



## Annexure - 2

**REPORT ON CORPORATE GOVERNANCE**

(As required under Part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**A. MANDATORY REQUIREMENTS****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

- ❖ The Company's focus on Corporate Governance is to attain highest level of transparency and accountability.
- ❖ The Company sincerely believes that all its operations should serve towards its main object of attaining optimum level of financial stability thereby enhancing the shareholders' value, over a sustained period of time.

**2. BOARD OF DIRECTORS****a) Composition and Category of Directors :**

The Board consisting of four Non-Executive Directors, functions as a full Board and through Committees. The Board of Directors and its Committees meet at regular intervals. Policy formulation, setting up of goals and evaluation of performance and control functions vest with the Board, while the Committees oversee operational issues.

The Board has the following Committees :

1. Audit Committee.
2. Share Transfer Committee.
3. Stakeholders Relationship Committee.
4. Nomination and Remuneration Committee.
5. Committee of Independent Directors.

All the Directors on the Board other than Independent Directors are liable to retire by rotation.

The Composition of the Board and Committees are in compliance with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors qualify the conditions for being independent directors as prescribed under Companies Act, 2013 and Regulation 16 (1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. No Director is related to any other Director.

The Board has framed Code for Independent Directors as required under the Companies Act, 2013.

Independent Directors are issued Letters of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

The Company has familiarisation programme for Independent Directors with regard to roles, rights, responsibilities in the company, nature of industry in which the Company operates, the business models of the company etc. and the details are available on the website of the Company.

**b) The relevant details relating to Board of Directors are given below:**

Name of the Director	Position	Category	Membership in other Companies as on 31.03.2019		
			Board*	Committees**	
				Chairmanship	Membership
Sri N.R.Krishnan	Chairman	Independent Non-Executive	5	2	2
Sri V.Manickam	Director	Independent Non-Executive	4	1	3

Sri V.M.Mohan	Director	Promoter Non-Executive	6	NIL	NIL
Smt E.Jayashree	Director	Non-Executive	NIL	NIL	NIL

\* Excludes Private Limited Companies and Alternate Directorship.

\*\* Only Audit Committee and Stakeholders Relationship Committee are considered for the purpose.

Names of the listed entities in which Directors of the Company hold directorship and category thereof, as at 31<sup>st</sup> March, 2019, are furnished below:

Sl. No.	Name of the Director	Name of the listed entity	Category
1	Sri N.R.Krishnan	Ponni Sugars (Erode) Limited Tamil Nadu Petroproducts Limited	Independent
2	Sri V.Manickam	EID Parry (India) Limited	Independent

**c) Board Meetings:**

During the financial year 2018-2019, four Board Meetings were held on 29<sup>th</sup> May, 2018, 11<sup>th</sup> August 2018, 09<sup>th</sup> November 2018 and 11<sup>th</sup> February 2019. The details of attendance of Directors in Board Meetings and last Annual General Meeting are as follows:

Name of the Director	No. of Board Meetings Attended	Attendance at Last Annual General Meeting
Sri N.R.Krishnan	4	Yes
Sri V.Manickam	3	No
Sri V.M.Mohan	4	Yes
Smt E.Jayashree	4	Yes

The details of Equity Shares held by the Non-Executive Directors as on 31<sup>st</sup> March, 2019 are as follows:

Name of the Director	No. of Equity Shares
Sri N.R.Krishnan	Nil
Sri V.Manickam	Nil
Sri V.M.Mohan	100
Smt E.Jayashree	100

**d) Skills / expertise / competencies identified by the Board of Directors:**

The Board of Directors has identified the following core skills, expertise, competence of Directors that would help them to function effectively in the conduct of the business of the Company:

Leadership, Business Strategy, Finance, Operations, Marketing, Auditing, Taxation, Regulatory Services and compliance of Statutes.

**e) Board Evaluation:**

In terms of Section 134 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (SEBI (LODR) Regulations), it is required to have a formal annual evaluation of the performance of the Board, its Committees and the Directors individually.



In pursuance of the aforesaid provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, including the Guidance Note issued by SEBI on Board Evaluation, the Board carries out the annual evaluation of its own performance, the working of its various Committees as well as the evaluation of its Directors individually.

The evaluation process comprises of both assessment and review, including analysis of the functioning of the Board and its Committees, the time spent by it in considering matters and whether the terms of reference of its Committees have been met, besides complying with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations.

The evaluation of Directors was done by the entire Board of Directors, excluding the Director being evaluated. Each Director independently evaluates the performance and contribution of other Directors in the overall context of Board process and on the basis of performance evaluation, it was noted that all the Directors were discharging their role effectively and that their terms of appointment as Director would be extended / continued in the best interests of the Company.

**3. AUDIT COMMITTEE:**

**a) The terms of Reference of Audit Committee:**

The role and terms of reference of the Audit Committee cover the areas mentioned under Regulation 18(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

**b) Composition and Meetings :**

Four Audit Committee Meetings were held during the financial year on 29<sup>th</sup> May, 2018, 11<sup>th</sup> August 2018, 09<sup>th</sup> November 2018 and 11<sup>th</sup> February 2019. The composition of the Audit Committee and the number of meetings attended during the financial year 2018 – 2019 are given below:

Name of the Audit Committee Member	Position	No. of Meetings Attended
Sri. N.R.Krishnan	Chairman	4
Sri. V.Manickam	Member	4
Sri V.M.Mohan	Member	4

The Company Secretary is also Secretary to the Audit Committee.

There has been no instance, where the Board has not accepted any recommendation of Audit Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

The role and terms of reference of Nomination and Remuneration Committee cover the areas mentioned under Regulation 19(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rules framed thereunder.

**a) Composition & Meetings :**

Nomination and Remuneration Committee met twice during the year on 11<sup>th</sup> August 2018 and 11<sup>th</sup> February 2019.

The composition of the Nomination and Remuneration Committee and the number of meetings attended during the financial year 2018 – 2019 are given below:

Name of the Nomination and Remuneration Committee Member	Position	No. of Meetings Attended
Sri V.Manickam	Chairman	2
Sri N.R.Krishnan	Member	2
Sri V.M.Mohan	Member	2

**b) Remuneration to Directors :**

Sitting fees for attending Board/Committee Meetings is paid to non-executive Directors. No remuneration other than sitting fees is paid to Non-Executive Directors.

Sitting fees paid to non-executive Directors during 2018- 2019 are as follows :

Name of the Director	Sitting Fees paid ₹	No. of Equity Shares
Sri N.R.Krishnan	16000	--
Sri V.M.Mohan	16000	100
Sri V.Manickam	14000	--
Smt E.Jayashree	--	100

There are no stock options available/issued to any Director of the Company.

There has been no pecuniary relationship or transactions between the Company and Non-Executive Directors during the year 2018-2019.

There are no convertible instruments issued to any of the Non-Executive Directors of the Company during the year 2018-2019.

**5. INDEPENDENT DIRECTORS:**

During the financial year 2018–19, Independent directors met once on 11<sup>th</sup> February 2019, inter alia, to evaluate the

- a. The performance of Non Independent Directors and the Board as a whole;
- b. Performance of the chairman of the company taking into account the views of the non executive directors; and
- c. Quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The composition of Committee of Independent Directors and number of meeting attended during the financial year 2018 – 2019 are given below:

Sl. No.	Name of the Member	Position	No. of Meetings Attended
1	Sri N.R.Krishnan	Chairman	1
2	Sri V.Manickam	Member	1

During the year, no independent director resigned before the expiry of his tenure.

**6. a) SHARE TRANSFER COMMITTEE:**

**Composition and Meetings:**

All shares received for physical transfers and transmissions were registered in favour of transferees/claimants and certificates despatched within prescribed time from the date of receipt, wherever the documents received were in order and complete.

During the year 2018-2019, 2400 Equity Shares were transferred and Transmissions involving 450 shares were effected in physical mode in favour of transferees/claimants and relative share certificates were despatched within prescribed time from the date of receipt. During the year under review one instance of change of name of shareholder for shares involving 250 equity shares were also effected.



During the financial year 2018-2019, the Committee met 14 times on 22.05.2018, 25.06.2018, 23.07.2018, 21.08.2018, 17.10.2018, 22.11.2018, 17.12.2018, 31.12.2018, 24.01.2019, 31.01.2019, 11.02.2019, 27.02.2019, 11.03.2019 and 30.03.2019. The composition and attendance at the meeting are given below :

Name of the Member	Position	No. of Meetings Attended
Sri N.R.Krishnan	Chairman	14
Sri V.M.Mohan	Member	14

**b) STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the financial year 2018-2019, the Shareholders' / Investors' Grievance Committee met on 30.03.2019 to review the Investors' grievances. The composition and attendance at the Committee meeting is given below:

Name of the Member	Position	No. of Meetings Attended
Sri N.R.Krishnan	Chairman	1
Sri V.M.Mohan	Member	1

During the year 2018-2019, 5 investor complaints were received from shareholders. All the complaints have generally been solved to the satisfaction of the complainants, except disputed cases and sub-judice matters, which would be resolved on final disposal by the Courts / Forums where they are pending. There were no outstanding complaint either at the beginning or at the end of the financial year 2018-2019.

Smt.E.Jayashree, Company Secretary, is the Compliance Officer.

**7. ANNUAL GENERAL MEETINGS:**

a) Location, time, date and venue of the last three Annual General Meetings (AGMs) are furnished below :

Year	Type	Location	Date	Time	Special Resolutions passed in the AGM by the Share holders
2016	AGM	Sathguru Gnanananda Hall of Narada Gana Sabha, 314, T.T.K.Road, Alwarpet, Chennai – 600 018.	29/08/2016	4.00 P.M.	No
2017	AGM	Sathguru Gnanananda Hall of Narada Gana Sabha, 314, T.T.K.Road, Alwarpet, Chennai – 600 018.	15/09/2017	10.00 A.M.	No
2018	AGM	Sathguru Gnanananda Hall of Narada Gana Sabha, 314, T.T.K.Road, Alwarpet, Chennai – 600 018.	22/09/2018	11.00 A.M.	No

No special resolution was required to be put through postal ballot last year.

No item of business requiring voting by postal ballot is included in the Notice convening the 33<sup>rd</sup> Annual General Meeting of the Company.

## 8. MEANS OF COMMUNICATION :

- a) The quarterly and annual financial results are published in the proforma prescribed by the Stock Exchanges in the English newspaper 'Trinity Mirror' and Tamil newspaper 'Makkal Kural' for investors' information.
- b) The financial results of the Company are also communicated in the prescribed pro-forma to Stock Exchanges.
- c) The financial results are also displayed on the Company's website [www.iccaps.com](http://www.iccaps.com).

## 9. GENERAL INFORMATION FOR SHAREHOLDERS:

- i. 33<sup>rd</sup> Annual General Meeting
  - ❖ Date and Time : 23<sup>rd</sup> September, 2019 at 12.30 P.M.
  - ❖ Venue : The Music Academy (Mini Hall), New No.168, T.T.K Road, Royapettah, Chennai – 600 014.
- ii. Financial year 1<sup>st</sup> April to 31<sup>st</sup> March (Provisional) : Will be published on or before:
  - ❖ Results for the quarter ending June 30, 2019. : 14<sup>th</sup> August, 2019.
  - ❖ Results for the quarter ending September 30, 2019. : 14<sup>th</sup> November, 2019
  - ❖ Results for the quarter ending December 31, 2019. : 14<sup>th</sup> February, 2020
  - ❖ Results for quarter ending March 31, 2020 (audited). : 30<sup>th</sup> May, 2020
- iii. Book Closure Date : 17<sup>th</sup> September, 2019 to 23<sup>rd</sup> September, 2019 (both days inclusive).
- iv. Dividend Payment Date : Not Applicable
- v. Listing on Stock Exchanges:
  - a. The Company's Equity Shares are listed on BSE Limited, 1<sup>st</sup> Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.[Scrip Code = 511355 Scrip ID : INDCEMCAP].
  - b. Company's equity shares are traded in Group / Index : X in BSE Limited.
  - c. The Company has paid the Listing Fee for the year 2019-2020 to BSE Limited where the Company's shares are listed.
- vi. Demat ISIN Number in NSDL & CDSL : INE429D01017
- vii. Market Price Data:

During the year, few shares were only traded in BSE Limited, Mumbai.
- viii. Registrar and Transfer Agent [RTA]:

The Company has engaged the services of Cameo Corporate Services Limited (Cameo), Chennai, a SEBI registered Registrar, as its Registrar and Transfer Agent (RTA) for both physical and electronic segment. Investors /shareholders / depository participants are requested to send all their documents and communications pertaining to both physical and demat shares at the following address :

### CAMEO CORPORATE SERVICES LIMITED

V Floor, "Subramanian Building",

No.1, Club House Road

Chennai – 600 002

Phone : 044 – 28460390 (5 lines)

Fax : 044 – 28460129

E-Mail : [investor@cameoindia.com](mailto:investor@cameoindia.com)

Contact Person : Ms. K.Sreepriya

Designation : Head – RTA & Company Secretary



ix. Share Transfer and Dematerialisation of shares:

Shares lodged in physical form with the Company/RTA upto 31.03.2019 were processed and returned, duly transferred, within prescribed time from the date of receipt, if the documents submitted are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

In terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities and the Company has sent individual communication to the shareholders advising them to dematerialize equity shares held by them in physical form.

x. a) Distribution of Shareholding as on 31<sup>st</sup> March, 2019 (Nominal value of ₹ 10/- each)

No. of Shares held	No. of shareholders	% of shareholders	No. of shares held	% of Shareholding
Upto 500	11385	91.44	1725734	7.95
501 to 1000	495	3.98	408330	1.88
1001 to 2000	243	1.95	372614	1.72
2001 to 3000	84	0.67	216719	1.00
3001 to 4000	41	0.33	146308	0.67
4001 to 5000	37	0.30	174002	0.80
5001 to 10000	54	0.43	391028	1.80
10001 and above	112	0.90	18271465	84.18
TOTAL	12451	100	21706200	100

b) Pattern of Equity Shareholding as on 31<sup>st</sup> March, 2019:

Category	No. of Shares	%
Promoters	16258590	74.90
Mutual Fund	600	0.01
Bodies Corporate	103238	0.47
Resident Individuals	5261909	24.24
Non Resident Indians	18817	0.09
Hindu Undivided Family	63046	0.29
Total	21706200	100.00

xi. Dematerialisation of Equity Shares :

As on 31<sup>st</sup> March, 2019, 92.27 % of equity shares have been dematerialised.

During the year, 69 demat requests involving 12575 equity shares of NSDL and 49 demat requests for 9575 equity shares of CDSL have been processed and dematerialised.

xii. Outstanding GDRs/ADRs/Warrants or any other convertible instrument, Conversion date and likely impact on equity shares as on 31<sup>st</sup> March, 2019:

N.A.

xiii. Commodity price risk or foreign exchange risk and hedging activities:

The company is not carrying on any commodity business and has not undertaken any commodity hedging activities. The fluctuations in forex rates are being hedged for timely covers based on appropriate professional advice including risk management process.

xiv. Address for Correspondence : Registered Office :  
Dhun Building,  
827, Anna Salai,  
Chennai – 600 002.

Email Id : secr@iccaps.com

website : www.iccaps.com

Corporate Identity Number (CIN) : L65191TN1985PLC012362

For Investor complaints:

Contact person : Smt. E. Jayashree  
Company Secretary

Email Id : secr@iccaps.com

**10. DISCLOSURES:**

a) There are no significant related party transactions during the year of material nature with the Company's Promoters, Directors or the Management or their Subsidiary or relatives etc., which may have potential conflict with the interest of the Company at large. Related party transactions are disclosed in Notes to the Annual Accounts.

In accordance with Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions' and the same is available on the website of the Company.

b) As per Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr.K.Suresh, President of the Company, designated as Chief Executive Officer (CEO) and also heading the finance function and discharging that function in his capacity as "Chief Financial Officer" (CFO), has certified to the Board on his review of Financial Statements and Cash Flow Statements for the year ended 31<sup>st</sup> March, 2019 in the prescribed form which is annexed.

c) There were no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

d) The Company in compliance with Section 177(9) of the Companies Act, 2013 read with Rules framed thereunder and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has established a vigil mechanism for directors and employees to report genuine concerns. The mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairman of the Audit Committee in appropriate or exceptional cases.

e) During the year the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

f) Mr.G.Porselvam, Practicing Company Secretary, has certified that that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority which is annexed.

g) There is no instance, where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year 2018-2019.





- h) Messrs P.S.Subramania Iyer & Co., Chartered Accountants, are the statutory auditor of the Company. Total fees paid for the year ended 31.03.2019 by the Company and its subsidiary, on a consolidated basis to the statutory auditors including all entities in their network firm/entity of which they are a part is given below:

Particulars	₹ in Lakhs
Statutory Audit fees	0.85
Tax Audit Fees	0.12
Fees for other services	0.40
Total	1.37

- i) The Company has in place an anti-sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. There was no complaint of harassment, reported during the year.
- j) The Company has complied with all Mandatory requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As regards the non-mandatory requirements, the extent of compliance has been stated in Part B of this report.
- k) Subsidiary Company:  
In accordance with Regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy for determining 'material subsidiary', and the same is available on the company's website. The Company has a 'material non-listed Indian Subsidiary', as defined in aforesaid Regulation.
- l) Details of information on re-appointment of directors:  
A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or for other person on a beneficial basis, names of companies in which the person already holds directorship, membership of committees of the Board and relationship with other directors, forms part of the Notice convening the 33<sup>rd</sup> Annual General Meeting.
- m) ICCL Code of Conduct for prevention of Insider Trading :  
In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (PIT Regulations), the Company has adopted the revised "ICCL Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" ("the Code") in the place of existing "ICCL Code of Conduct for Prevention of Insider Trading". The Code is applicable to Promoters, all Directors, Designated persons and connected Persons and their immediate relatives, who are expected to have access to unpublished price sensitive information relating to the Company.  
The code prohibits purchase/sale of securities of the Company by 'insider' including Directors, Designated employees etc., while in possession of unpublished price sensitive information.
- n) The Company has also formulated 'A Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with the PIT Regulations. The Company has also formulated a "Policy and Procedures for inquiry in case of leak of Unpublished Price Sensitive Information or Suspected leak of Unpublished Price Sensitive Information".  
The aforesaid Code and Policy are posted on the Company's website "www.iccaps.com."
- o) ICCL Code of Conduct for Directors and Senior Management :  
The Company has framed and implemented ICCL Code of Conduct for its Directors and Senior Management. The Code of Conduct has also been posted on the Company's website "www.iccaps.com". Affirmation on compliance of Code of Conduct for the financial year 2018-2019 has been received from all the Directors and Senior Management personnel of the Company. The Company has also framed and implemented ICCL Code of Conduct for its Independent Directors.

CEO of the company has given declaration to the effect that members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for its Directors and Senior Management.

p) Transfer to Investor Education and Protection Fund:

During the year under review, no amount was required to be transferred to Investor Education and Protection Fund.

q) Unclaimed Shares :

The Company does not have any share(s) remaining unclaimed, issued pursuant to public/ other issues.

r) The Independent Directors have confirmed in writing that they meet the criteria of 'Independence' as stipulated under the Companies Act, 2013 and Listing Regulations.

s) Green Initiative:

In terms of the provisions of the Companies Act, 2013, Companies (Accounts) Rules, 2014, Companies (Management and Administration) Rules, 2014, and SEBI (LODR) Regulations, 2015, the annual report along with the notice of the Annual General Meeting is sent by email to those members who have registered their e-mail address with the Company / Registrar and Share Transfer Agent (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories.

To support the Green Initiatives of the Government, members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with (i) the Depository Participant(s), if the shares are held in electronic form and (ii) with the Company / Registrar & Share Transfer Agent (RTA) of the Company, if the shares are held in physical form.

t) The Company has complied with applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.

u) Following policy / informations are also made available on the company's website:

- i. Code of Conduct for Directors and Senior Managers.
- ii. Policy on material subsidiary.
- iii. Code for independent Directors.
- iv. Vigil Mechanism.
- v. ICCL Policy on Related Party Transactions.
- vi. ICCL Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.

11. The company has complied with the requirements of Corporate Governance Report specified in sub paras 2 to 10 of Part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. As regards the discretionary requirements of Part E of Schedule II of Listing Regulations, the extent of compliance has been stated in Part B of this report.

13. The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and 46(2)(b) to (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



**B. NON-MANDATORY REQUIREMENTS:**

1.	The Board	
	A non-executive Chairman may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties.	At present, the Non-executive Chairman does not have any office at the Company's expense. No reimbursement of expenses is made by the Company for performance of his duties.
2.	Shareholder Rights	
	A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.	As the Company's half yearly results are published in one English newspaper and in a Tamil newspaper, the same are not sent to the Shareholders of the Company. There is no publication of second half-yearly results as the annual results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.
3.	Audit Qualifications	
	Company may move towards a regime of unqualified financial statements.	Nil
4.	Separate posts of Chairman and CEO	
	The company may appoint separate persons to the post of Chairman and Managing Director/CEO.	Sri.N.R.Krishnan was the Chairman of the Board upto 31.03.2019 and Sri.V.Manickam is the Chairman of the Company w.e.f. 01.04.2019 and Sri.K.Suresh is the President & CEO of the Company.
5.	Reporting of Internal Auditor	
	The Internal auditor may report directly to the Audit Committee.	The Internal Auditors of the Company report directly to the Audit Committee.

On behalf of the Board

Place : Chennai  
Date : 25<sup>th</sup> May, 2019

**V. MANICKAM**  
CHAIRMAN