course of Business and at Arms' Length basis. Suitable disclosures as required under Indian Accounting Standards (IndAS-24) have been made in the notes to the Financial Statements.

VI. DISCLOSURES:

(A) MATERIAL SIGNIFICANT RELATED PARTY TRANSACTIONS:

The Company has not entered into transactions with related parties i.e. Directors or Management, its subsidiaries or relatives conflicting with the Company's interest at large. The Register of Contracts containing transactions in which Directors are interested is placed before the Audit Committee / Board regularly for their approval. The details of Related Party Transactions are disclosed in Financial Section of this Annual Report.

(B) DISCLOSURE OF ACCOUNTING TREATMENT:

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The previous year figures have been regrouped/reclassified or restated as per Ind AS, so as to make the figures comparable with the figures of current year. The significant Accounting Policies which are consistently applied have been set out in the Notes to the Financial Statements.

(C) POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS, KMP AND THEIR REMUNERATION:

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of Selection of Board of Directors, KMP and their remuneration.

(1) Criteria for Selection of Non-Executive Directors:

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself with regard to the independence nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. Nomination and Remuneration Committee ensures that the candidate identified for Appointment / Re-Appointment as an Independent Director is not disqualified for Appointment / Re-Appointment under Section 164 of the Companies Act, 2013.
- d. Nomination and Remuneration Committee considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
 - i. Qualification, expertise and experience of the Directors in their respective fields;
 - ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.
- e. Board of Directors take into consideration the performance evaluation of the Directors and their engagement level.

(2) Remuneration:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses, if any, for participation in the Board / Committee Meetings as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each of the meeting of Board and Audit Committee attended by him as approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;



REPORT ON CORPORATE GOVERNANCE (CONTD.)

- ii. A Non-Executive Director may be paid Commission on an annual basis of such sum as may be approved by the Board on the basis of Nomination and Remuneration Policy of the Company.
- iii. The total commission payable to the Directors shall not exceed 0.25% per annum of the Net Profit of the Company as approved by the members of the Company.
- iv. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, pursuant to the provisions of Companies Act, 2013 and SEBI LODR Regulations.

(3) Remuneration Policy for the Senior Management Employees:

- I. In determining the remuneration of the Senior Management Employees, the Nomination and Remuneration Committee shall ensure / consider the following:
 - the relationship of remuneration and performance benchmark;
 - the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - the remuneration including annual increment and performance bonus is decided based on the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.
- II. The Managing Director carries out the individual performance review based on the Standard appraisal matrix and takes into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the Nomination and Remuneration Committee for its review and approval.

(4) Performance Evaluation:

In Compliance with the provisions of the Companies Act, 2013 and SEBI LODR Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligation and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The details of remunerations paid to the Managing Director and Whole-Time Director during the financial year 2019-2020 is given below:

Name of the Director and Designation	(₹ Lakhs)		
	Salary	Perquisites	Total
Mr. Bhadresh K. Shah, Managing Director	72.00	39.13	111.13
Mr. Yashwant M. Patel, Whole-time Director	14.40	0.32	14.72

The Company does not have any stock option plan or performance linked incentive for the Executive Directors.

The details of Sitting Fees paid to the Non-Executive Directors for attending Board and Committee Meetings during the Financial Year 2019-2020 is given below:

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Sr. No.	Name of the Director	Sitting Fees Paid
1.	Mr.Rajendra S. Shah	1,15,000
2.	Mr. Sanjay S. Majmudar*	1,15,000
3.	Mr.Dileep C. Choksi	60,000
4.	Mr.Rajan Harivallabhdas	90,000
5.	Dr. S. Srikumar	–
6.	Mrs. Khushali S. Solanki	60,000
7.	Mrs. Bhumika S. Shodhan	75,000
8.	Mrs. Janaki Udyan Shah	60,000

***In addition to sitting fees, ₹ 22.50 Lakhs has been paid as Commission during the Financial Year 2019-20.**

The Directors' Remuneration Policy of your Company conforms to the provisions under Companies Act, 2013. The Board determines the remuneration of the Non-Executive Directors.

(D) MANAGEMENT

(i) Management Discussion and Analysis Report:

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms a part of this Report.

(ii) Disclosure of material Financial and Commercial Transactions:

As per the disclosures received from the Senior Management, no material Financial and Commercial transactions that may have a potential conflict with the interest of the Company at large were taken place during the year under review.

(E) SHAREHOLDERS:

(i) Disclosures regarding appointment or re-appointment of Directors:

Mr. Yashwant M. Patel (DIN 02103312), Whole-Time Director of the Company will retire by rotation at the ensuing 30th Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

Mr. Rajan Harivallabhdas (DIN: 00014265), Independent Director is being re-appointed as an Independent Director for the second term of consecutive five years w.e.f. 24 September 2020.

The brief resume and other information of the above retiring Directors, as required to be disclosed under this section is provided in the notice of the Annual General Meeting.

(ii) Quarterly/Half yearly results are forwarded to the Stock Exchanges where the Equity Shares of the Company are listed and the same are also posted on Company's website: www.aiaengineering.com.

(iii) Shareholding of Directors as on 31 March 2020 is as under:

Name of Director	Number of Shares
Mr. Bhadrash K. Shah	5,51,28,901
Mr. Yashwant M. Patel	NIL
Mr. Rajendra S. Shah	847
Mr. Sanjay S. Majmudar	NIL
Mr. Dileep C. Choksi	NIL
Mr. Rajan Harivallabhdas	NIL
Mrs. Khushali Samip Solanki	10,010
Mrs. Bhumika Shyamal Shodhan	10,005
Mrs. Janaki Udayan Shah	NIL

(F) COMPLIANCE BY THE COMPANY:

The Company has complied with all the mandatory requirements of the SEBI LODR Regulations. Further, during the last three years, no penalties were imposed or strictures were passed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.



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VII. CEO /CFO CERTIFICATION:

The Managing Director and the Chief Financial Officer of the Company have certified to the Board that the Financial Results of the Company for the year ended 31 March 2020 do not contain any false or misleading statements or figures and do not omit any material facts which may make the statements or figures contained therein misleading as required by Regulations 33 of SEBI LODR Regulations.

VIII. MEANS OF COMMUNICATION:

The quarterly and half yearly results are published in widely circulating national and local dailies in English and Gujarati. These results are not sent individually to the shareholders but are displayed on the Company's website: www.aiaengineering.com. The Company holds meetings with the Investors and Analysts.

IX. General Body Meetings: (Last three years disclosures)

Annual General Meeting:

The particulars of the last three Annual General Meetings held are given hereunder:

Location, date and time for last 3 Annual General Meetings were:

Financial Year	Date	Venue	Time
2018-19	12 August 2019	H.T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr.Vikram Sarabhai Marg, Ahmedabad-380 015.	10.00 A.M.
2017-18	9 August 2018	H.T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr.Vikram Sarabhai Marg, Ahmedabad-380 015.	9.00 A.M.
2016-17	14 August 2017	H.T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr.Vikram Sarabhai Marg, Ahmedabad-380 015.	10.00 A.M.

The following Special Resolutions were passed by the members during the past 3 Annual General Meetings:

Annual General Meeting held on 12 August 2019:

1. Payment of Commission to Mr. Sanjay S. Majmudar, a Non-Executive Independent Director of the Company.
2. Re-appointment of Mr. Rajendra S. Shah as an Independent Director.
3. Re-appointment of Mr. Sanjay S. Majmudar as an Independent Director.
4. Re-appointment of Mr. Dileep C. Choksi as an Independent Director.

Annual General Meeting held on 9 August 2018:

NIL

Annual General Meeting held on 14 August 2017:

- (i) Appointment of Mr. Yashwant M. Patel as a Whole-Time Director.
- (ii) Alteration of Articles of Association of the Company.
- (iii) Keeping of Register/ Index of Members at a place other than the Registered Office of the Company.

POSTAL BALLOT:

During the year under review, no resolution was passed through Postal Ballot

X. GENERAL SHAREHOLDERS' INFORMATION:

Date and Time of 30th AGM	: 21st September, 2020 at 10.00 a.m.
Venue of AGM	: Through Video Conferencing
Financial Year	: 31 March 2020
Book Closure Date	: Not Applicable
Registered Office Address	: 115, G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad 382 410
Dividend Payment Date	: N.A.
Compliance Officer	: Mr. S. N. Jetheliya, Company Secretary
Email for redressal of Investors' Complaints	: ric@aiaengineering.com
Website	: www.aiaengineering.com

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Financial Calendar (subject to change)

For Financial Year 2020-21

First Quarter Results : On or before 14 August 2020

Second Quarter/Half Yearly Results : On or before 14 November 2020

Third Quarter Results : On or before 14 February 2021

Audited Results for the year 2020-21 : On or before 30 May 2021

(a) Listing on Stock Exchanges:

Name and Address of the Stock Exchange	Script Code
BSE Limited 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001	532683
National Stock Exchange of India Limited Exchange Plaza, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051	AIAENG

The listing fees for the year 2020-21 have been paid to both the Stock Exchanges.

(b) Market Price Data:

The securities of the Company have been listed on BSE and NSE. The stock market prices were as under:

Month	BSE Sensex	BSE Limited		National Stock Exchange of India Limited	
		High (₹)	Low (₹)	High (₹)	Low (₹)
April 19	39,031.55	1,840.00	1,661.55	1,845.10	1,690.00
May 19	39,714.20	1,830.00	1,621.75	1,824.80	1,620.50
June 19	39,394.64	1,850.00	1,675.00	1,850.00	1,671.05
July 19	37,481.12	1,850.00	1,688.00	1,847.85	1,690.00
August 19	37,332.79	1,747.50	1,520.85	1,739.25	1,519.05
September 19	38,667.33	1,825.50	1,484.20	1,826.95	1,428.10
October 19	40,129.05	1,775.40	1,601.50	1,799.30	1,607.05
November 19	40,793.81	1,831.70	1,614.80	1,818.00	1,612.00
December 19	41,253.74	1,710.00	1,580.05	1,716.00	1,580.00
January 20	40,723.49	1,891.60	1,609.05	1,889.00	1,608.00
February 20	38,297.29	1,985.50	1,729.70	1,989.95	1,728.90
March 20	29,468.49	1,851.95	1,111.00	1,850.00	1,102.20

SHARE TRANSFER SYSTEM/ DIVIDEND AND OTHER RELATED MATTERS:

i. Share Transfers:

Share transfers in physical form are processed and the Share Certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer documents provided the transfer documents lodged with the Company are complete in all respects.

ii. Nomination facility for shareholding:

Pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rules made thereunder, facility for making nomination is available for members in respect of Shares held by them. Members holding Shares in physical form may fill the Nomination form.

iii. Physical Shareholding:

The Company hereby informs the Members that as per SEBI Circular, effective from 01.04.2019 physical shares will not be transferred unless and until they are dematerialised.



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iv. Dividend:

a. Payment of dividend through National Electronic Clearing Services (NECS)/National Automated Clearing House (NACH):

The Company provides facility for remittance of dividend to the Members through NECS/NACH. To facilitate dividend payment through NECS/NACH, members who hold Shares in demat mode should inform their Depository Participant and such of the members holding Shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Depository Participant/Company, the Company will issue Dividend Warrants to the Members.

b. Unclaimed Dividends:

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. The Company has transferred to the said Fund, the unpaid Dividend for the year ended 31 March 2012 which have remained unpaid during the year under review.

v. Reconciliation of Share Capital Audit:

As required by the Securities and Exchange Board of India (SEBI), a Quarterly Reconciliation of Share Capital is being carried out by an independent Practicing Company Secretary with a view to reconcile the Total Share Capital admitted with National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] and held in physical form, with the issued and listed Capital of the Company. The Practicing Company Secretary's Certificate with regard to this are submitted to BSE Limited and the National Stock Exchange of India Limited and are placed before Stakeholders' Relationship Committee and the Board of Directors at every quarter.

(c) Registrar & Transfer Agents:

MUMBAI OFFICE:	AHMEDABAD BRANCH OFFICE:
Link Intime India Private Limited	Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (W), Mumbai 400 083 Phone No. 022-49186270 Fax No. 022-49186060 Email :rnt.helpdesk@linkintime.co.in	5th Floor 506 to 508, Amarnath Business Centre -1, Besides Gala Business Centre, Nr. St., Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad 380 009 Phone - 079-26465179 Email:ahmedabad@linkintime.co.in

(d) Distribution of Shareholding:

(i) Shareholding Pattern as on 31 March 2020.

Category	No. of Shares held		No. of Shares	% of holding
	Physical	Electronic		
Promoters Shareholding	-	5,51,48,921	5,51,48,921	58.47
Mutual Funds	-	1,38,03,493	1,38,03,493	14.63
Alternative Investment Fund	-	3,86,810	3,86,810	0.41
Financial Institutions & Banks	-	16,049	16,049	0.02
Foreign Portfolio Investor	-	2,01,26,599	2,01,26,599	21.34
Central Government/State Governments	-	3,11,994	3,11,994	0.33
NRIs	-	1,82,216	1,82,216	0.19
Other Corporate Bodies	-	6,61,246	6,61,246	0.70
NBFC registered with RBI	-	3,400	3,400	0.00
Indian Public	130	22,25,535	22,25,665	2.36
Hindu Undivided Family	-	1,04,080	1,04,080	0.11
Trusts	-	3,533	3,533	0.00
IEPF	-	1,300	1,300	0.00
Clearing Member	-	34,528	34,528	0.04
Insurance Companies	-	13,10,536	13,10,536	1.39
Total	130	9,43,20,240	9,43,20,370	100.00

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(ii) Distribution of Shareholding as on 31 March 2020.

No. of Equity Shares	No. of folios	% of total folios	No. of Shares	% of holding
1 to 500	17,836	94.48	13,56,797	1.43
501 to 1000	469	2.48	3,39,791	0.36
1001 to 2000	225	1.19	3,15,793	0.33
2001 to 3000	76	0.40	1,93,424	0.20
3001 to 4000	36	0.19	1,26,434	0.13
4001 to 5000	31	0.16	1,44,448	0.15
5001 to 10000	46	0.24	3,42,988	0.36
10001 & above	160	0.85	9,15,00,695	97.01
Grand Total	18,879	100.00	9,43,20,370	100.00
Shareholders in Physical Mode	6	0.01	130	0.00
Shareholders in Electronic Mode	18,873	99.99	9,43,20,240	100.00

(e) Dematerialization of Shares & Liquidity:

The Shares of the Company are compulsorily traded in DEMAT form on the Stock Exchanges where they are listed. The Shares can be dematerialized with any one of the Depositories viz. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).

As on 31 March 2020, 9,43,20,240 Equity Shares are in Dematerialized Form representing 99.99% of the total 9,43,20,370 Equity Shares of the Company. The ISIN allotted to the Company's scrip is INE212H01026. The Shares of the Company are actively traded at BSE Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE).

(f) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely Impact on Equity:

The Company has not issued GDRs / ADRs / Warrants or any convertible instruments.

(g) Shares in respect of which dividend has not been claimed/encashed for 7 consecutive years transferred to IEPF Account:

During the year 2019-20, the Company has transferred 66 equity shares to IEPF Authority.

(h) The total fee (including out of pocket expenses) paid to the Statutory Auditors of the Company during the year under review is ₹ 43.84 Lakhs.

(i) Plant Locations:

- 235-236 & Other Plants at G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad - 382 410
- 129/129-A, G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad - 382 410 (erstwhile Reclamation Welding Ltd.)
- Plot Nos. 70-77, Survey Nos. 423/P, 426/P & 427/P, Mahagujarat Industrial Estate, Sarkhej-Bavla N. H. 8-A, Village: Moraiya, Post: Changodar, Taluka: Sanand, Ahmedabad - 382 213
- 18/P, 20th Mile Stone, Sarkhej-Bavla N. H. 8-A, Village: Moraiya, Post: Changodar, Taluka: Sanand, Ahmedabad - 382 213
- Plot No. 14, (Survey No. 67, 67A & 70), Girnar Scooter Compound, Odhav Road, Odhav, Ahmedabad - 382 410
- L-3, MIDC Industrial Area, Hingna, Nagpur - 440016 (erstwhile Paramount Centrispun Castings Pvt. Ltd.)
- SF No. 514, 5A1, 5A2, 5A3, Thathamangalam Village, Kariamianickam Road, S. Pudur, Samayapuram, Trichy - 621 115 (erstwhile DCPL Foundries Ltd.)
- 103/104/115 to 118, Kerala GIDC Estate, Taluka Bavala, Ahmedabad-382220.

(j) Address for Correspondence:

- For transfer / dematerialisation of Shares, change of address of members and other queries:

Link Intime India Private Limited	Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (W), Mumbai 400 083 Phone No. 022-49186270 Fax No. 022-49186060 Email : rnt.helpdesk@linkintime.co.in	5th Floor 506 to 508, Amarnath Business Centre -1, Besides Gala Business Centre, Nr. St., Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad 380 009 Phone - 079-26465179 Email: ahmedabad@linkintime.co.in



REPORT ON CORPORATE GOVERNANCE (CONTD.)

b) For any query relating to Dividend, Annual Reports etc.

Mr. S. N. Jetheliya, Company Secretary & Compliance Officer

Registered Office:

AIA Engineering Limited
115, GVMM Estate, Odhav Road, Odhav, Ahmedabad-382 410
Phone No. 079-22901078-81
Fax No. 079-22901077
Investors' related query E-mail : ric@aiaengineering.com

Corporate Office:

11-12, Sigma Corporates
B/h. HOF Showroom, Sindhu Bhavan Road,
Off. S.G. Highway, Bodakdev,
Ahmedabad-380054
Phone No. 079-66047800 Fax No. 079-66047848

Details of Non-Compliances:

There was no non-compliance during the year and no penalty has been imposed or strictures have been passed on the Company by the Stock Exchanges, SEBI or Registrar of Companies (ROC). The Company has obtained a Certificate from Tushar Vora & Associates, Practicing Company Secretaries on Corporate Governance and has attached the Certificate with the Boards' Report and the same will be sent to all the Shareholders of the Company. The same Certificate shall also be sent to all the concerned Stock Exchanges along with the Annual Reports to be filed by the Company.

NON-MANDATORY REQUIREMENTS:

a) Chairman of the Board

A Non-Executive Chairman heads the Board of the Company.

b) Shareholders' Rights

As the Quarterly and Half Yearly results are published in leading newspapers having wide circulation, the same are not sent to the Shareholders of the Company individually.