

## **CORPORATE GOVERNANCE REPORT**

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company continues to focus on good Corporate Governance, which aims to improve the company's efficiency, effectiveness and social responsibility. The basic philosophy of Corporate Governance, in the Company emphasizes on highest level of transparency, accountability, and equality, in all respect of its operations. The Company believes that the governance process should ensure economic prosperity and long term value creation for the enterprise and its shareholders keeping in view the needs and interest of all its stakeholders. The company also respects the rights of its shareholders and other stakeholders to information on the performance of the company, based on highest professional ethics, and financial reporting standards. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require Professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It thus became crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Auditors and the senior management.

Above all, we feel honoured to be integral to India's social development.

### **ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) Procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information details and documents are made available to the Directors and senior management for effective decision making at meetings. The Company Secretary is primarily responsible to assists and advises the Board in the conduct of affairs of the company, to ensure compliances with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

### **COMPOSITION OF THE BOARD OF DIRECTORS AS ON MARCH 31, 2018**

(a) The Board of Directors of the company comprises:

- 3 Executive Directors
- 1 Managing Director who is an Executive Director
- 2 Independent Directors
- 2 Non-Executive Directors

(b) The Composition of the Board satisfies the requirement of Section 149 of the Companies Act, 2013, ("the Act") and Clause 49 of the Listing Agreement.

The names and categories of the Director, the number of Directorship and also committee positions held



## **AUDIT COMMITTEE**

### **Terms of Reference**

The company has an Audit Committee and terms of reference are in conformity with the powers as stipulated in Listing Agreement. The terms of reference also fully conforms to the requirement of Section 177 of the Companies Act, 2013.

### **The role of Audit Committee, *inter alia*, includes the following:**

- a. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending to the Board, the appointment, re-appointment and if required the replacement or removal of the statutory auditors and fixation of audit fees.
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- d. Reviewing, with the management, the annual financial statement with the auditors thereon before submission to the Board for approval, with particular reference to:
  - i) Matters required to be included in the Director's Responsibility Statement to be included on Board Reports in terms of section 134 of Act
  - ii) Changes, if any, in accounting policies and practices and reasons for the same
  - iii) Major accounting entries involving estimates based on the exercise of judgment by the management
  - iv) Significant adjustments made in the financial statement arising out of audit findings.
  - v) Compliances with listing and other legal requirement relating to financial statement
  - vi) Disclosure of any related party transactions
  - vii) Qualifications in the draft audit report, if any,
- e. Reviewing, with the management, the half yearly financial statements before submission to the Board for approval.
- f. Reviewing the adequacy of internal audit function, if any including the structure of internal audit department, staffing and seniority of the official heading the department reporting structure coverage and frequency of internal audit.
- g. Reviewing with the management, performance of statutory and internal auditors, and adequacy of internal control system.
- h. Discussions with the internal auditors of any significant finding and follow up thereon.

### **Powers of the Audit Committee**

To investigate any activity within its terms of reference  
To seek information from any employee

To obtain outside legal or other professional advice  
To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Composition**

The Audit Committee comprises 3 Directors' out of which 2 are Non-Executive Independent Directors And 1 is Executive Director.

The Composition of the Audit Committee meeting held and attendance thereof are as below:

Mr. Sunderlal Bothra (Excutive Director)	Member	5	5
Mr. Prathamesh Ashtekar ( Non Executive Independent Director)	Member	5	2
Mr. Vasudev Sharma ( Non Executive Independent Director)	Member	5	1
Mrs. Nikita Sand ( Non Executive Independent Director)	Chairman	5	5

### **Meetings**

- Audit Committee Meeting was held on 25th May, 2017, 15<sup>th</sup> July, 2017, 06th September, 2017, 14<sup>th</sup> November, 2017 and 13<sup>th</sup> February, 2018.
- Audit Committee Meetings were also attended by Chief Financial Officer, Internal Auditors, and Statutory Auditors and cost Auditors of the Company.
- The Company Secretary acts as a Secretary to the Audit Committee
- Members of Audit Committee are eminent persons in their fields having expertise in Finance and Accounting
- The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 30<sup>th</sup> September, 2017.

### **Nomination and Remuneration Committee**

#### **Terms of Reference**

The Company has a Nomination and Remuneration Committee and terms of reference of Nomination and Remuneration are in conformity with the role as stipulated in clauses of listing agreement. The terms of reference also fully conforms to the requirement of Section 178 of Companies Act, 2013.

The role of committee inter alia includes the followings:

- Identify persons qualified to become director or hold senior management positions and advise the Board for such appointment/removals where necessary.
- Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to remuneration of directors, key managerial personnel and other employees.
- Evaluate the performance of Independent Director and of the Board
- Devise a policy on Board diversity

In accordance with the recommendation of Committee, the company has since formulated a Remuneration policy for directors, Key managerial personnel and other employees of the company.

The committee is responsible for recommending the fixation and periodic revision of remuneration of the Managing Director. The Committee also decides on payment of commission to non-executive Director and other senior managerial personnel. The performance evaluation criteria for non-executive including independent director laid down by Committee and taken on record by the Board includes-

- a. Attendance and participation in Meetings.
- b. Preparedness for the meeting.
- c. Understanding of the Company and external environment in which it operates.
- d. Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.
- e. Engaging with and challenging the management team without being confrontational.

### **Composition**

The Nomination and Remuneration Committee comprises 3 Directors, of whom 2 are Non Executive Independent Director and one is Non Executive Director. The Composition of Nomination & Remuneration Committee meeting held and attendance thereof are as below:

Mr. Sunderlal Bothra (Executive Director)	Member	5	5
Mr. Prathamesh Ashtekar ( Non Executive Independent Director)	Member	5	2
Mr. Vasudev Sharma ( Non Executive Independent Director)	Member	5	1
Mrs. Nikita Sand ( Non Executive Independent Director)	Chairman	5	5

### **Meetings**

During the Year ended 31<sup>st</sup> March, 2018 the Nomination and Remuneration Committee met on 25th May, 2017, 15<sup>th</sup> July, 2017, 06th September, 2017, 14<sup>th</sup> November, 2017 and 13<sup>th</sup> February, 2018.

### **Remuneration Policy**

Payment of remuneration to Managing Director is governed by the agreements executed between him and the company and are governed by Board and shareholder's resolutions.

### **Details of sitting fees paid to the Non-Executive Director**

The sitting fees for the Board and Committee meetings paid to Non-Executive Directors during the year ended 31st March, 2018 are as follows: NIL

No Commission was paid to Non-Executive Director during the year ended 31st March, 2018

### **Details of Remuneration paid to Executive Directors**

No Remuneration was given throughout the year since Company suffered from losses.

### **General Body Meeting**

**Location and time of the Last 3 Annual General Meeting (AGM) held:**

AGM	Date	Venue	Special Resolution Passed
16 <sup>th</sup>	30 <sup>th</sup> Sept, 2017	140L (222/D), 1st Flr, Room No.6, Cavel 'X' Lane No. 7, Dr. Viegas Street, Kalbadevi Road, Mumbai Maharashtra 400002	YES
15 <sup>th</sup>	30 <sup>th</sup> Sept, 2016	Office No. 6A, Ground Floor, Bothra House, 5, Assembly Lane, Dadi Seth Agyari Lane, Kalbadevi Road, Mumbai-400002	YES
14 <sup>th</sup>	28 <sup>th</sup> Sept, 2015	Office No. 6A, Ground Floor, Bothra House, 5, Assembly Lane, Dadi Seth Agyari Lane, Kalbadevi Road, Mumbai-400002	YES

Neither any resolution was not put through postal ballot last year nor is any resolution proposed to be conducted through postal ballot.

**Disclosures****Disclosure by Senior Management in accordance with clause 49VII (D) (2) of Listing Agreement**

The Senior Management of the company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions with the company that may have a potential conflict with the interest of the company at a large.

**Disclosures on compliances of law**

The Company has complied with the mandatory requirements of the stock Exchanges, SEBI and other statutory authorities on all matters related to capital market during last three years. No Penalties or strictures were imposed by SEBI, Stock Exchanges or any other statutory authorities on any matter related to capital markets during last three years.

**Code for prevention of Insider Trading Practices**

In Compliances with SEBI Regulation on Prevention of Insider Trading, the Company has in place a comprehensive code of conduct for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosure to be made, while dealing with shares of the company. The Code clearly specifies, among other matters, that Directors and specified employees of Company can trade in Shares of company only during 'Trading Window open period'. The trading window is closed during the time of declaration of results, dividend and material events as per the code.

Since the close of the year, the two new sets of codes- Code of practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and

report trading by insiders-have been adopted by Board, in suppression of the earlier one in accordance with SEBI(Prohibition of Insider Trading) Regulations,2015.

Miss Priya Jain, Company Secretary, is the Compliance Officer, who also acted as the Chief Investor Relationship Officer till 31.03 2018.

**Details of Compliances with mandatory requirement and adoption of non mandatory requiremen**

All mandatory requirements have been complied with and the non-mandatory requirements are deal with at the end of the Report.

**Code of Conduct**

A new code of Business Conduct and Ethics for member of the Board and Senior Management Personnel has been adopted by the board, in suppression of earlier one to bring in line with the revised Listing requirements of the Stock Exchange.

All Board Member and Senior Management Personnel have affirmed compliances with the Code on an annual basis.

**Sexual Harassment Policy**

The Company has in place an Anti Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act,2013 covering all employees of the Company. Internal Complaints Committee set up for the purpose did not receive any complaints for redressal during the year.

**MEANS OF COMMUNICATION**

1. In Compliances with Clause 41 of Listing Agreement, the Company sends the half yearly/Yearly Audited Results to the Stock Exchanges.
2. Whenever the Company issues any press release, if any, it is sent to the Stock Exchange
3. Management Discussion and Analysis forms a part of Director's Report.

**GENERAL SHAREHOLDER INFORMATION**

**17<sup>th</sup> ANNUAL GENERAL MEETING:**

- **Date:** 29th September, 2018 11.00 A.M.
- **Venue :** 140L (222/D),1st Flr, Room No.6, Cavel 'X' Lane No. 7, Dr. Viegas Street, Kalbadevi Road, Mumbai, Maharashtra 400002
- **Financial Year:** 1st April, 2017 to 31st March, 2018
- **Book Closure:** 23nd September, 2018 to 29th September, 2018 (both days inclusive)

- **Dividend :** Dividend, if declared, at the ensuing 17<sup>th</sup> Annual General Meeting will be paid on and from 4th October, 2018

**LISITING ON STOCK EXCHANGE:**

SME Platform of Bombay Stock Exchange Ltd  
Phirozee Jeejeebhoy Towers  
Dalal Street Mumbai 400 001

**SCRIPT ID, STOCK CODE & ISIN:**

BMAL  
BSE SME-535279  
ISIN: INE583M01012

**PAYMENT OF LISITING FEES**

Annual Listing fees for the Year 2017-2018 has been paid to the Stock Exchange

**MARKET PRICE DATA: HIGH LOW DURING EACH MONTH IN LAST F.Y.**

Apr. '17	31.50	25.50	20000
May.'17	40.50	33.00	52000
June.17	40.60	38.00	108000
July.'17	41.40	28.00	264000
Aug.'17	39.80	23.50	44000
Sep.'17	21.15	17.15	36000
Oct.'17	15.70	13.10	28000
Nov.'17	14.40	14.40	0
Dec.'17	17.7	13.20	600000
Jan.'18	18.95	12.90	548000
Feb.'18	11.50	13.50	108000
Mar.'18	14.6	9.50	392000

**SHARE TRANSFER AGENT**

Sharex Dynamic (India) Private Limited  
Unit No-1, Luthra Industrial Premises  
Andheri Kurla Road, Safeed Pool  
Andheri (East) Mumbai 400 072  
Tel: (022) 2851-5644

**SHARE TRANSFER PROCESS**

The Shares in Physical form for transfer should be lodged at the Office of the Company's Registrar and Share Transfer Agent, Sharex Dynamics India Private Limited or at the Registered Office of the



Company. The transfers are processed within 10 days from the date of receipt of such request for transfer, if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in securities of any Company's equity shares in dematerialized form.

**DEMATERIALIZATION**

The Process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the shareholders should open a demat account with a Depository Participant (DP). He/She is required to submit a Demat Request form duly filled up along with share certificate to his/her DP. The DP will allocate a demat request number and shall forward the request physically as well as electronically, through NSDL/CDSL to the Registrar and Share Transfer Agent.

On receipt of the demat request both physically and electronically and after verification, the shares are dematerialized and an electronic credit of shares is given in the account of shareholder.

**DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018**

No of Equity Shares held	No of shareholder	% of Shareholders	No of Equity Shares held	% of Shareholding
Upto 100	0	0.00		0.00
101-200	0	0.00		0.00
201-500	0	0.00		0.00
501-1000	0	0.00		0.00
1001-5000	74	36.1	270000	1.46
5001-10000	34	16.59	261700	1.41
10001-100000	76	37.07	2024000	10.93
Above 100000	21	10.24	15960940	86.20
<b>TOTAL</b>	<b>205</b>	<b>100.00</b>	<b>18516640</b>	<b>100.00</b>

**SHAREHOLDING PATTERN AS ON 31ST MARCH, 2018**

Category	No.of Shares	% of Holding
Promoter (including person acting in concert)	13626640	73.59
Public Shareholding :		
Bodies Corporate	642000	3.47
Resident Individuals :		
Upto Rs 1 Lakh	492000	2.66
Above Rs 1 Lakh	3756000	20.28
Clearing Member	0	0.00
<b>TOTAL</b>	<b>18516640</b>	<b>100.00</b>

**DEMATERIALIZATION OF SHARES**

	SHARES	%
NSDL	14314940	77.31
CDSL	4201700	22.69
<b>TOTAL</b>	<b>18516640</b>	<b>100.00</b>

**STATEMENT OF ADOPTION OF NON MANDATORY REQUIREMENTS**

The applicable Non Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board

**ADDRESS FOR CORRESPONDENCE**

Registrar and Share Transfer Agent:  
(For Shares and dividend related queries)

Sharex Dynamics India Private Limited  
Unit No 1, Luthra Industrial Premises,  
Andheri Kurla Road, Safeed Pool  
Andheri (East) Mumbai 400 072

Company:  
(For any other matter and unresolved complaints)  
Company Secretary

Bothra Metals & Alloys Limited  
140L (222/D), 1st Flr, Room No.6,  
Cavel 'X' Lane No. 7, Dr. Viegas Street,  
Kalbadevi Road, Mumbai  
Maharashtra 400002  
Ph (022) 22085017  
Email :bmal\_2001@rediffmail.com

Mumbai  
5<sup>th</sup> September, 2018

For and on behalf of the Board

Sunderlal Bothra  
Managing Director

**DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49(E)(2) OF LISTING AGREEMENT**

I Sunderlal Bothra, Managing Director of Bothra Metals & Alloys Limited declare that all the Members of the Board of Directors and Senior Management personnel have, for the year ended 31st March, 2018 affirmed compliances with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered with the Stock Exchanges.

For and on behalf of the Board

Sunderlal Bothra  
Managing Director

Place: Mumbai  
5<sup>th</sup> September, 2018