

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

The Company provides detailed information on various issues concerning the Company's business / performance, to its shareholders. The fundamental philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for meeting its obligations to the shareholders. The Company believes that good Corporate Governance is a continuous process and strives to improve the same to meet shareholder's expectations. The Board of Directors of the Company has adopted the Code of Conduct for its members and senior management executives.

Board of Directors

(a) Composition

The composition and category of Directors as on **31st March 2018** are as follows:

Sr. No.	Name of Directors	Category	Designation	No. of Directorship	No. of equity shares held in company	Member/ Chairperson of the committee	
						Member	Chairman
1	Mr. Amit Gulecha	Executive	Managing Director	01	-	-	-
2	Mr. Girraj Kishor Agrawal	Non Executive	Director	06	2,011	07	01
3	Mrs. Tanu Giriraj Agarwal	Executive	Director	06	28,800	07	-
4	Mr. Zubin Jasi Pardiwala	Independent Non -Executive	Director	02	-	06	05
5	Mr. Hardikkumar Bharatbhai Kabariya	Independent Non -Executive	Director	05	-	10	02
6	*Mr. Anubhav Maurya	Independent Non - Executive	Additional Director	03	-	04	04

**Appointed w.e.f. 01/02/2018*

Notes:

- Directorships mentioned as above do not include directorships of private limited companies, companies under Section 8 of the Act and of companies incorporated outside India.
- Positions in only the Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of reckoning the number of Chairmanships and Memberships held by the Directors.
- None of the Independent Directors has any material pecuniary relationship or transactions with the Company, other than the commission and sitting fees received by them for attending the meetings of the Board and its Committee(s) and professional fees received by the firm in which a Director is a partner.

(b) Board Procedure

The Company holds at least four Board meetings in a year, one in each quarter, inter-alia, to review the financial results of the Company. The Company also holds additional Board Meetings to address its specific requirements, as and when required. All the decisions and urgent matters approved by way of circular resolutions are placed and noted at the subsequent Board meeting.

A detailed agenda file is sent to all the directors well in time of the Board Meeting. The Chairman/Director briefs the Directors at every Board Meeting, overall performance of the company. All major decisions/approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, investment opportunities, Statutory Compliance etc.

(c) Board Meetings

The Board meets at regular intervals. The Board meetings are generally held at the registered office of the Company. During the financial year 2017-18, seven board meetings were held i.e. 22/05/2017, 18/08/2017, 11/09/2017, 14/09/2017, 03/11/2017, 08/12/2017 and 01/02/2018. The gap between two meetings did not exceed 120 days. The required quorum was present at all the above meetings.

The details of the attendance of the Board of Directors at the Board Meetings and the last Annual General Meeting (AGM) are as detailed herein below:

Sr. No.	Name of Director	No. of Board Meetings Held	No. of Board meetings entitled to attend	No of Board Meetings attended	Attendance at the previous AGM
1	Mr. Amit Gulecha	07	07	06	Yes
2	Mr. Girraj Kishor Agrawal	07	07	07	Yes
3	Mrs. Tanu Giriraj Agarwal	07	07	07	Yes
4	Mr. Zubin Jasi Pardiwala	07	07	04	Yes
5	*Ms. Seema Sidhu	07	02	01	N.A
6	Mr. Hardikkumar Kabariya	07	07	04	No
7	@Mr. Anubhav Maurya	07	00	00	N.A

*Note: *Resigned w.e.f.18/08/2017, @Appointed w.e.f.01/02/2018.*

Independent Directors Meeting

During the year under review, the Independent Directors met on March 27, 2017, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the 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.

All the Independent Directors were present at the meeting.

Code of Conduct

The Company has adopted a Code of Conduct ("Code") which applies to all the Board members and Senior Management Personnel of the Company. Code of Conduct for the Board of Directors and Senior Management Personnel is in place and published on the website - www.fivexfinance.com

COMMITTEES AT BOARD LEVEL

1. Audit Committee

Board of Directors of the Company has constituted Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015.

(a) Scope & Function:

Audit Committee reviews the following:

- To oversee the company's financial reporting process
- To recommend appointment and removal of external auditors and fixing of their fees.
- To Review with management the quarterly, half-yearly and annual financial results / statements with special emphasis on accounting policies and practices, compliances with accounting standards and other legal requirements concerning financial statements.
- To Review the adequacy of the Audit and compliance functioning including their policies, procedures, techniques and other regulatory requirements.
- To Review the adequacy of internal control systems and significant audit findings.
- To discuss with statutory and internal auditors regarding nature and scope of audit.

(b)Composition:

The composition of the audit committee and the details of meetings attended by its members are given below:

Sr. No.	Name of The Member	Designation	No. of Meetings Attended
1	Mr. Zubin Pardiwala	Chairman & Member	7
2	Mrs. Tanu Giriraj Agarwal	Member	7
3	Mr. Hardikkumar Kabariya	Member	6

(c)Audit Committee Meetings

Seven Audit Committee Meetings were held during the year ended March 31, 2018. The maximum time gap between any of the two meetings was not more than four months. The Audit Committee meetings were held on 10/04/2017, 20/05/2017, 17/08/2017, 11/09/2017, 13/09/2017, 08/12/2017 and 29/01/2018.

2. Nomination & Remuneration Committee

During the year under review, the terms of reference of Nomination and Remuneration Committee were expanded in order to align them with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulation, 2015

The broad terms of reference of the nomination and Remuneration Committee are as under:

1. To formulate criteria for evaluation and evaluate the performance of every director, including the Independent Directors;
2. To identify and recommend to the Board, in accordance with the criteria as laid down, appointment/ reappointment / removal of the Executive / Non- Executive Directors and the senior management of the Company;
3. Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
4. Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors.
5. This shall include "formulation of criteria for evaluation of independent directors and the Board"
6. On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
7. To monitor and handle any other matter relating to framing/administration of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 or any amendments thereof;
8. Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.
9. Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

During the year, one meetings of the nomination and remuneration committee were held on 27/01/2018. The necessary quorum was present for the meeting.

Composition:

The composition of the nomination & remuneration committee and the details of meetings attended by its members are given below:

Sr. No.	Name of The Member	Designation	No. of Meetings Attended
1	Mr. Zubin Pardiwala	Chairman & Member	1
2	Mr. Hardikkumar Kabariya	Member	0
3	Mr. Girraj Kishor Agrawal	Member	1

Performance Evaluation Criteria for Independent Directors:

The Independent Directors are evaluated on parameters like Director's contributions at Board / Committee meetings, willingness to devote time and effort to understand the Company, ability to understand governance, regulatory, fiduciary and ethical requirements of the Board / Committee, adherence to Code of Conduct and how the independent Director is able to bring independent judgment during board deliberations on performance, risk management etc in addition to the criteria for evaluation of Non Executive Directors.

Remuneration Paid To Directors during the Period Ended 31st March, 2018:

Name of the Director	Salary	Commission	Sitting Fees	Contribution To Various Funds	Total
Mr. Amit Gulecha	Nil	Nil	Nil	Nil	Nil
Mr. Girraj Kishor Agrawal	Nil	Nil	Nil	Nil	Nil
Mrs. Tanu Giriraj Agarwal	Nil	Nil	Nil	Nil	Nil

Ms. Seema Sidhu	Nil	Nil	Nil	Nil	Nil
Mr. Zubin Jasi Pardiwala	Nil	Nil	Nil	Nil	Nil
Mr. Hardikkumar Kabariya	Nil	Nil	Nil	Nil	Nil
Mr. Anubhav Maurya	Nil	Nil	Nil	Nil	Nil

None of the other non-executive director other than Girraj Kishor Agrawal holds any shares, convertible instruments or stock options in the company. As on 31st March 2018, there are no outstanding options granted to any of the Directors of the Company.

Criteria for making payments to Non Executive Directors of the Company has been disclosed on the Company's website- www.fivexfinance.com

Criteria of Selection of Non-Executive Directors:

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 marketing, finance, taxation, law, governance and general management. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

1. Qualification, expertise and experience of the Directors in their respective fields;
2. Personal, Professional or business standing;
3. Diversity of the Board. In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

3. Stakeholders Relationship Committee

Stakeholders Relationship Committee has been re-constituted pursuant to the section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Committee meetings were held on 28/04/2017 and 24/11/2017. There is no Complaint which has remained un-addressed. No transfer of shares is pending as on date.

Composition:

The composition of the Stakeholders Relationship committee and the details of meetings attended by its members are given below:

Sr. No.	Name of The Member	Designation	No. of Meetings Attended
1	Mr. Girraj Kishor Agrawal	Chairman & Member	2
2	Mr. Zubin Pardiwala	Member	2
3	Mrs. Tanu Agarwal	Member	1

Nature & Number of Grievances

During the Financial Year 2017-18, No grievances have been received by the Company.

GENERAL BODY MEETINGS

The Annual General Meetings for the last three years were held as follows:

Financial Year	Type of Meeting	Location	Meeting Date and Time	Whether Special Resolution passed	Summary of Special Resolutions passed
2016-17	AGM	E/109, Crystal Plaza, Opp. Infinity Mall, New Link Road, Andheri (W), Mumbai- 400053	27/09/2017 At 11:00 A.M.	NO	NIL

2015-2016	AGM	E/109, Crystal Plaza, Opp. Infinity Mall, New Link Road, Andheri (W), Mumbai- 400053	29/09/2016 at 11:00 A.M	NO	NIL
2014-2015	AGM	E/109, Crystal Plaza, Opp. Infinity Mall, New Link Road, Andheri (W), Mumbai- 400053	29/09/2015 at 04:00 P.M	Yes	<ol style="list-style-type: none"> 1. Approval for appointment of Mr. Amit Gulecha, as Managing director of the Company. 2. Approval for Related Party Transactions u/s 188 of the Companies Act, 2013

1. No Extra Ordinary General Meeting was held during the year.

2. Special resolution through postal ballot

No postal ballot was conducted during the Financial Year 2017-18.

3. Disclosures

a. Policy Determining Material Subsidiaries and Related Party Transactions

Pursuant to requirements of Regulation 23 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the policy determining material subsidiaries and the policy on related party transactions and the said policies are available on the Company's website at www.fivexfinance.files.wordpress.com/2017/04/policy-on-material-subsidiaries.pdf

b. Code of Conduct

The Board of Directors has adopted the Code of Conduct for the Board of Directors and Senior Management of the Company. The said Code has been communicated to all the Directors and Members of the Senior Management. The Code has also been posted on the Company's website www.fivexfinance.files.wordpress.com/2017/04/code-of-conduct.pdf

c. CEO/CFO Certification

Chief Financial Officer has provided the certificate on the financial statements and internal controls of the Company.

d. Means of Communication

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management – shareholder relations. The Company regularly interacts with its members through multiple channels of communication such as results announcement, annual reports, media releases, and Company's website and through green initiatives.

e. Intimation to Stock Exchange

Your Company believes that all the stakeholders should have access to adequate information about the Company. All information, which could have a material bearing on the share prices, is released at the earliest to the BSE in accordance with the requirements SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

f. Newspapers

The financial results and other communications of the Company were normally published in "Active Times" and "Mumbai Lakshadeep"

g. Website

The Financial Results were also displayed on the Company's website www.fivexfinance.com. The Company also keeps on updating its website with other relevant information, as and when required. The company did not make any official news releases nor made any presentations to the institutional investors or analysts, during the period under review.

h. Annual Report

Annual Report containing, inter alia, the Standalone Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on the website of the Company in a user friendly and downloadable format.

General shareholder information:**A. 9th Annual General Meeting**

Day & Date	Time	Venue
Friday, 28 th September, 2018	11:30A.M.	E/109, Crystal Plaza, New Link Road, Andheri West, Mumbai – 400 53.

B. Financial Calendar (2018-19)

Particulars	Period
Financial Year	April 1, 2018 to March 31, 2019
For consideration of Unaudited/Audited Financial Results	
Results of quarter ending June 30, 2018	On or before 14 th September 2018
Results for quarter ending September 30, 2018	On or before 14 th December 2018
Results for quarter ending December 31, 2018	On or before 14 th February, 2019
Results for the year ending March 31, 2019	On or Before May 30, 2019

C. Book Closure Date

The Company's Share Transfer Books and Register of Members of equity 20/09/2018 to 23/09/2018, (both days inclusive)

D. Dividend Recommended for the year: No Dividend Recommended**E. Listing on Stock Exchange: Company's shares are listed on the Bombay Stock Exchange Ltd.****F. Stock Code: 536751, Demat ISIN: INE750L01019****G. Market Price Sensitive Information**

The monthly 'high' and 'low' closing prices of the shares traded during the period from April 2017 to March 2018 on BSE are given below:

Stock Market Data during the year 2017-18

Month	High	Low	Close	No. of Shares
Apr 17	1.03	0.86	0.87	45,807
May 17	0.92	0.62	0.74	42,612
Jun 17	0.74	0.57	0.57	18,986
Jul 17	0.89	0.55	0.89	73,124
Aug 17	0.93	0.81	0.81	3,360
Sep 17	0.92	0.77	0.92	4,680
Oct 17	0.97	0.90	0.96	18,545
Nov 17	1.00	0.80	0.84	1,02,285
Dec 17	0.98	0.78	0.89	3,96,209
Jan 18	0.97	0.62	0.65	2,67,919
Feb 18	0.97	0.62	0.93	1,02,432
Mar 18	0.93	0.81	0.92	14,089

H. Distribution of shareholding as on 31stMarch, 2018

Shareholders			Shareholding	
No. of Shares	Nos.	%	Holding in Rs.	%
Upto to 5000	5419	65.42	10434940	5.08
5001 to 10000	1196	14.44	9374170	4.56
10001 to 20000	655	7.91	10030380	4.88
20001 to 30000	232	2.80	5815190	2.83
30001 to 40000	216	2.61	8007450	3.90
40001 to 50000	93	1.12	4389420	2.14
50001 to 100000	216	2.61	16194710	7.88
100001 o Above	256	3.09	141297740	68.74
TOTAL	8283	100	205544000	100

I. Shareholding Pattern as on 31stMarch, 2018

Category		No. of Shares held	% of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	10,56,521	5.14
	- Foreign Promoters	0	0
2	Persons acting in concert	0	0
	Sub - Total	10,56,521	5.14
B	Non-Promoter's Holding		
3	Institutional Investors	0	0
a)	Mutual Funds and UTI	0	0
b)	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions / Non Government Institutions)	0	0
4	Non-Institution		
a)	Private Corporate Bodies	35,51,430	17.28
b)	Indian Public	1,51,10,777	73.52
c)	NRI's/OCB's - NRI	1,36,236	0.66
d)	Clearing members	1,57,795	0.77
e)	Any Other (Please specify) - HUF	5,41,641	2.64
	Sub-Total	1,94,97,879	94.86
C	FII's	-	-
	Sub - Total	0	0
	Grand Total	2,05,54,400	100

J. Dematerialization of Shares

The equity shares of the company are available for trading in the dematerialized form under both the Depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

K. No. of shares held in physical mode and dematerialized form as on 31stMarch, 2018

Particulars	No. of Shares	%
Held in Dematerialized mode in NSDL	10428867	50.74
Held in Dematerialized mode in CDSL	9327274	45.38
Shares held in Physical Mode	798259	3.88
Total	20554400	100.00%

L. Share capital audit

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and shares held in physical form as per the register of members vis-à-vis the total issued and listed capital. This audit is carried out every quarter and the report is submitted to the Bombay Stock Exchange Ltd.

M. Investor Correspondence

All documents, transfer deeds, demat requests and other communications in relation thereto should be addressed to the R & T Agents at its following address for transfer/dematerialization of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the company.

N. Other Disclosures

Details of Non Compliance by the Company, penalties, and structures imposed on the Company by Stock Exchanges or the Board or any statutory authority, on any matter related to capital markets, during the last three years – **None**.

➤ **Details of Subsidiary and Associate Companies:**

The Company does not have any Subsidiary and Associate Companies as on 31stMarch, 2018.

➤ **The Company has financial statements with unmodified audit opinion.**

➤ **The Policy On Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has in place an Anti harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under the policy. There was no complaint received from any employee during the financial year 2017-18 and hence no complaint is outstanding as on 31.03.2018 for Redressal. The policy is available at the following weblink: www.fivexfinance.files.wordpress.com/2017/04/sexual-harassment-policy.pdf

➤ **Vigil Mechanism/Whistle Blower Policy**

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behaviour of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy. The details of the said Policy are included in the Report on Corporate Governance which forms part of the Annual Report. During the financial year 2017-18, no cases under this mechanism were reported in the Company and any of its subsidiaries/ associates. The policy is available at the following weblink: www.fivexfinance.files.wordpress.com/2017/04/whistle-blower-policy.pdf

➤ **Policy On Preservation Of Documents**

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") imposed certain obligations and disclosure requirements on all listed entities, one of the common obligations for all listed entities pursuant to Regulation 9 being to formulate and put in place a policy for preservation of documents.

The Board of Directors of M/s Five X Tradecom Limited has complied with the requirement of formulating the policy for "Preservation of Documents" to comply with the requirements of Regulation 9 of the Listing Regulations. The policy is available at the following weblink: www.fivexfinance.files.wordpress.com/2017/07/preservation-of-documents1.pdf

➤ **Related Party Transaction Policy**

The Board of Directors of M/s Five X Tradecom Limited has adopted this Policy upon the recommendation of the Audit Committee and the said Policy includes the materiality threshold and the manner of dealing with Related Party Transactions ("Policy") in compliance with the requirements of Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges in India. Amendments, from time to time, to the Policy, if any, shall be considered by the Board based on the recommendations of the Audit Committee. This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions. The policy is available at the following weblink: www.fivexfinance.files.wordpress.com/2017/04/policy-on-related-party-transactions.pdf

Purva Sharegistry (India) Pvt Ltd

Unit No. 9, Shiv Shakti Indl. Estate
J.R. Boricha Marg, Opp. Kasturba Hospital Lane,
Lower Parel (East), Mumbai 400 011

For Any other query

Five X Tradecom Limited

Regd Off: E305 Krishna - A, Vishal Nagar, Marve Road,
Malad (West), Mumbai – 400064 Tel: 022-
60603001

Website: www.fivexfinance.com

Email Id: fivexfinance@gmail.com

DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(B) TO (I) OF THE LISTING REGULATIONS:

Sr. No.	Particulars	Regulation	Compliance status Yes/No/N.A.	Compliance observed for the following:
1	Board of Directors	17	Yes	<ul style="list-style-type: none"> • Board Composition • Meeting of Board of Directors • Review of compliance reports • Plans for orderly succession for appointments • Code of Conduct • Fees / compensation • Minimum information to be placed before the Board • Compliance Certificate • Risk Assessment & Management • Performance Evaluation of Independent Directors
2	Audit Committee	18	Yes	<ul style="list-style-type: none"> • Composition • Meeting of Audit Committee • Role of Audit Committee and review of information by the Committee
3	Nomination and Remuneration Committee	19	No	<ul style="list-style-type: none"> • Composition • Role of the Committee
4	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> • Composition • Role of the Committee
5	Risk Management Committee	21	Not Applicable	<ul style="list-style-type: none"> • The Company is not in the list of top 100 listed entities by market capitalization
6	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> • Formulation of Vigil Mechanism for Directors and employees • Direct access to Chairperson of Audit Committee
7	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> • Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions • Related Party Transactions of the Company are pursuant to contracts duly approved by the Audit Committee, Board of Directors and Shareholders of the Company • Review of transactions pursuant to aforesaid contracts
8	Corporate Governance requirements with respect to subsidiary of listed entity	24	Not Applicable	<ul style="list-style-type: none"> • The Company does not have any subsidiary
9	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> • Maximum Directorship and Tenure • Meeting of Independent Directors • Familiarization of Independent Directors
10	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none"> • Memberships / Chairmanships in Committees • Affirmation with compliance to Code of Business Conduct and Ethics from Directors and Management Personnel • Disclosure of shareholding by Non-executive Directors • Disclosures by Senior Management about potential conflicts of interest
11	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> • Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance

12	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> • Terms and conditions of appointment of Independent Directors • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors and Management Personnel • Details of establishment of Vigil Mechanism/ Whistle Blower Policy • Policy on dealing with Related Party Transactions • Details of familiarization programmes imparted to Independent Directors
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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year ended 31st March, 2018 as stipulated under Regulation 34 (2) (e) read with Schedule V of SEBI (LODR) Regulations 2015 have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The operational performance and future outlook of the business has been reviewed by the management based on current resources and future development of the Company.

Economic Overview:

The operation of the company during majority of the year was mainly centered in Textiles Industry, Finance Business and Share Trading. The company was dealing in Lending, Advancing and Depositing Money in Industrial and other Undertakings and Businesses and to deal in acquiring, selling, subscribing, transferring, holding, disposing, and otherwise dealing and investing in shares, securities, movables, etc.

The wheels of change continued to roll in the country with the launch of the Goods and Services Tax (GST) and the Real Estate Development and Regulation Act (RERA). While the GST would be a long-term positive for the economy, it had its initial implementation issues and the overall economy bore the brunt of the changes with traders and Medium and Small Scale Enterprises (MSME) getting adversely affected.

The Indian economy posted a growth of 6.6% in FY2017-18 compared to 7.1% in FY2016-17, as the first round of effects of demonetization and the implementation of GST played out. However, a host of other policies, implemented during and before FY 2017-18 - such as the Insolvency and Bankruptcy Code, reforms in the real estate sector in the form of RERA, allowing of FDI in various industries, fast-

tracking of project clearances, various measures for financial inclusion, etc. - are expected to propel growth upwards, going forward. While the IMF projects that India's GDP will increase at 7.4% in FY 2019 and 7.8% in FY2020, the World Bank expects growth to reach 7.3% in FY2019 and rise further to 7.5% in FY 2020

The Indian textiles industry is among the oldest in the country. It is projected to reach USD 230 billion by 2020 from around USD 120 billion. Currently, the domestic textiles industry contributes 10% to the manufacturing output of the country, generates about 4% to its GDP and employs more than 45 million people. Importantly, the sector contributes 15% to the export earnings of India. Mitigating the repercussions of currency fluctuation remains a challenge. Exports have been a core feature of India's textile sector. The Indian textiles export market, estimated at \$18 billion, is expected to grow at a CAGR of 4% compared to the global CAGR of 3% over 2016-26.

The textile Industry, in general, had a negative impact due to the after effects of structural transformation that took place in the form of implementation of demonetization and GST. Further, post GST, import duty has come down sharply, thus making imports cheaper for the domestic industry which has placed pressure on selling prices for the textile industry as a whole. Consumers' preference to go in for e-commerce / on-line sales and reduction in export benefits have reduced margins, thus hindering the promotion of exports.

Segment-wise Performance

The Company operates in two reportable segments i.e. Commodity Business and Finance & Share Trading Activities. The Business Segments has been identified as separate segment in accordance with Accounting Standard 17 'Segment Reporting'.

Risk & Concerns:

Risk is an inherent part of any business. There are various types of risks that threaten the existence of a company like Credit Risk, Market Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Strategic Risk, Regulation Risk etc. Your Company aims at enhancing and maximizing shareholders value by achieving