

**REPORT ON CORPORATE GOVERNANCE****1. A brief statement on Company's philosophy on Corporate Governance**

Your Company is committed to good Corporate Governance and the Company's philosophy is aimed at conducting business ethically and efficiently in a transparent manner and establishing enduring relationship with all its stakeholders and optimize growth. The Company has adopted a Code of Conduct for its employees including the managing director and the executive directors. In addition, the Company has adopted a code of conduct for its Non-executive Directors and Independent Directors. These codes are available on the Company's website. The Company's Corporate Governance philosophy has been further strengthened through the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices.

The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to corporate governance.

**2. Board Of Directors**

The Company has a high profiled Board with varied management expertise. The Board's role, functions, responsibility and accountability are known to them due to their vast experience. During the year, information as mentioned in Annexure-IA to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration.

Minutes of the Board Meetings/Committee Meetings are circulated to Directors and confirmed at the subsequent meetings.

**(a) Composition of Board**

As on 31<sup>st</sup> March, 2018, the Company has five Directors. Of the five Directors, two are Executive Directors, two are Independent Directors and one is a Non-Executive Woman Director. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (b) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

The Board members possess requisite skills, experience and expertise required to take decisions, which are in the best interest of the Company.

Name of the Director	Category	No. of Board meetings during the year 2017-2018 (12 months period)		Whether attended last AGM held on 30 <sup>th</sup> Sep, 2017	No. of Directorships in other public companies		No. of Committee positions held in other public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Dinesh Kumar Managing Director	Promoter, Executive, Non-Independent	5	5	Yes	---	1	---	---
Mr. Aneesh Mittal	Promoter, Executive, Non-Independent	5	5	Yes	---	---	---	---



Mrs. Ritu Lal Kumar	Non-Independent Non Executive, Promoter	5	5	Yes	---	---	---	---
Mr. Vikas Nayyar	Independent, Non-Executive	5	5	Yes	---	---	---	---
Mr. Narender Kalwakuntla	Independent, Non-Executive	5	5	Yes	---	---		

- (c) During the year 2017-18, 05 meetings of the Board of Directors were held on 30<sup>th</sup> May, 2017 which was adjourned to 05<sup>th</sup> June 2017, 16<sup>th</sup> August, 2017, 14<sup>th</sup> September, 2017, 14<sup>th</sup> December, 2017 and 14<sup>th</sup> February, 2018. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.
- (d) None of the directors are related to each other except Mr Dinesh Kumar, Managing Director is the spouse of Mrs Ritu Lal Kumar, Non-executive Director..
- (e) The Non-executive Director does not hold any shares or convertible instruments in the Company.
- (f) The company has formulated a policy to familiarize the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The details of such familiarization programmes are disclosed in the website of the company under the below link <http://www.xlenergy.co/pdf/Familiarisation%20Programme%20to%20Independent%20Directors.pdf>
- (g) **Independent Directors' Meeting**  
During the year under review, the Independent Directors met on 13<sup>th</sup> March, 2018, 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 timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

### 3. Audit Committee

#### (a) **Terms of reference**

**The terms of reference of the Audit Committee include *inter-alia*:**

- Authority to investigate any matter pertaining to the items specified in section 177 of the Companies Act or referred to it by the Board
- Investigate any activity within its terms of reference
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Reviewing with management the annual financial statements
- Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, 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.
- Reviewing the Company's financial and risk management policies



viii) Periodic discussion with the auditors about internal control systems, scope of audit including the observations of the auditors and review the quarterly, half-yearly, and annual financial statements before submissions to the Board.

The Audit Committee specifically reviews the Un-audited Quarterly financial results before these are submitted to the Board for approval. Minutes of each Audit Committee meeting are placed before the Board for information.

**(b) Composition, Names of Members and Chairperson:**

The Audit Committee presently consists of three Directors of which two of them are Independent Directors and one Executive Director. Mr. Narender Kalwakuntla, Mr Aneesh Mittal and Mr Vikas Nayyar are the members of the Committee. Mr. Narender Kalwakuntla, Independent Director is the Chairman of the Audit Committee. All the members of the committee have adequate financial and accounting knowledge.

(c) During the year 2017-18, 05 meetings of the Committee were held on 30<sup>th</sup> May, 2017 which was adjourned to 05<sup>th</sup> June 2017, 16<sup>th</sup> August, 2017, 14<sup>th</sup> September, 2017, 14<sup>th</sup> December, 2017 and 14<sup>th</sup> February, 2018. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The meetings attended by the members of the Audit Committee are given below:

Name	Category	No. of meetings during the year 2017-18	
		Held	Attended
Mr. Narender Kalwakuntla	Chairman, Non – Executive and Independent Director	5	5
Mr. Aneesh Mittal	Whole Time Director	5	5
Mr. Vikas Nayyar	Non– Executive and Independent Director	5	5

**4. Nomination and Remuneration Committee:**

(a) The terms of reference of the committee are as follows:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, Key Managerial Personnel and other employees;

(ii) Formulation of criteria for evaluation of Independent Directors and the Board;

(iii) Devising a policy on Board diversity;

(iv) Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

Although no remuneration is paid to any director at present, the company retains the option to do so in future. As and when it is done it shall be revealed in the report.



- (b) Mr. Narender Kalwakuntla, Mr. Vikas Nayyar, Independent Directors and Mrs. Ritu Lal Kumar, Non-executive Director are the members of the Committee. Mr. Narender Kalwakuntla, Independent Director, is the Chairman of the Committee.
- (c) Two meetings were held during the year on 05<sup>th</sup> June, 2017 and 16<sup>th</sup> August,2017, wherein all the members of the Committee were present.
- (d) Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 and independence of judgment thereby safeguarding the interest of the Company. The Directors expressed their satisfaction with the evaluation process.

**6. Remuneration of Directors:**

- (a) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- (b) The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company pays sitting fees to the Independent Directors .
- (c) Details of remuneration for the year ended 31.03.2018
  - a. Non-Executive Directors

Name	Sitting Fees per each Board and Committee Meeting (₹)
Mr. Vikas Nayyar	7,500
Mrs. Ritu Lal Kumar	NIL
Mr. Narender Kalwakuntla	7,500

b. Managing Director & Executive Director

Name	Salary	Perquisites & Allowances
Mr. Dinesh Kumar	NIL	NIL
Mr. Aneesh Mittal	NIL	NIL

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

**i. Fixed pay:**

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

**ii. Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**iii. Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

\*However, owing to losses, currently no remuneration is being paid to the Managing and Whole time directors' now.

**• Remuneration to Non- Executive / Independent Director:****i. Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

**ii. Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**iii. Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

**iv. Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

\*Currently, the Independent Directors are only paid sitting fees by the Company.

**7. Stakeholders Relationship Committee**

(a) The Committee consists of Mr. Dinesh Kumar, Managing Director, Mr. Vikas Nayyar, Non-executive Independent Director as its members and Mrs. Ritu Lal Kumar, Non-Executive Director as the Chairperson.

**(b) Name and Designation of the Compliance Officer**

Ms. M. Bhargavi, Company Secretary, is the Compliance Officer and can be contacted at:  
 XL Energy Limited Tel : 040 27145317  
 H. No. 19-66/11/D-4, Laxmipuram Colony, Email : [cs@xlenergy.co](mailto:cs@xlenergy.co)  
 Opp: Dr A S Rao Nagar, ECIL, Kapra,  
 Medchal Malkajgiri, Hyderabad – 500062.

Details of Complaints received:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

**8. Management Committee**

- (i) Management Committee of Directors is constituted in order to take decisions in day to day operations of the Company viz., opening of Bank accounts, day to day administrative and financial functions, to appoint attorneys for general or specific purposes, to authorize company executives to institute civil suits, to borrow money for working capital requirements and etc.
- (ii) The terms of references of the Committee are:
- (a) Mr. Dinesh Kumar, Managing Director of the Company shall be the Chairman of the Management Committee.
- (b) The quorum for the Committee meetings shall be TWO members or one third of the total number of members whichever is higher.
- (iii) One meeting of the Management Committee was held during the year on 16<sup>th</sup> August, 2017.
- (iv) The composition of the Management Committee and the details of meetings attended by its members are given below:

Name	Category	No. of meetings during the year 2017-18	
		Held	Attended
Mr. Dinesh Kumar	Managing Director	1	1
Mr. Aneesh Mittal	Whole time Director	1	1
Mr. Vikas Nayyar	Independent Director	1	0

**9. Disclosures****(a) Related Party Transactions**

All transactions entered into with Related Parties as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

<http://www.xlenergy.co/pdf/Policy%20on%20Related%20Party%20Transactions.pdf>

**(b) Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

**(c) Management**

The Management Discussion and Analysis Report has been included separately in the Annual Report to the Shareholders.

**(d) Board Disclosures - Risk Management**

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures.

**(e) Proceeds from public issues, right issues, preferential issues etc.**

The Company did not have any of the above issues during the year under review.

**(f) Policy on Prevention of Insider Trading**

The Company has also adopted a policy for prevention of Insider Trading which is made applicable to all the Directors and other designated employees who may have access to



unpublished price-sensitive information, in accordance with SEBI (Prohibition of Insider Trading) Regulations. Accordingly such officials are prohibited from trading in the securities of the Company during the notified "Trading Window" period.

## **10. General Body Meetings**

### **(a) Location and time, where last three AGMs held:**

Year	Date & Time of Meeting	Venue	Special Resolutions
2016-17	27.09.2017 at 9.30 AM	Shed No 31 & 32, IDA, Mallapur, Hyderabad -76	NIL
2015-16	30.09.2016 at 10.00 AM	Shed No 31 & 32, IDA, Mallapur, Hyderabad -76	NIL
2014-15	30.09.2015 at 10.00 AM	Shed No 31 & 32, IDA, Mallapur, Hyderabad -76	Adoption of new set of Articles of Association in line with Companies Act, 2013.

### **(b) Postal Ballot**

No Postal Ballot has been conducted during the year under review.

## **11. General Shareholder Information**

### **(a) Annual General Meeting:**

- (i) Date, time and Venue: 29<sup>th</sup> September, 2018, 9.30 A.M.  
Shed No. 31 & 32, IDA, Mallapur, Hyderabad – 500076
- (b) Financial Year : 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018
- (c) Date of Book Closure : 22.09.2018 to 29.09.2018(both days inclusive)
- (d) Dividend Payment Date: NIL

### **(e) Listing**

The Stock Exchanges on which the Company's shares are listed:

- Bombay Stock Exchange Limited (BSE)
- National Stock Exchange of India Limited (NSE), Mumbai.
- Zero Coupon Foreign Currency Convertible Bonds (FCCBs) are listed at Singapore Exchange Securities Trading Limited (SGX-ST).

### **(f) Stock Code**

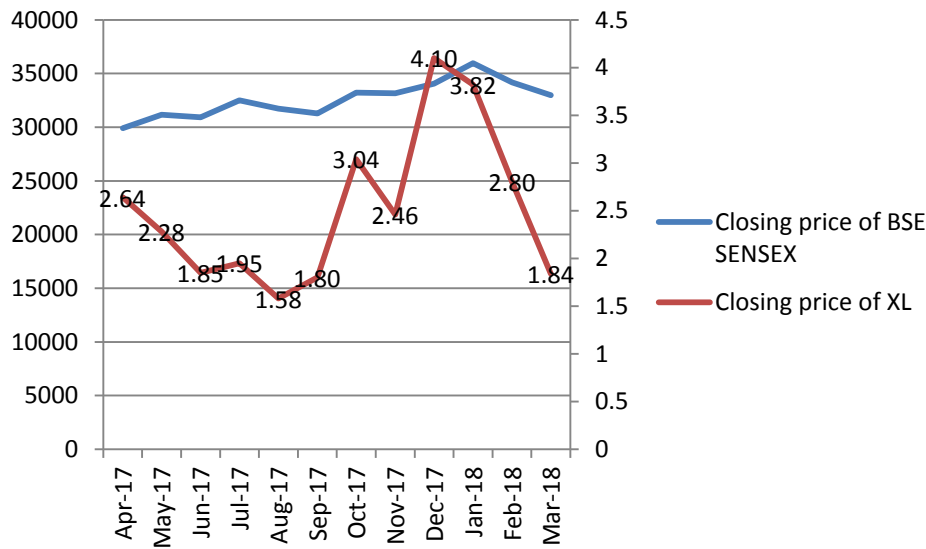
Bombay Stock Exchange Limited (BSE) : 532788 & XLENERGY  
National Stock Exchange of India Limited (NSE) : XLENERGY  
ISIN for FCCBs  
Singapore Stock Exchange: XS0325291861



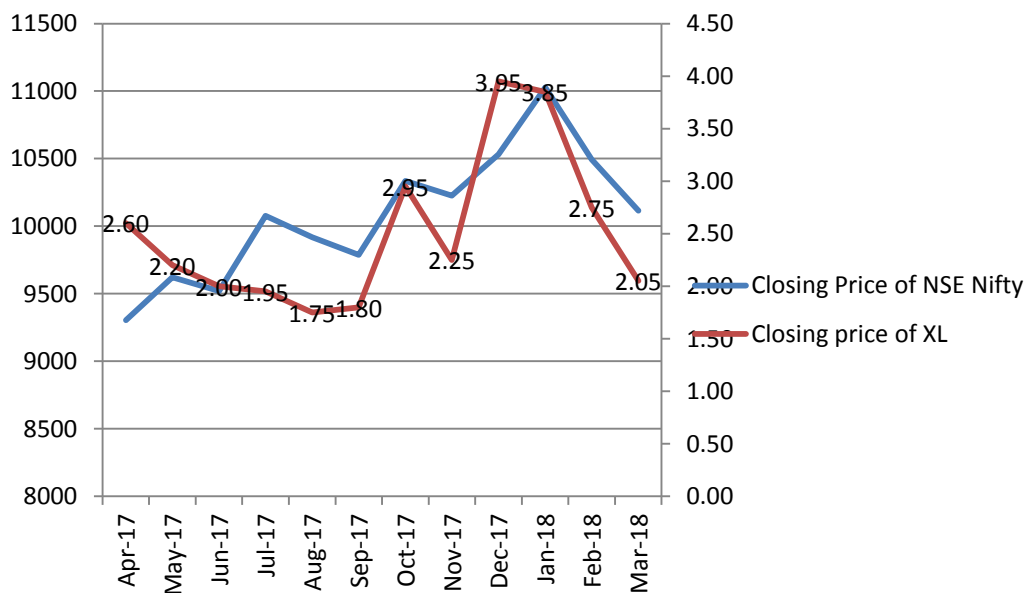
(g)Market Price Data: High, Low during each month in last financial year (in ₹)

Month	BSE		NSE	
	High	Low	High	Low
April, 2017	2.90	2.35	2.90	2.60
May, 2017	2.89	2.15	2.90	2.20
June, 2017	2.65	1.85	2.70	2.00
July, 2017	2.27	1.58	2.00	1.95
August, 2017	2.29	1.48	2.20	1.75
September, 2017	2.00	1.44	1.90	1.80
October, 2017	3.55	1.72	3.35	2.95
November, 2017	3.08	2.09	2.90	2.25
December, 2017	4.35	2.50	4.15	3.95
January, 2018	5.00	3.65	5.00	3.85
February, 2018	4.00	2.71	4.00	2.75
March, 2018	2.80	1.82	2.85	2.05

(h)Stock Performance in comparison to broad-based indices – BSE Sensex



Stock Performance in comparison to broad-based indices – NSE







(i) There was no suspension of trading in securities of the Company during the year under review.

(j) **Registrar and Share Transfer Agents :**

The Members are requested to correspond to the Company's Registrars & Share Transfer Agents Bigshare Services Pvt Ltd, quoting their Folio Number, Client ID and DP ID at the following address:

**Bigshare Services Pvt Ltd,**

306, Right Wing, Amrutha Ville Appt.,

Opp: Yashoda Hospital, Somajiguda,

Rajbhavan Road, HYDERBAD – 500 082

Tel: +91 40 23374967 Fax: +91 40 23370295

E-mail: [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com), Website: [www.bigshareonline.com](http://www.bigshareonline.com)

(k) **Share Transfer System :**

All physical share transfers are handled by Bigshare Services Private Limited. The transferee is required to furnish transfer deed duly complete in all respects together with the share certificates to Bigshare Services Private Limited at the above said address in order to enable them to process the transfer.

All physical share transfers are handled by Bigshare Services Private Limited. The transferee is required to furnish transfer deed duly complete in all respects together with the share certificates to Bigshare Services Private Limited at the above said address in order to enable them to process the transfer.

As regard transfers of dematerialized shares, the same can be effected through the demat accounts of the transferor(s) and transferee(s) maintained with recognized Depository Participants.

All requests received by the Company/RTA for Dematerialization/ Rematerialization/ transfer are disposed off expeditiously. Share Certificates duly endorsed are issued /transferred to all those shareholders, who opt for shares in the physical form.

(l) **Distribution of shareholding :**

a. Distribution of shareholding as on 31<sup>st</sup> March, 2018:

<b>Shareholding</b>	<b>No. of shareholders</b>	<b>% of shareholders</b>	<b>No. of shares</b>	<b>% of shareholding</b>
1 - 500	15862	78.4199	2269229	9.9639
501 - 1000	1877	9.2797	1561971	6.8585
1001 - 2000	1150	5.6855	1797129	7.8910
2001 - 3000	451	2.2297	1160125	5.0940
3001 - 4000	193	0.9542	699496	3.0714
4001 - 5000	189	0.9344	895035	3.9300
5001 - 10000	290	1.4337	2121640	9.3159
10001 and above	215	1.0629	12269772	53.8753
Total	20227	100.00	22774397	100.00

**Shareholding pattern on 31<sup>st</sup> March, 2018**

Category	No. of Shares	Percentage(%)
Promoters	5063579	22.23
Indian Public & others	14531777	63.81
Bodies Corporate	2521068	11.07
NRIs	648568	2.85
Clearing Member	9405	0.04
Grand Total	22774397	100.00

**(m) Dematerialization of shares and liquidity:**

The Company has admitted its Equity & Cumulative Redeemable Preference shares (CRPS) to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company for Equity is INE 183H01011 & for Preference Shares is INE 183H04015. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by SEBI.

Out of 2,27,74,397 equity shares, 2,27,66,136 equity shares constituting 99.96% of total equity share capital are held in dematerialized form with NSDL and CDSL as on 31<sup>st</sup> March, 2018.

(n) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on 31<sup>st</sup> March, 2018.

(o) Commodity price risk or foreign exchange risk and hedging activities:

The Company is not carrying on any Commodity business and has also not undertaken any hedging activities hence same are not applicable to the Company.

**(P) Plant Locations:**

- Jointing Kits Division**  
Shed No. 31  
I.D.A., Mallapur, Hyderabad - 500 076
- SPV Division**  
Shed No. 32, I.D.A.,  
Mallapur, Hyderabad - 500 076
- Ethanol Division**  
Plot Nos. B 8 to B 10, &  
B 18 to B21, MIDC, Kushnoor  
NANDED (District), Maharastra
- Fabcity**  
Plot No. 36, Raviryal Village,  
Fab-City (SEZ) India Pvt. Ltd.  
Maheshwaram Mandal  
Ranga Reddy - 501141

(q) Address for Correspondence:

**REGISTERED OFFICE**

H. No. 19-66/11/D-4, Laxmipuram Colony,

Opp: Dr A S Rao Nagar, ECIL, Kapra,

Medchal Malkajgiri, Hyderabad – 500062.

CIN : L31300TG1985PLC005844

Tel : 040 27145317

Email : info@xlenergy.co

Web site : [www.xlenergy.co](http://www.xlenergy.co)

**12. OTHER DISCLOSURES****(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

Penalty for delayed submission of yearly financial results has been imposed by the Stock Exchanges for the years 2015-16 , 2016-17 and 2017-18 as per Standard Operating Procedures.

**(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee;**

The Company has established a vigil mechanism policy to enable the directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and to provide adequate safeguards against victimization of persons using the mechanism shall be the very purpose to establish the mechanism. None of the personnel of the Company has been denied access to the Audit Committee. During the financial year under review, no Complaints have been received. The details of the policy is available under the following link

<http://www.xlenergy.co/Whistle%20Blower%20Policy.pdf>

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

**(e) Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company has formulated a policy for determining material subsidiaries and the details of such policy are available at the following link:

<http://www.xlenergy.co/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf>

**(f) Web link where policy on dealing with related party transactions;**

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

<http://www.xlenergy.co/pdf/Policy%20on%20Related%20Party%20Transactions.pdf>

**(g) Disclosure of commodity price risks and commodity hedging activities: Not applicable**

13. The Company Complied with the requirements of the Schedule V Corporate Governance report sub-paras (2) to(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**14. Details of compliance with mandatory requirements and adoption of Discretionary Requirements:**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

15. **The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:**



Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stake Holders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
25	Obligation with respect to Independent Director	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46 (2)(b) to (i)	Website	Yes

**16. Code of Conduct:**

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company – [www.xlenergy.co](http://www.xlenergy.co). The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31<sup>st</sup> March, 2018.

“It is hereby declared that the Company has obtained from all members of the Board and Senior Management affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the financial year ended 2017-18.”

**Sd/-****Dinesh Kumar  
Managing Director****Place: Hyderabad****Date: 14.08.2018****17. CEO/CFO Certification**

The Managing Director & CFO have certified to the Board in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO/CFO Certification for the financial year ended 31<sup>st</sup> March, 2018, published elsewhere in the Annual Report.

We, Dinesh Kumar, Managing Director and K Surender Reddy, Chief Financial Officer of M/s XL Energy Limited, have reviewed financial statements and the cash flow statement for the 04<sup>th</sup> quarter and financial year ended 31<sup>st</sup> March, 2018 and certify that, to the best of our knowledge and belief:

- (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) 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 that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and shall take steps to rectify these deficiencies.
- (D) We have indicated to the auditors and the Audit committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity’s internal control system over financial reporting.

**Place: Hyderabad**  
**Date: 13.06.2018**

**Sd/-**  
**Dinesh Kumar**  
**Managing Director**

**Sd/-**  
**K Surender Reddy**  
**Chief Financial Officer**

**18. Disclosure with respect to Demat suspense account/ unclaimed suspense account:**

Pursuant to the SEBI Circular and Regulation 39 of the SEBI Listing Regulations, 2015, during the year under review, there are no outstanding shares in the demat suspense account.

**19. Means of Communication**

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, press releases, Analysts Call after the Board Meeting and the Company’s website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

<p><b>Quarterly report sent to each household of shareholders.</b>  <b>Quarterly results and in which newspaper normally published in.</b></p>	<p>The results of the Company are published in the newspapers.          Results are published in Business Standard (all editions) and in NavaTelangana (Telugu – Hyderabad edition).</p>
<p><b>Any website where displayed.</b></p>	<p>Yes, the results are displayed on the Company’s website <a href="http://www.xlenergy.co">www.xlenergy.co</a></p>
<p><b>Whether it also displays official news releases.</b>  <b>Whether the website displays the presentation made to the institutional investors and to the analysts.</b></p>	<p>Yes          Yes</p>