

# Report on Corporate Governance

(Forming Part of The Directors' Report)

## 1. Company's Philosophy on Code of Governance

The company firmly believes in good Corporate Governance and has made Corporate Governance a practice and continuous process of development right across the company. The company's philosophy on corporate governance envisages the attainment of the high levels of transparency and accountability in the functioning and conduct of business. The company's corporate philosophy is focused on its people who are the most important assets. The company values its employee's integrity, creativity and ability who in turn demonstrate the high ethical standard and responsibility towards the shareholders. The company believes that over a period all its operations and actions must serve the underlying goal of enhancing overall shareholder value. Our company is in compliance with the guidelines on Corporate Governance stipulated under various clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various amendments made from time to time with stock exchanges and in this regards we submit a report on the matters mentioned in the said clauses and practices followed by the Company.

## 2. Board of Directors

The company has optimum combination of Executive and Non-Executive Directors in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Board consists of eight Directors out of which three are Executive Directors and others are Non- Executive Independent Directors. Out of the five Non-Executive Independent Directors, two directors are Women Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than five Committees as specified in the Clause 26 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are directors. The necessary disclosures regarding Committee positions have been made by the directors.

As per the declaration received by the company, none of the directors is disqualified under section 164(2) of the Companies Act, 2013

### (a) The composition of Board and Committee as on 31<sup>st</sup> March, 2020 is as under:

Name	Board	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	CSR
Mr. Vishal Gupta	√			√	*
Mr. Ankur Gupta	√				
Mr. Varun Gupta	√	√		√	
Mr. Abhishek Dalmia	√		√		√
Ms. Sonal Mattoo	√	√	√	√	√
Mr. Hemant Kaul	√	*	*	√*	
Mr. Narayan Anand	√				
Ms. Piyul Mukherjee	√				

√ Means member \* Means chairperson

√\* Mr. Hemant Kaul became the member and Chairperson of the Nomination & Remuneration Committee w.e.f. 18<sup>th</sup> May, 2019

Note: -

- As per clause 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, membership of Audit Committee, Stakeholders'/ Investors Grievance Committee are required to be disclosed.
- Mr. Vishal Gupta, Mr. Ankur Gupta and Mr. Varun Gupta are brothers. None of the other directors are related to any other director on the Board.

**(b) Category of Directors and Number of other Board and Committee membership as on 31<sup>st</sup> March, 2020 is as under:**

Sl. No.	Name of Director	Executive/ Independent	No. of other Directorship	No. of other Committee Membership	Name of other listed entity in which these persons are directors and category of directorship	
					Name of the listed entity	Category of directorship
1.	Mr. Vishal Gupta	Promoter & Executive	6	-	-	-
2.	Mr. Ankur Gupta	Promoter & Executive	7	-	-	-
3.	Mr. Varun Gupta	Promoter & Executive	7	-	-	-
4.	Mr. Abhishek Dalmia	Independent	10	-	Rajratan Global Wire Ltd. (L27106MP1988PLC004778) Revathi Equipment Ltd. (L29120TZ1977PLC000780) Transcorp International Ltd. (L51909DL1994PLC235697)	Non Executive Director Executive Director Independent Director
5.	Mr. Hemant Kaul	Independent	8	3	Indostar Capital Finance Ltd. (L65100MH2009PLC268160)	Independent Director
6.	Ms. Sonal Mattoo	Independent	2	2	V-Mart Retail Ltd. (L51909DL2002PLC163727)	Independent Director
7.	Mr. Narayan Anand	Independent	5	-	Ujjivan Financial Services Ltd. (L65999KA2004PLC035329)	Non Executive Director
8.	Ms. Piyul Mukherjee	Independent	4	-	-	-

**(c) Familiarisation program for the Board of Directors:**

The Board members are provided with necessary documents, reports and company policies to enable them

to familiarize with the company's procedures and practices and the policies are available on our website, at the following link: <https://www.ashianahousing.com/real-estate-investors/corporate-governance#2>

**(d) Matrix setting out the skills/ expertise/ competence of the Board of Directors**

**Core skills/ competence identified, in the context of our business, by the Board as required for the Board Members**

To be a member of the Board one should be a person of ability, integrity and standing, and have adequate knowledge and experience in running a corporate, and possess qualities of dealing with challenges related with running business in a robust environment including but not limited to the following qualities:

**Leadership:** Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning and risk management. Develops talent and long term growth.

**Finance:** Management of finance function of enterprise, resulting in proficiency in complex financial management, capital allocation, treasury and financial reporting process.

**Core skills/ competence possessed by the Board Members**

**Mr. Vishal Gupta:**

Skill set of Leadership, Financial, Board Service and Governance and Knowledge of Construction, Design and Operations of the Business and CSR.

**Mr. Ankur Gupta:**

Skill Set of Leadership, Board Service and Governance and Knowledge of Construction, Design and Operations of the Business and Sales and Marketing, Technology and Maintenance Services.

**Mr. Varun Gupta:**

Skill Set of Leadership, Board Service and Governance and Finance, Sales and Marketing and Strategy.

**Mr. Abhishek Dalmia:**

Skill Set of Leadership, Board Service and Governance, Finance and Sales and Marketing.

**Core skills/ competence identified, in the context of our business, by the Board as required for the Board Members**

**Board Service & Governance:** Service on public company Board to develop insights about maintain Board and management accountability, protecting shareholder interests and observing appropriate government practices including understanding of legal and regulatory framework in general, and that specific to the business of the Company.

Knowledge of Construction, Design and Operations of the Business: To be a member of the Board one should be a person who have a knowledge of the construction, designing and approach to construct the residential building.

**Sales and Marketing:** Experience to grow sales and develop strategies for marketing, brand building & awareness of the brand and help enhancing the equity and maximum customer satisfaction.

**Core skills/ competence possessed by the Board Members**

**Mr. Hemant Kaul:**

Skill Set of Leadership, Board Service and Governance, Finance, Sales and Marketing.

**Ms. Sonal Mattoo:**

Skill Set of Leadership, Board Service and Governance, Finance.

**Mr. Narayan Anand:**

Skill Set of Leadership, Board Service and Governance, Finance and Sales and Marketing.

**Ms. Piyul Mukherjee:**

Skill Set of Leadership, Board Service and Governance and Sales and Marketing.

Board confirms that in its opinion independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are independent of the management.

**(e) Board Member Evaluation**

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive/non-executive/ independent directors through peer evaluation, excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships and information flow, decision-making of the directors, relationship with stakeholders, company performance and the effectiveness of the whole Board and its various committees. Feedback on each director is encouraged to be provided as part of the survey. The evaluation for Financial Year 2019-20 has been completed.

**(f) Availability of Information to Board Members**

The Board has unrestricted access to all company related information, including that of our employees. At Board Meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Regular updates provided to the Board include:

- Quarterly results of our operating divisions;
- Minutes of the meetings of audit, nomination and remuneration, risk and strategy, stakeholder's relationship committees and executive committees;

- The Board minutes of subsidiary companies& LLP;
- Information on recruitment and remuneration of senior officers below the Board level, including appointment or removal of the Key Managerial Person;
- Materially important litigations, show cause notice, demand, prosecution and penalty notices;
- Updating on any new acquisition of land, development agreement for the development of land;
- Updating regarding any change in scenario with respect to operations of the company;
- Dividend data;
- Quarterly Compliance reports, investor grievance reports and update on other Quarterly Compliances made during the relevant Quarter;

**(g) Board Meetings held in Financial Year 2019- 20 and attendance of Directors:**

The Board of Directors is the apex body constituted for overseeing the company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served. Meetings of the Board and its Committee(s) are held in New Delhi and scheduled well in advance. The Company Secretary in consultation with CFO and Whole Time Director drafts agenda for each Board Meeting along with explanatory notes and distributes it in advance to the directors.

Normally the Board meets at least once in a quarter to consider, amongst other businesses, the quarterly performance of the Company and financial results. The maximum time gap between any two meetings is not more than 120 days. Detailed agenda notes with MIS reports,

charts etc. are circulated well in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting.

Whenever it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. The Company Secretary records minutes of proceedings of each Board

and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. Directors actively participate in the deliberation at these meetings.

During the Financial Year 2019-2020, four Board Meetings were held on 18<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and on 12<sup>th</sup> February, 2020.

The attendance of each Director in the Board Meetings is detailed herein below:

Name of Director	Executive/ Non -Executive	Designation	No. of Board Meetings held during 2019-20	No. of Board Meetings attended during 2019-20	Attendance at the last AGM held on 31 <sup>st</sup> August, 2019
Vishal Gupta	Executive	Managing Director	4	4	Present
Ankur Gupta	Executive	Jt. Managing Director	4	4	Not Present
Varun Gupta	Executive	Whole time Director	4	4	Not Present
Abhishek Dalmia	Non-Executive	Independent Director	4	2	Not Present
Hemant Kaul	Non-Executive	Independent Director	4	3	Present
Sonal Mattoo	Non-Executive	Independent Director	4	4	Not Present
Narayan Anand	Non-Executive	Independent Director	4	4	Not Present
Piyul Mukherjee	Non- Executive	Independent Director	4	4	Not Present

#### (h) Resolution passed by circulation

During the FY 2019 - 20, no resolution by circulation was passed by the Board of directors.

#### (i) Committees of Board

The Board of Directors of the company has constituted the following Committees namely:

- (i) Executive Committee;
- (ii) Audit Committee;
- (iii) Stakeholders' Relationship Committee;
- (iv) Nomination & Remuneration Committee;
- (v) Corporate Social Responsibility Committee;
- (vi) Risk Management Committee;
- (vii) Internal Complaints Committee

### 3. Audit Committee

The Company has an Audit Committee of the Board in accordance with provision of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This committee consists of Mr. Hemant Kaul (Independent Director) as its Chairperson and Ms. SonalMattoo (Independent Director) and Mr. Varun Gupta (Whole Time Director) as Members. The Company Secretary of the Company acts as Secretary to the Audit Committee.

#### Brief Description of Terms of Reference of Audit Committee:

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the company to any statutory authority or to the investors or the public, the company's system of internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The terms of reference of Audit Committee shall include the role specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including but not limited to the following:

- a. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c. examination of the quarterly and annual financial statement and the auditors' report thereon;
- d. approval or any subsequent modification of transactions of the company with related parties;
- e. scrutiny of inter-corporate loans and investments;
- f. valuation of undertakings or assets of the company, wherever it is necessary;

- g. evaluation of internal financial controls and risk management systems;
- h. monitoring the end use of funds raised through public offer/ private placement and related matters.
- i. any other specific matter.

The quorum of the Audit Committee consists of at-least two independent members in conformity with Regulation 18(2)(1) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Company Secretary acts as the secretary of the audit committee, CFO & Partner of the Audit firm also present in the meeting. The composition, powers, role and term of reference of the committee are in consonance with the requirements mandated under section 177 of the Companies Act, 2013 and clause 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four Audit Committee meetings were held during the financial year 2019-20, the date of which are as follows:

- |                                    |                                    |
|------------------------------------|------------------------------------|
| 1. 18 <sup>th</sup> May, 2019      | 2. 14 <sup>th</sup> August, 2019   |
| 3. 13 <sup>th</sup> November, 2019 | 4. 12 <sup>th</sup> February, 2020 |

The attendance of members of the Audit Committee in its meeting is as follows:

Sl. No.	Name	Number of Meetings held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Hemant Kaul	4	3
2.	Ms. Sonal Mattoo	4	4
3.	Mr. Varun Gupta	4	4

#### Vigil Mechanism as part of the Whistle Blower Policy of the Company:

1. The directors and employees of the company, across all the branches, have the right to report whether in writing or by email their genuine concerns and grievances, including unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, directly to Mr. Vishal Gupta, Managing Director of the company.
2. However, in exceptional cases, the directors and employees of the company may directly report to the Chairman of the Audit Committee, presently Mr. Hemant Kaul at hemantkaul@yahoo.com and in the absence of such Chairman then directly to Mr. Varun Gupta, Whole Time Director of the company and also Member of the Audit Committee.
3. The onus of proving that the matter proposed to be reported falls in the category of exceptional cases, in clause (2), will be on such Director or employee.
4. The directors or employees who report or avail the vigil mechanism, as above, shall not become subject of victimisation.

5. The Audit Committee of the company shall oversee the vigil mechanism and in case any members of the committee have a conflict of interest in any given/ reported case then the remaining members who do not have any such conflict interest shall oversee the vigil mechanism.
6. In case of repeated frivolous complaints filed by a director or an employee, the Audit Committee may take suitable action against the concerned director or employee.

#### 4. Nomination & Remuneration Committee

The company has a duly constituted "Nomination & Remuneration Committee". This committee consists of Mr. Hemant Kaul (Independent Director) as its Chairperson and Ms. Sonal Mattoo (Independent Director) as Members, and Mr. Abhishek Dalmia (Independent Director) as Members. All matters relating to finalization of remuneration of directors are given to the Nomination & Remuneration Committee for their consideration and approval.

The committee under the guidance of the Board has formulated the criteria and framework for the performance evaluation of every director on the Board, including the executive and independent directors and identified ongoing training and education programs to ensure that the non-executive directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

#### Brief Description of Terms of Reference of the Nomination & Remuneration Committee:

The terms of reference of Nomination & Remuneration Committee shall include the role specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including but not limited to the following:

- (i) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel and other employees;
- (ii) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance and overseeing succession planning if any;
- (iii) Aligning key executive and board remuneration with the longer-term interests of the company and its shareholders;
- (iv) Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- (v) Monitoring and reviewing Board Evaluation framework;

- (vi) Direct access to the officers and advisers, both external and internal, and to have authority to seek external independent professional advice, as it may need from time to time, for the effective implementation of its responsibilities;
- (vii) In addition to the above, the committee will carry out all such other functions as provided under applicable laws and specified by the Board of Directors from time to time.

During the financial year 2019-20, two meetings of Nomination & Remuneration Committee were held i.e. on 18<sup>th</sup> May, 2019 and 13<sup>th</sup> November, 2019.

**The attendance of members of the Nomination & Remuneration Committee in the meeting is as follows:**

Sl. No.	Name	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Hemant Kaul	2	1
2.	Ms. Sonal Mattoo	2	2
3.	Mr. Abhishek Dalmia	2	2

#### Remuneration Policy:

The Board of Directors of the company, on recommendation of this committee, had adopted a Nomination and Remuneration Policy. Remuneration policy forms part of this Report. The key objectives of this policy are:

- To formulate a criteria for determining the qualifications and other attributes required for appointment as Director, Key Managerial Personnel;
- To formulate a criteria for determining the remuneration of Directors of the company;

- To formulate a criteria for determining the remuneration of Key Managerial Personnel, Senior Management and Other Employees of the company;
- To formulate a criteria for evaluation of performance of the members of the Board, Key Managerial Personnel and to provide report to the Board of Directors, if required;
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- To ensure remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### Details of remuneration to Executive Directors read with disclosure required in terms of Section II Part II of Schedule V to the Companies Act, 2013:

Remuneration to Managing Director, Joint Managing Director and Whole Time Directors is being paid as per the terms of their appointment. The remuneration committee of the Directors reviews and recommends to the Board of Directors the remuneration payable to the directors. The Executive Directors of the company are not entitled to sitting fee for attending the Board meeting or Committee meeting. The details of remuneration paid to the Managing Director, Joint Managing Director and Whole Time Director for the Financial Year 2019-20 are as follows:

Sl. No.	Name & Designation	Salaries including perquisites (₹ in Lakhs)	Commission (₹ in Lakhs)	Bonus	Stock Option	Pension
1.	Vishal Gupta (Managing Director)	79.30	Nil	Nil	Nil	Nil
2.	Ankur Gupta (Jt. Managing Director)	92.33	Nil	Nil	Nil	Nil
3.	Varun Gupta (Whole Time Director)	82.19	Nil	Nil	Nil	Nil
<b>Total</b>		<b>253.82</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

### Terms of appointment of Managing Director, Joint Managing Director and Whole Time Director

The Board of Directors of the Company in its meeting held on 11<sup>th</sup> February, 2019 had re-appointed Mr. Vishal Gupta and Mr. Ankur Gupta as Managing Director and Joint Managing Director, respectively for a period of three years each w.e.f. 01<sup>st</sup> April, 2019. Accordingly, the Board of Directors had re-appointed Mr. Varun Gupta as Whole Time Director of the Company for a period of three years w.e.f. 01<sup>st</sup> July, 2019. The above re-appointments were subsequently approved by the shareholders of the Company in the Annual General Meeting held on 31<sup>st</sup> August, 2019. Accordingly, the current term of appointment of Mr. Vishal Gupta (Managing Director) and Mr. Ankur Gupta (Joint Managing Director) is upto 31<sup>st</sup> March, 2022 and for Mr. Varun Gupta (Whole Time Director) is upto 30<sup>th</sup> June, 2022.

### Independent Directors' Remuneration

Apart from sitting fee for attending Board Meetings and other Committee Meetings, the Independent Directors of the Company, namely Ms. Sonal Mattoo, Mr. Abhishek Dalmia, Mr. Hemant Kaul, Mr. Narayan Anand and Ms. Piyul Mukherjee are not paid any remuneration during the Financial Year 2019-2020.

There is no other pecuniary relationship or transaction between the Non-Executive Director and the Company, apart from above.

### Details of fixed component and performance linked incentives alongwith performance criteria:

Fixed remuneration @ ₹ 5 Lakhs per month was paid to Mr. Vishal Gupta, Mr. Ankur Gupta and Mr. Varun Gupta, each, during the F.Y. 2019-20. There is a system of performance evaluation of the Board of Directors (including Committees thereof) as a whole and also of individual Directors, including independent directors. As an evaluation methodology, the Board may use any method(s) as it may deem appropriate in order to assess the Board's/committees effectiveness and Directors performance. Some of the indicators/criteria based on which the independent directors are evaluated are personal qualities, characteristics, business/ professional experience, stature, ability and willingness to devote time, etc.

However, the Executive Directors of the Company have been paid remuneration exceeding 5% of the net profits of the Company during the FY 19-20 which was approved by the shareholders of the Company in the Annual General Meeting held on 31<sup>st</sup> August, 2019 in consonance of the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. Further, there is no performance linked incentive payable to any director.

### Details of service contract, notice period and severance fee are follows:

Sl. No.	Name & Designation	Service Contract	Notice Period	Severance fee
1.	Mr. Vishal Gupta (Managing Director)	3 Years w.e.f. 01 <sup>st</sup> April, 2019	90 days	Nil
2.	Mr. Ankur Gupta (Jt. Managing Director)	3 Years w.e.f. 01 <sup>st</sup> April, 2019	90 days	Nil
3.	Mr. Varun Gupta (Whole Time Director)	3 Years w.e.f. 01 <sup>st</sup> July, 2019	90 days	Nil

**Stock option details of every director:** No stock option was given to any director.

### Shareholding of Directors in the Company as on 31<sup>st</sup> March, 2020

Sl. No.	Name of Director	No. of Shares	% of Total Shareholding
1.	Mr. Vishal Gupta	1,40,34,340	13.71
2.	Mr. Ankur Gupta	2,02,44,825	19.78
3.	Mr. Varun Gupta	2,02,44,825	19.78
4.	Mr. Abhishek Dalmia	Nil	0.00
5.	Mr. Hemant Kaul	Nil	0.00
6.	Mr. Narayan Anand	Nil	0.00
7.	Ms. Sonal Mattoo	Nil	0.00

## 5. Stakeholders' Relationship Committee

Mr. Hemant Kaul- Independent Director of the Company became member and Chairperson of the Committee w.e.f. 18<sup>th</sup> May, 2019 whereas Ms. Sonal Mattoo, Independent Director of the Company, and Mr. Vishal Gupta and Mr. Varun Gupta, both Executive Directors are members of this Committee. Mr. Nitin Sharma, Company Secretary of the company, was appointed as 'Compliance Officer' and entrusted the task of monitoring the share transfer process and liaise with the regulatory authorities.

The scope of the "Stakeholders' Relationship Committees shall include the role specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to specifically look into various aspects of interest of shareholders and debenture holders including but not limited to the monitoring of investors' grievances/complaints along with the share transfers. The Committee approves the share transfers at its meetings. The Stakeholders' Relationship Committee also took note of the findings of audit carried out by practicing Company Secretary and implemented the suggestions. The quorum of the meeting shall be any two members present at the meeting.

During the financial year 2019-20, total 1 complaint was received by the company and was duly resolved. There has been no complaint pending at the closure of financial year.

## 6. General Body Meetings

The details of last three Annual General Meetings are as mentioned below:

For the year	Venue	Date	Day and Time	Whether Special Resolution was passed
2016-17	Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata-700017	28 <sup>th</sup> August, 2017	Monday, 11:00 A.M	Yes
2017-18	Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata-700017	23 <sup>rd</sup> August, 2018	Thursday, 11:00 A.M	No
2018-19	Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata-700017	31 <sup>st</sup> August, 2019	Saturday, 11:30 A.M	Yes

## 7. Disclosures

### a. Materially Significant Related Party Transactions

During the year 2019-20, there were no materially significant related party transactions with its promoters, directors or the management that might have potential conflict with the interest of the company at large. However, the transactions made with related parties were done on the basis of shareholders' approval obtained in their Annual General Meeting held on 29<sup>th</sup> August, 2014, other related party transactions were at arm's length price and also had previous approval of Audit Committee as the same were taken on record by the Audit Committee.

The company has also formulated a Policy on Related Party Transactions and Material Subsidiary, details of which is available on website of the company at the following link: <https://www.ashianahousing.com/real-estate-investors/corporate-governance#2>

### b. Non-Compliance/Strictures/Penalties during the last three years

During the FY 19-20, there has been no instance of non-compliance by the company on any matters related to capital markets. However, during the FY 2018-2019, the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) had imposed the fine of ₹ 6,65,000 /- respectively under regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company had contested the same with NSE and BSE, respectively and

NSE Ltd had waived off ₹ 4,60,000/- out of ₹ 6,65,000/-. However, no reply has been received from BSE Ltd. on the same. Further, the company paid late filing fine of ₹ 2,360/- and ₹ 37,760/- to NSE and BSE respectively in the FY 2018-2019 under the regulation 13(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### c. Insider Trading Code

The company has adopted the Employee Share Dealing Code in terms of the SEBI (Prohibition of Insider Trading), Regulations 2018. This code is applicable to all Directors and Designated employees of the company. The code seeks to prevent dealing in company's share by persons having access to unpublished, price sensitive information. The company regularly monitors the transactions in terms of this code.

### d. Whistle Blower Policy

The company has a whistle blower policy as part of the Code of Conduct for the Board of Directors and employees of the Company. The company has also established a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct. This mechanism provides for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and provide for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel has been denied access to the Audit Committee. Details of this mechanism are disclosed on website of the company.

### e. Compliance with Non - Mandatory Requirements

As per regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is the discretion of the company to implement non-mandatory requirements subject to the disclosure of the same, along with the compliance of mandatory requirements, in the annual report of the company. The status of compliance of non-mandatory requirements is as follows:

**i) The Board:** The Board of directors elect one of the Directors, as its Chairman for every Board meeting.

**ii) Shareholder Rights:** Shareholders of the Company are provided with an Investor Update on quarterly basis, containing operational and financial highlights of the company, instead of sending to house of every shareholder. These Investor Updates are also updated in the Investor Relations section on the website of the Company at [www.ashianahousing.com](http://www.ashianahousing.com) and are also sent to the Bombay Stock Exchange and National Stock Exchange immediately after the announcement of quarterly financial results.



iii) **Audit Qualifications:** The audited financial statements of the Company for the financial year 2019-20, do not contain any qualifications and the audit report does not contain any adverse remarks. However, the auditors have given their observation regarding delay by 52 days in transferring unpaid/unclaimed dividend into IEPF during the Financial Year 2019-20.

iv) **Reporting of Internal Auditor:** Internal auditors are appointed by the management of the company. They share their audit report with the Board of Directors, functional heads, respective branch heads and other connected persons. Key findings are shared with the Audit Committee from time to time.

## 8. Means of Communication

The quarterly unaudited financial results and annual financial results are published in leading national newspapers, i.e. Financial Express (English) and ArthikLipi (Bengali). It is also displayed on company's website at [www.ashianahousing.com](http://www.ashianahousing.com). The company had been conducting analysis/ investor call after every quarterly Board meeting on financial results except the annual results after which an Analyst Meet is organised on financial results and issues corporate presentation on annual financial and operational numbers informing thereby the investors at large, the detailed information about the company, its business, current scenario, achievements and future outlook etc. During the financial year 2019-2020, the company conducted three conference calls for the analyst and investors on i.e. 16<sup>th</sup> August, 2019, 14<sup>th</sup> November, 2019 and on 13<sup>th</sup> February, 2020, and an analyst meet on 18<sup>th</sup> June, 2019 at Mumbai. In all conference calls and in analyst meet a good number of analysts and investors participated.

Further, the Company also conducted a voluntary conference call of analysts/investors on 09<sup>th</sup> April, 2020 wherein the Senior Management of the Company addressed the investors and answered their queries pertaining to the operations of the Company as a result of the outbreak of Nationwide Covid-19 lockdown.

The Management Discussion and Analysis report prepared by the Management, forms part of the Annual Report

## 9. General Shareholder's Information

### (a) Annual General Meeting information

Day, Date : Tuesday, 18<sup>th</sup> August, 2020  
 Time : 11.00 A.M.  
 Venue : Through Video Conferencing administered from Head Office of situated at Unit No. 304-305, Southern Park, Saket District Saket, New Delhi - 110017.

### (b) Financial Calendar

Ashiana Housing Ltd. follows the financial year from 01<sup>st</sup> April to 31<sup>st</sup> March. The Unaudited Financial Results for the first three quarters and the Audited Financial Results for the year ended 31<sup>st</sup> March, 2020 were taken on record and approved by the Board of Directors in its meeting(s) held on the following dates:

Quarter Ended/ Year Ended	Date of Board Meeting
April – June, 2019	14 <sup>th</sup> August, 2019
July – September, 2019	13 <sup>th</sup> November, 2019
October – December, 2019	12 <sup>th</sup> February, 2020
Year Ended 31 <sup>st</sup> March, 2020	16 <sup>th</sup> June, 2020

### (c) Book Closure

The company's Register of Members and Share Transfer books will remain closed from 12<sup>th</sup> August, 2020 to 18<sup>th</sup> August, 2020 (both days inclusive) for the purpose of Annual General Meeting of the Company.

### (d) Dividend Payment

Dividend paid during the last three years:

Sl. No.	Date of Declaration	Dividend in %	Total Amount of Dividend (₹)
1.	28 <sup>th</sup> August, 2017	12.5	2,55,88,025
2.	23 <sup>rd</sup> August, 2018	12.5	2,55,88,025
3.	31 <sup>st</sup> August, 2019	12.5	2,55,88,025

### (e) Listing on Stock Exchanges

The Company's equity shares are listed on the Bombay Stock Exchange and National Stock Exchange. The NCDs are listed on Bombay Stock Exchange Ltd. The details of listed equity shares and NCDs are as follows:

Sl. No.	Name and address of the Stock Exchange	Security	Code No.
1.	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051	Equity	ASHIANA
2.	<b>Bombay Stock Exchange Ltd.</b> P.J. Towers, Dalal Street Mumbai - 400 001	NCDs	523716 954426, 954535, 957901 & 958291

There is no outstanding listing fees payable to Bombay Stock Exchange and National Stock Exchange.

## (f) Market Price Data

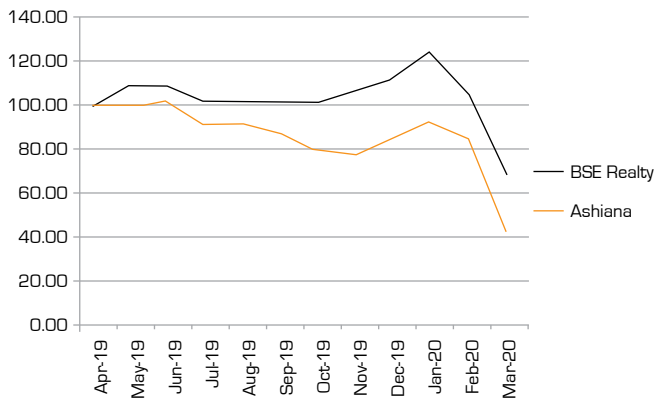
Monthly High and Low quotation of shares traded in BSE Ltd. and NSE Ltd. for the financial year 2019-2020 is given below:

Month	Bombay Stock Exchange			National Stock Exchange		
	High Price	Low Price	Volume (No. of Shares)	High Price	Low Price	Volume (No. of Shares)
Apr-2019	133	115	50,943	124.8	115	5,42,113
May-2019	124	105	5,16,952	122	105	9,92,255
Jun-2019	134.7	113	85,703	133.8	113.6	16,41,586
Jul-2019	125.45	105	86,620	125.4	105.7	15,74,214
Aug-2019	116.4	103.55	52,580	116.4	103.5	5,26,294
Sep-2019	119	103.55	67,219	118.9	103.5	6,29,996
Oct-2019	107.8	90	83,089	107.95	92.75	10,98,592
Nov-2019	106.9	90.5	1,54,796	106.9	91.2	16,70,085
Dec-2019	103.9	85	2,66,189	104	86	21,83,419
Jan-2020	119	96.05	64,421	119	97.65	8,89,781
Feb-2020	125	100.15	65,862	125.8	97.05	8,99,054
Mar-2020	100.95	45	1,06,316	102.9	44	24,83,320

The Company has its ISIN No. INE 365 D01021 for dematerialisation of equity shares.

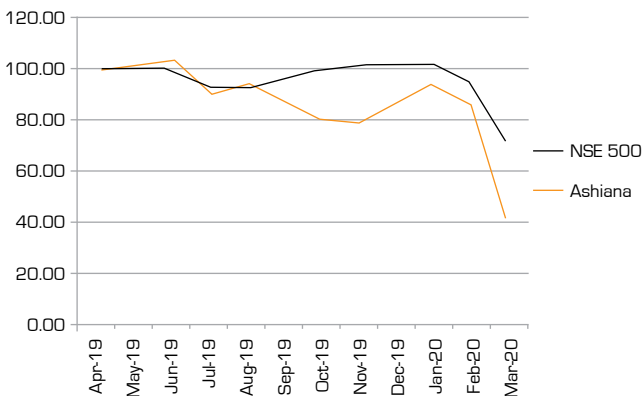
## (g) Share Performance in comparison to broad based indices

### BSE REALTY Graph



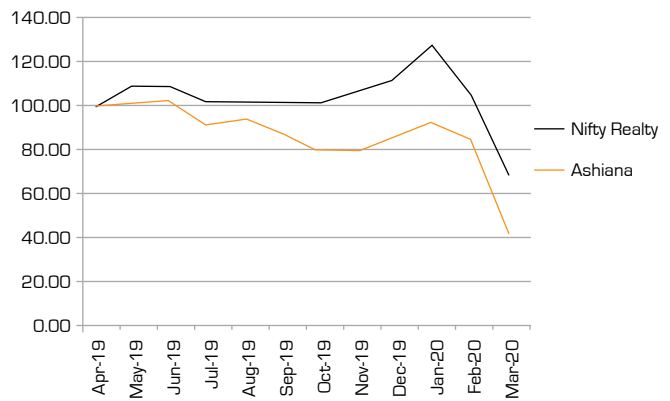
(Base 100=April, 2019)

### NSE 500



(Base 100=April, 2019)

### Nifty Realty Graph



(Base 100=April, 2019)

## (h) Registrar & Transfer Agent

M/s. Beetal Financial & Computer services Pvt. Ltd. has been appointed by the Company as its Registrar & Transfer Agent for registration of share transfer and other related work. The address for RTA is Beetal House, 99, Madangir, Near Dada Harsukh Dass Mandir, Behind Local Shopping Centre, New Delhi - 110 062.

## (i) Share Transfer Process

The Company's shares being in compulsory demat list are transferable through the depository system. Shares in Demat Form are processed by the Registrar & Transfer Agent - M/s Beetal Financial & Computer Service Pvt. Ltd., Transfer of shares both by Demat and Physical mode are approved by the Stakeholder's Relationship Committee. Also as part of half-yearly Compliance, the Company also obtains a Certificate from Practicing Company Secretary under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 certifying that all transfers have been duly completed within the prescribed time limit. The Company has complied the said regulation in the FY 19-20 and submitted to the National Stock Exchange Limited and BSE Ltd for the half year ended 30<sup>th</sup> September, 2019 and 31<sup>st</sup> March, 2020.

**(j) Distribution of Shareholding as on 31<sup>st</sup> March, 2020**

Range No. of Shares	Shareholders		Shares	
	Numbers	% to total	Numbers	% to total
UP TO 5,000	20,085	92.99	9,869,318	9.64
5,001 TO 10,000	933	4.31	3,305,234	3.23
10,001 TO 20,000	328	1.51	2,299,472	2.25
20,001 TO 30,000	93	0.43	1,131,670	1.11
30,001 TO 40,000	43	0.19	7,61,891	0.74
40,001 TO 50,000	23	0.10	5,21,049	0.51
50,001 TO 100,000	48	0.22	1,620,429	1.58
1,00,001 AND ABOVE	45	0.20	82,843,036	80.94
<b>Total</b>	<b>21,598</b>	<b>100.00</b>	<b>102,352,099</b>	<b>100.00</b>

**(k) Shareholding Pattern as on 31<sup>st</sup> March, 2020**

Sl. No.	Particulars	No. of Shares	% age of Shareholding
<b>A. Promoter's Holding</b>			
1.	Indian Promoters	6,24,72,760	61.04
<b>B. Non-Promoter's Holding</b>			
1.	Banks, FIs, Insurance Cos., Central/State Govt. Institutions/ Non-Govt. Institutions	23,543	0.02
2.	Foreign Portfolio Investors	868,932	0.85
3.	Mutual Funds	10,237,033	10.00
<b>C. Others</b>			
1.	Private Corporate Bodies (including foreign bodies corporate)	3,909,172	3.82
2.	Indian Public (including HUF)	19,957,471	19.49
3.	NRIs (Repatriable and Non Repatriable)	1,828,266	1.79
4.	Clearing Member	80,815	0.08
5.	IEPF Authority	2,974,107	2.91
	<b>Grand Total</b>	<b>10,23,52,099</b>	<b>100.00%</b>

**(l) Dematerialisation of Shares and Liquidity**

The Shares of the company are compulsorily traded in dematerialised form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Ltd. and Central Depository Services (India) Ltd. Out of 10,23,52,099 Equity Shares of the company 99,719,333 (97.43%) shares have been dematerialised as on 31<sup>st</sup> March, 2020.

**(m) Office Locations**

Registered Office:	Head Office & Share Dept.:
11G, Everest 46/C, Chowringhee Road Kolkata-700 071	Unit No. 4&5, 3 <sup>rd</sup> Floor, Plot No. D-2 Saket District Center, Saket New Delhi - 110 017

**Branch Offices:**

- (a) 4<sup>th</sup> Floor, Ashiana Village Centre, Vasundhara Nagar, Bhiwadi, Rajasthan - 301019;
- (b) Ashiana Trade Centre, Adityapur, Jamshedpur, Jharkhand - 831 013;
- (c) 401, 3<sup>rd</sup> Floor, Apex Mall, Lal Kothi, Tonk Road, Jaipur, Rajasthan- 302015;
- (d) 8<sup>th</sup> Floor, Vatika Business Park, Sohna Road, Sector-49, Gurgaon, Haryana -122018;
- (e) Dhinanon Ki Dhani, Pal Sangaria Link Road, Jodhpur, Rajasthan - 342014;
- (f) Survey No. 80/1, Ashiana Utsav Lavasa Office, Club House, Dasve Circle Lavasa, Village Dasve, Taluka Mulshi, Pune, Maharashtra - 412112;
- (g) Balaji Krupa Estate, Old Jyoti Ltd., Halol - Godhra Road, Halol, Gujarat - 389350;
- (h) Door No. - 10, 1<sup>st</sup> Floor, GJ Complex, 1<sup>st</sup> Main Road, CIT Nagar, Chennai- 600035

**(n) Outstanding GDRs/ADRs/Warrants or any Convertible instruments**

There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments as company never issued any such instruments.

**(o) Registrar & Share Transfer Agent, & Address for correspondence**

Shareholders are advised to correspond with the Registrar & Share Transfer Agent - M/s. Beetal Financial & Computer Services Private Ltd. , Beetal House, 99, Madangir, Near Dada Harsukh Dass Mandir, Behind Local Shopping Centre, New Delhi - 110 062, for any query regarding Share Transfer / Transmission etc. and other related matter or may contact Mr. Nitin Sharma, Company Secretary and Compliance Officer on Phone No. 011-42654265; fax No. 011-42654200; and e-mail:nitin.sharma@ashianahousing.com

**(p) List of credit ratings**

Particulars	ICRA	CARE	Brickwork Rating
NCD issued in FY 15-16, 16-17 (current outstanding ₹ 17 Crores)*	-	-	BWR A+ (Stable)
NCD issued in FY 18-19 (current outstanding ₹ 64.70 Crores)*	ICRA (A) (Stable)	-	-
NCD issued in FY 18-19 to International Finance Corporation (current outstanding ₹ 18.74 Crores)*	ICRA (A) (Stable)	-	-
Issuer Rating	-	CARE A (Is) Stable	-

\*as on the date of adoption of this report by Board of Directors in their meeting held on 16<sup>th</sup> June, 2020.

**(q) Details of utilization of funds raised through preferential allotment/ qualified institutions placement**

The company had issued 93,02,324 no. of equity shares through Qualified Institutional Placement and raised ₹ 200 Crores (approx.) in the financial year 2014-15. The entire amount of the money raised through Qualified Institutional Placement have been utilised for the stated purpose. There is no balance against this account.

**(r)** There has been not any incidence where the Board had not accepted any recommendation of any committee of the Board.

**Others:**

**a) Corporate Social Responsibility (CSR) Committee**

In compliance of Section 135 of the Companies Act, 2013 and rules made thereunder, a Corporate Social

Responsibility (“CSR”) Committee was constituted by the Board of Directors of the Company in its meeting held on 30<sup>th</sup> May, 2014 to formulate and monitor the CSR policy of the Company.

The CSR Committee has adopted a policy the objective of which is to increasingly contribute to activities that are beneficial to the society and community at large, chart out a mechanism for undertaking CSR Activities, engage with Company’s key stakeholders in matters related to CSR Activities and align the activities undertaken by the Company with the applicable laws. The CSR policy of the Company is available on our website, at the following link: <https://www.ashianahousing.com/real-estate-investors/corporate-governance#2>.

Towards achievement of its objectives, the Corporate Social Responsibility Committee (CSR Committee), inter alia, shall have the following roles to play and in consonance with the policy of the company:

1. Identify areas and opportunities for CSR activities within the broad framework outlined in this policy under the “Scope of Activities”;
2. Decide the manner of execution of CSR activities;
3. Design and draft a Policy Statement for CSR activities;
4. Design and draft the organisation structure of CSR;
5. Suggest roles and responsibilities of various functional heads as per the policy statement sodesigned and drafted;
6. Selection of appropriate agencies/ NGOs for implementation of CSR activities on the lines of Companies Act, 2013 and Rules & Regulations there under
7. Provide necessary inputs for preparation of the Annual CSR plans
8. Supervision and monitoring of execution of CSR activities and quality of work and reporting on the same to the Board of Directors
9. Review, co-ordinate and assist in operationalization of Annual CSR plans.

As required under section 135 of the Companies Act, 2013, read with CSR Rules, the CSR Committee of your company hereby states that the CSR policy implementation and monitoring thereof is, in letter and spirit, in line with CSR objectives.

**Composition, name of members and Chairperson of the CSR Committee:**

Sl. No.	Name of Directors	Designation
1.	Mr. Vishal Gupta	Chairman
2.	Mr. Abhishek Dalmia	Member
3.	Ms. SonalMattoo	Member

For the financial year 2019-20 one meeting of CSR Committee was held i.e. on 16<sup>th</sup> June, 2020.

**The attendance of members of the CSR Committee in the meeting is as follows:**

Sl. No.	Name	Number of Meetings Held	Number of Meetings Attended
1.	Mr. Vishal Gupta	1	1
2.	Mr. Abhishek Dalmia	1	1
3.	Ms. Sonal Mattoo	1	1

**b) Status report under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

An Internal Complaints Committee was formed under this Act in compliance of the provisions of this Act. During the financial year 2019-20, there were 3 complaints under the above said Act which were duly resolved and an annual compliance report was filed with the concerned authority.

**c) Risk Management Policy**

The Board of Directors had constituted a Risk Management Committee in their meeting held on 11<sup>th</sup> November, 2014 consisting of Mr. Varun Gupta, Whole Time Director, Mr. Ankur Gupta, Joint Managing Director and Mr. Vikash Dugar, CFO of the company. The objective of this committee is to monitor and review the functions relating to the risk management of the company. The Risk Management Committee had

drafted a Risk Management Policy to carry out the risk management of the company. The Risk Management policy of the Company is available on our website, at the following link: <https://www.ashianahousing.com/real-estate-investors/corporate-governance#2>

**d) CEO/CFO Certification**

In terms of clause 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification by Managing Director and Chief Financial Officer has been obtained and is attached as part of this annual report. Further the Managing Director of the company has given a declaration that all the Board members and senior management have affirmed compliance with the code of conduct for the current year.

**e) Demat Suspense A/c / Unclaimed Suspense A/c**

The company does not have any demat suspense account or unclaimed suspense account in respect of shares of the company.

**f) There has been no incident where the Board of Directors of the Company had not accepted any recommendation of any committee of the Board.****g) Fee to Statutory Auditors**

The fee to be paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors during the Financial Year 2019-20, is ₹ 35.65 Lakhs.

Our Statutory Auditors are not acting as statutory auditor in any network entity of the Company.

On behalf of the Board of Directors

Place: New Delhi  
Dated: 16<sup>th</sup> June, 2020

**Vishal Gupta**  
(Managing Director)