



Annexure II - Corporate Governance Report

Company's Philosophy on Corporate Governance

Your Company's corporate governance philosophy is founded on the principles of fair and transparent business practices. The governance structures are created to protect the interests of and generate long term sustainable value for all stakeholders -customers, employees, partners, investors and the community at large. The business is governed and supervised by a strong Board of Directors and together with the management they are committed to uphold the principles of excellence across all activities. The Company is compliant with the latest provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") as amended from time to time.

Date of Report

The information provided in the Report on Corporate Governance for the purpose of uniformity is as on March 31, 2018. The Report is updated as on the date of the report wherever applicable.

Board of Directors

Composition of the Board

As on date, the Company's Board consists of 8 Directors, out of which 4 are Independent Directors. The Executive Chairman of the Board of Directors is a Promoter Director. The composition of the Board satisfies the conditions of the SEBI Regulations.

Table 1: Composition of the Board of Directors

Name of Directors	Category
Mr. Atul Punj	Promoter, Executive
Mr. Shiv Punj	Executive
Mr. Atul Kumar Jain (Resigned on May 29, 2018)	Executive
Ms. Jyoti Punj	Non - Executive
Mr. Phiroz Vandrevale	Independent
Mr. Uday Walia	Independent
Mr. Rajat Khare	Independent
Mr. Shravan Sampath	Independent

Note: Mr. Atul Punj is father of Mr. Shiv Punj and brother of Ms. Jyoti Punj. There are no other inter-se relationships amongst the Board members.

Board Meetings

During the year, the Board of the Company met 4 times on May 27, 2017; August 10, 2017; November 11, 2017; and February 14, 2018. The maximum gap between any two consecutive Board meetings was not more than one hundred and twenty days. Meetings are usually held at Corporate Office I, 78, Institutional Area, Sector-32 Gurugram- 122001, Haryana, India.

The agenda papers and detailed notes are circulated to the Board well in advance of every meeting, where it is not practicable to attach

any document to the agenda, then the same is placed before the Board at the meeting and in special circumstances, additional items on the agenda are taken up at the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation and same is placed before the Board in the next meeting.

Video conferencing facilities are used, as and when required, to facilitate directors to participate in the meetings.

The Board is given presentation on the operations of the Company covering all business areas of the Company, inter-alia marketing, sales, health, safety, environment, finance, internal audit, litigations, risk management, major business segments, business environment, business opportunities and overview of all divisions and departments, including performance of the business operations of major subsidiary companies, before taking on record the quarterly / annual financial results of the Company.

Information Supplied to the Board

Among others, information supplied to the Board includes:

- Annual operating plans and budgets and any update thereof
- Capital budgets and any updates thereof
- Quarterly results of the Company and operating divisions and business segments
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- The information on recruitment and remuneration of senior officers just below the level of the Board, including the appointment or removal of Chief Financial Officer and Company Secretary
- Show cause, demand, prosecution and penalty notices, which are materially important
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Certificate by the respective Heads of Departments/Projects regarding compliance with the statutory laws
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions. Any significant development in human resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business



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- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.
- General notices of interest of Directors
- Minutes of the Board meetings of unlisted subsidiary companies
- Corporate Governance Reports as submitted to stock exchanges
- Status of Investor Complaints

Directors' Attendance Record and Directorships

Table 2: Attendance of Directors at Board Meetings during the year, last Annual General Meeting ("AGM") and details of other Directorship and Chairmanship / Membership of Committees of each Director:

Name of the Director	No. of other Directorships**	No. of Board Level Committee Memberships / Chairmanships in other Indian Public Companies		Attendance Particulars****		
		Member***	Chairman***	No. of Board Meetings		Attendance at last AGM
				Held	Attended	Attended
Mr. Atul Punj	4	2	0	4	4	Yes
Mr. Shiv Punj	3	1	0	4	4	No
Mr. Atul Kumar Jain*	4	0	1	4	4	Yes
Ms. Jyoti Punj	1	0	0	4	2	No
Mr. Phiroz Vandrevala	1	0	1	4	4	Yes
Mr. Uday Walia	3	2	1	4	3	No
Mr. Rajat Khare	0	1	0	4	1	No
Mr. Shravan Sampath	4	3	1	4	4	Yes

* Since resigned from the Board of Directors of the Company w.e.f. May 29, 2018.

** The Directorships held by Directors as mentioned above does not include Punj Lloyd Limited, alternate directorships and directorships in foreign companies, companies registered under Section 8 of the Companies Act, 2013 ("the Act") and Private Limited Companies.

*** In accordance with the SEBI Regulations, Memberships/ Chairmanships of only the Audit Committees and Stakeholders Relationship Committee / Shareholders' / Investors' Grievance Committees of all public limited Companies (including Punj Lloyd Limited) have been considered.

**** Includes attendance, if any, through Video Conferencing facilities, provided to the directors to facilitate participation in the meetings.

iv. who, apart from receiving director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

v. None of whose relatives:

(a) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(b) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(c) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

Board Independence

In compliance with the SEBI Regulations, half of the Board of Directors of the Company i.e. 4 out of 8 comprises of Independent Directors. An Independent Director means a non-executive director, other than a nominee director of the Company:

- Who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the Company or its holding, subsidiary or associate Company;
- who is not related to promoters or directors in the Company, its holding, subsidiary or associate Company;



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- (d) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (a), (b) or (c).
- vi. who, neither himself nor any of his relatives —
- (a) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of
- (1) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
 - (2) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;
- (c) holds together with his relatives two per cent or more of the total voting power of the Company; or
- (d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company;
- (e) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- (f) who is not less than 21 years of age.
- The Company does not have any pecuniary relationship with any non-executive or Independent director except for payment of commission, sitting fee and reimbursement of travelling expenses for attending the Board meetings. No sitting fee is paid for attending the meetings of any Committee.

The details of all remuneration paid or payable to the Directors are given in Table 3.

Table 3: Remuneration to Directors for the year ended March 31, 2018

(Amount in ₹)

Name of the Director	Salary	Sitting Fees	Perquisites	Performance Incentive	Deferred Benefits (PF & Superannuation)	Commission	Total
Mr. Atul Punj	0	0	0	0	0	0	0
Mr. Shiv Punj	0	0	0	0	0	0	0
Mr. Atul Kumar Jain*	0	0	0	0	0	0	0
Ms. Jyoti Punj	0	1,00,000	0	0	0	0	1,00,000
Mr. Phiroz Vandrevale	0	2,00,000	0	0	0	0	2,00,000
Mr. Uday Walla	0	1,50,000	0	0	0	0	1,50,000
Mr. Rajat Khare	0	50,000	0	0	0	0	50,000
Mr. Shravan Sampath	0	2,00,000	0	0	0	0	2,00,000

* Since resigned from the Board of Directors of the Company w.e.f. May 29, 2018.

The details of Current Service Tenure, Notice period and Severance Fees of Executive Directors are given in Table 4.

Table 4: Details of Current Service Tenure, Notice period and Severance Fees of Executive Directors:

Name of the Director	Current Tenure and last appointment/re-appointment date	Notice Period / Severance Fees
Mr. Atul Punj	5 years; July 1, 2013 (Re-appointed for a period of 5 years w.e.f. July 1, 2018 subject to approval of members at the AGM)	3 Months Notice or Basic Salary in lieu thereof.
Mr. Shiv Punj	5 years; March 25, 2016	-do-
Mr. Atul Kumar Jain*	5 years; August 10, 2016	-do-

* Since resigned from the Board of Directors of the Company w.e.f. May 29, 2018.



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As on April 01, 2017, there were no outstanding stock options issued to any Director of the Company except 4,00,000 stock options granted to Mr. Atul Kumar Jain on February 11, 2016 (who was appointed as Director w.e.f. August 10, 2016) entitling him to apply for 4,00,000 equity share of Rs.2/- each at a price of Rs.2/- per share on expiry of the vesting period of one year from the date of grant. The above stock options are to be exercised within five years from the date of vesting.

As on date, Mr. Atul Kumar Jain has not exercised any stock options issued to him. No stock options were issued to any Director of the Company during the year ended on March 31, 2018.

The Board of Directors of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to senior management.

Shares and Convertible Instruments held by Non-Executive Directors

Details of the shares of the Company held by Non-Executive Directors are given in Table 5.

Table 5: Details of Shares held by Non-Executive Directors as on March 31, 2018:

Name of the Director	No. of Shares held (face value of ₹ 2 each)
Ms. Jyoti Punj	5,01,725
Mr. Phiroz Vandrevala	5,000
Mr. Uday Walia	Nil
Mr. Rajat Khare	Nil
Mr. Shravan Sampath	Nil

As on March 31, 2018, none of the Non-Executive Directors held any convertible instruments of the Company.

Independent Directors

Mr. Phiroz Vandrevala, was appointed as Independent Director of the Company for a period of five years with effect from August 04, 2014 at the AGM held on August 04, 2014. Mr. Uday Walia, Mr. Rajat Khare and Mr. Shravan Sampath were appointed as Independent Directors of the Company for a period of five years with effect from September 25, 2015; May 20, 2016 and May 27, 2016, respectively at the AGM held on August 10, 2016.

Terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company.

None of the Independent Directors serve in more than seven listed Companies, nor any Independent Director, who is a Whole Time Director in any other Company, serves as Independent Director in more than 3 listed Companies.

Separate meetings of the Independent Directors

The Independent Directors met on May 30, 2018, without the attendance of Executive Directors and members of management. All the Independent Directors were present in the meetings except Mr. Rajat Khare, and Mr. Uday Walia (who couldn't attend the

meeting). The Independent Directors in the said meeting had, inter-alia:

- reviewed the performance of non-Independent directors and the Board as a whole;
- reviewed the performance of the Chairman and Managing Director of the Company, taking into account the views of executive directors and non-executive directors;
- assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programmes for Independent Directors

The Company has framed various programmes to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such programmes have been disclosed on the Company's website at the following link: <http://punjilloydgroup.com/investors>.



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Committees of the Board

Audit Committee

The particulars of Composition, Meetings and Attendance records of the Audit Committee are given in Table 6.

Table 6: Particulars of Composition, Meetings and Attendance records of Audit Committee

Name of the Members	Status	Category	No. of Meetings Attended	Dates on which Meetings Held
Mr. Phiroz Vandrevala	Chairman	Independent	4 out of 4	May 27, 2017; August 10, 2017; November 11, 2017; and February 14, 2018
Mr. Atul Punj	Member	Executive	4 out of 4	
Mr. Rajat Khare	Member	Independent	1 out of 4	
Mr. Shravan Sampath	Member	Independent	4 out of 4	

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. Mr. Phiroz Vandrevala has accounting or related financial management expertise and all other members of the Audit Committee are financially literate.

The Chief Financial Officer and representatives of the Statutory Auditors and Internal Auditor are regularly invited by the Audit Committee to its meetings. Mr. Dinesh Thairani, Company Secretary is the Secretary to the Audit Committee.

The constitution of the Audit Committee meets the requirements of relevant provisions of the Act as well as that of the SEBI Regulations.

The functions of the Audit Committee of the Company include the following:

Pursuant to the provisions of the Act and the rules made there under and the SEBI Regulations, the terms of reference, roles and responsibilities of the Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing/ Examining, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;

- b. Changes, if any, in accounting policies and practices and reasons for the same;
- c. Major accounting entries involving estimates based on the exercise of judgment by management;
- d. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions;
- g. Qualifications in the draft audit report.

- Reviewing, with the management, Annual/ Quarterly financial statements before submission to the Board for approval;
- Monitoring /Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;



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- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Committee shall have such powers and rights as are prescribed under the provisions of the SEBI Regulations and the Act and the rules made there under, as notified or may be notified from time to time.

The Company has systems and procedures in place to ensure

that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor.

In addition, the Audit Committee of the Company is also empowered to review the financial statements, in particular, the investments made by the unlisted subsidiary companies.

The Audit Committee is also apprised on information with regard to related party transactions by being presented:

- A statement in summary form of transactions with related parties in ordinary course of business;
- Details of material individual transactions with related parties which are not in the normal course of business;
- Details of material individual transactions with related parties or others, which are not on an arm's length basis along with management's justification for the same.

Nomination and Remuneration Committee

The particulars of Composition, Meetings and Attendance records of the Nomination and Remuneration Committee are given in Table 7.

Table 7: Particulars of Composition and attendance records of Nomination and Remuneration Committee

Name of the Members	Status	Category	No. of Meetings		Dates on which Meetings Held
			Held	Attended	
Mr. Phiroz Vandrevala	Chairman	Independent	2	2	May 27, 2017 and February 14, 2018
Mr. Uday Walia	Member	Independent	2	2	
Mr. Rajat Khare	Member	Independent	2	–	

The matters referred to the Committee are:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, in accordance with the requirements of the Act, relating to the remuneration for the directors, key managerial personnel and other employees;
- To 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;

- To specify the manner for effective evaluation of performance of the Board, its Committee and individual directors to be carried out either by Board, by the Nomination and Remuneration Committee or by an Independent external agency and review its



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implementation and compliance [as required vide Companies (Amendment) Act, 2017 w.e.f. May 7, 2018];

- To consider and recommend to the Board, the remuneration to be paid by the Company to Executive Directors / Whole time Directors of the Company, keeping in view the provisions of Listing Agreement with Stock Exchanges;
- To perform such other functions as have been referred/ may be referred by the Board or required in accordance with the Act, Listing Agreements or SEBI Regulations as amended from time to time.

following policies:

- Policy on Directors' Appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and relating to remuneration for the directors, key managerial personnel and other employees (which is attached as **Annexure - I** to the Directors Report).
- Policy on Board diversity.
- The Criteria for performance evaluation of Independent Directors and the Board as revised in line with the Guidance Note on Board evaluation issued by SEBI vide circular dated January 5, 2017 are provided herein below:

The Nomination and Remuneration Committee had formulated the

Evaluation Criteria for Performance Evaluation of Executive Directors, Non Executive/ Independent Directors, Committee of the Board and the Board as a whole

Executive Director(s)	Non Executive/ Independent Director(s)	Committee of the Board	Board as a whole
<ol style="list-style-type: none"> How well has he performed in his area of responsibility with respect to budget and business plan? How well has he performed in development and expansion of business with respect to his area of operation? How well does he involve himself in day to day affairs of the Company? Whether he has sufficient understanding and knowledge of the Company and the sector in which it operates and does he show willingness to spend time and effort learning about the Company and its business? How successfully the director brought his knowledge and experience to bear in 	<ol style="list-style-type: none"> How well prepared and informed is he for the Board/ Committee meetings and is his attendance at meetings satisfactory? Whether he has sufficient understanding and knowledge of the Company and the sector in which it operates and demonstrate willingness to devote time and effort to understand the same? What has been the quality and value of his contributions at Board/ Committee meetings? Whether he exercises his own judgment and voices opinion freely and does he constructively challenge the matters and decisions at the Board/ Committee meetings? How successfully has he brought his knowledge and experience to bear 	<ol style="list-style-type: none"> Does the Committee have full and common understanding of its roles and responsibilities? Whether the Committee has fulfilled its functions as assigned by the Board and laws as may be applicable and how effective the Committee has been vis-à-vis the roles and responsibilities assigned to it? Is the composition of the Committee appropriate, with the right mix of knowledge and skills to maximize performance in the light of future strategy? Do the Committee members come to meetings familiar with the 	<ol style="list-style-type: none"> Whether overall, the Board functions constructively as a team and has full and common understanding of its roles and responsibilities? Is the composition of the Board and its Committees appropriate, with the right mix of competencies, qualifications, experience and diversity to conduct its affairs effectively? Has the Board established a Committee structure that enables clear focus on the important issues facing the Company? Are the Committees functioning satisfactorily? Is the Board as a whole up to date with latest developments in the regulatory environment and the market? Whether adequate time of the Board is being devoted to analyse and examine governance and compliance issues? Whether the Board monitors the effectiveness of its governance practices and makes changes as needed? Whether the Board evaluates and analyses/ practicing Company secretaries regarding compliance of conditions of corporate governance? Whether the Board has full understanding of the business plan and performance of operations and management of the Company and received regular input on this from Chief Executive?



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Executive Director(s)	Non Executive/ Independent Director(s)	Committee of the Board	Board as a whole
<p>the consideration of strategy?</p> <p>6. Is he up-to-date with the latest developments in areas such as the corporate governance framework and financial reporting and in the industry and market conditions?</p> <p>7. Whether he understands and fulfills the functions as assigned to him by the Board and the law?</p> <p>8. Whether he is able to function as an effective team member?</p> <p>9. Whether he actively takes initiative with respect to various areas?</p> <p>10. Whether he is available for meetings of the Board and attends the meeting regularly and timely, without delay?</p> <p>11. Whether he is adequately committed to the Board and the Company?</p> <p>12. Whether he contributed effectively to the Company and in the Board meetings?</p> <p>13. Whether the person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)?</p>	<p>in the consideration of strategy?</p> <p>6. Whether he actively takes initiative with respect to various areas and how effectively and proactively has he followed up in his areas of concern?</p> <p>7. Whether he is able to function as an effective team-member and how well does he communicate with fellow Board members and senior management?</p> <p>8. Does he behave in accordance with Company's values and beliefs?</p> <p>9. How well does he maintain his independence according to Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015 applicable only for Independent Director?*</p> <p>10. Is he in his capacity as a non executive director willing to participate in events outside Board meetings such as site visits?</p> <p>11. How well does he adhere the code for Independent Director pursuant to Schedule IV of the Companies Act, 2013?*</p> <p>12. Whether he is available for meetings of the Board and attends the meeting regularly and timely, without delay?</p>	<p>agenda, backup reports and other materials circulated beforehand?</p> <p>5. How well does the Board communicate with its Committees, the management team, Company employees and others?</p> <p>6. Is the Committee as a whole up to date with latest developments in the regulatory environment and the market?</p> <p>7. Is appropriate, timely information of the right length and quality provided to the Committee, and is management responsive to requests for clarification or amplification?</p> <p>8. Does the Committee provide helpful feedback to Board on its requirements?</p> <p>9. How well has performed against any objective that was set?</p> <p>10. Are sufficient Committee meetings of appropriate length held to enable proper consideration of issues? Is time used effectively?</p>	<p>9. How effective has the Board's contribution been to the development of strategy, policy and to ensuring robust and effective risk management?</p> <p>10. Does the Board regularly monitor and evaluate progress towards strategic goals and assesses operational performance?</p> <p>11. Has the Board responded effectively to any problems or crisis that have emerged, and could/ should these have been foreseen?</p> <p>12. Is appropriate, timely information of the rights length and quality provided to the Board, and is management responsive to requests for clarification or amplification? Does the Board provide helpful feedback to management on its requirements?</p> <p>13. Do the Board members come to meetings familiar with the agenda, backup reports and other materials circulated beforehand?</p> <p>14. Whether the Board holds an appropriate number of meetings each year?</p> <p>15. Whether the Board discusses every issue comprehensively and depending on the importance of the subject?</p> <p>16. Whether the environment of the meeting induces free-flowing discussions, healthy debate and contribution by everyone without any fear or fervor?</p> <p>17. Whether the discussions generally add value to the decision making?</p> <p>18. Whether all members actively participate in the discussions?</p> <p>19. Whether the Board ensures the integrity of systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards?</p> <p>20. Whether the Board monitors and manages potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions?</p>



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Executive Director(s)	Non Executive/ Independent Director(s)	Committee of the Board	Board as a whole
	<p>13. Whether he is adequately committed to the Board and the Company?</p> <p>14. Whether he contributed effectively to the Company and in the Board meetings?</p> <p>15. Whether the person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)?</p> <p>* Applicable only to Independent Directors</p>	<p>11. Whether the mandate, composition and working procedures of committees of the Board of Directors is clearly defined and disclosed?</p> <p>12. Whether the Committee has been structured properly and regular meetings are being held?</p> <p>13. Whether adequate independence of the Committee is ensured from the Board?</p>	<p>21. Whether a sufficient number of non-executive members of the board of directors capable of exercising independent judgement are assigned to tasks where there is a potential for conflict of interest?</p> <p>22. Whether the decision making process of the Board is adequate to assess creation of stakeholder value?</p> <p>23. How well does the Board communicate with its Committees, the management team, Company employees and various stakeholders?</p> <p>24. Whether the Board oversees the process of disclosure and communications?</p> <p>25. Whether the Board sets a corporate culture and the values by which executives throughout a group shall behave?</p> <p>26. Whether the Board monitors and reviews the Board evaluation framework?</p> <p>27. Whether the Board facilitates the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors and any criticism by such directors is taken constructively?</p> <p>28. Whether the Board acts on a fully informed basis, in good faith, with due diligence and care, with high ethical standards and in the best interest of the entity and the stakeholders?</p> <p>29. Whether the Board treats shareholders and stakeholders fairly where decisions of the board of directors may affect different shareholder/ stakeholder groups differently?</p> <p>30. Whether the Board regularly reviews the grievance redressal mechanism of investors, details of grievances received, disposed of and those remaining unresolved?</p> <p>31. How effectively does the Board use mechanisms such as the AGM and the annual report?</p> <p>32. Are relationships inside and outside the Board working effectively?</p>



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Evaluation Criteria for Performance Evaluation of the Chairperson

ETHICS / VALUES

1. Acts independently of any stakeholder group or entity connected with the Company.
2. Behaves in accordance with the Company's Vision, Mission & Values.
3. Encourages feedback on how the Chair's performance could be enhanced.
4. Encourages discussion on how the board's performance could be enhanced

RELATIONSHIP WITH THE MANAGING DIRECTOR & GROUP CEO

1. Has a positive working relationship with the MD & Group CEO
2. Works with the MD & Group CEO to set the board agenda
3. Ensures board decisions are implemented properly
4. Where necessary, provides constructive criticism to the MD & Group CEO

RELATIONSHIP WITH OTHER DIRECTORS

1. Has a positive working relationship with other directors
2. Seeks other directors' contributions to the board agenda
3. Has the support of the other directors

PUBLIC PROFILE

1. Benefits the Company through personal and professional contacts
2. Enhances the public image of the Company
3. Is seen as a leader in Industrial sectors, in which the Company operates.

COMPETENCE

1. Understands what is required of the Chair
2. Brings relevant experience to the position of Chair

3. Ensures that the board gets the right information
4. Ensures the board deals with the right matters

DILIGENCE

1. Dedicates sufficient time to the Chair's role
2. Is available to directors outside meetings
3. Is well-prepared for chairing meetings
4. Makes contact with other directors outside meetings, where necessary
5. Makes time available to participate in organizational occasions

CHAIRING MEETINGS

1. Manages time well in chairing meetings
2. Sticks to the agenda
3. Brings minor matters to an early close
4. Encourages wider and deeper discussion of important issues
5. Draws out contributions from all Directors
6. Differentiates between management and governance functions in Board discussion and refers operational issues to management
7. Is adept at summarizing outcomes from Board discussion?
8. Ensures clarity of decision-making
9. Whether the Chairman displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to co-ordinate the discussion, etc. and is overall able to steer the meeting effectively?
10. Whether the Chairman is impartial in conducting discussions, seeking views and dealing with dissent, etc?
11. Whether the Chairman is sufficiently committed to the Board and its meetings?
12. Whether the Chairman is able to keep Shareholders' interest in mind during discussions and decisions?

Stakeholders' Relationship Committee Cum Shareholders' / Investors' Grievance Committee

The particulars of Composition, Meetings and Attendance records of the Stakeholders' Relationship Committee cum Shareholders' / Investors' Grievance Committee are given in Table 8.

Table 8: Particulars of Composition and Attendance records of Stakeholders' Relationship Committee cum Shareholders' / Investors' Grievance Committee

Name of the Members	Status	Category	No. of Meetings		Date on which Meetings held
			Held	Attended	
Mr. Uday Walia	Independent	Chairman	2	2	August 10, 2017; and February 14, 2018
Mr. Atul Punj	Promoter, Executive	Member	2	2	
Mr. Shiv Punj	Executive	Member	2	2	

The Committee is empowered pursuant to its terms of reference to:

- Consider and resolve the grievances of security holders of the Company.
- Specifically look into the redressal of shareholder(s) and

investors complaints like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, etc.

- Perform such other functions as have been referred/ may be referred by the Board or required in accordance with the Act, SEBI Regulations as amended from time to time.



Annexure II - Corporate Governance Report

During the year 2017-18, the Company received a total of 19 queries/complaints from various shareholders relating to non-receipt of dividend, Annual Report, and share certificates etc. The same were attended to the satisfaction of the shareholders. At the end of the year on March 31, 2018, no complaint was pending. Mr. Dinesh Thairani is the Compliance Officer of the Company.

CEO / CFO Certification

The Chairman and Managing Director and the Chief Financial Officer have certified, in terms of SEBI Regulations to the Board that the financial statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards.

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, an affirmation that they have complied with the Code of Conduct for Directors and Senior Management Personnel in respect of the financial year 2017-18.

For Punj Lloyd Limited

Atul Punj
Chairman and Managing Director

Subsidiary Companies

As per the SEBI Regulations, a 'Material Subsidiary' means a subsidiary, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

However, as per the Company's policy on 'Material Subsidiaries', in case the consolidated net worth of the Company and its subsidiaries is negative, the 'Material Unlisted Indian Subsidiary' shall mean an unlisted Indian Subsidiary whose income exceeds twenty percent of the consolidated income of the Company and its subsidiaries in the immediately preceding accounting year. The policy for determining material subsidiaries has been disclosed on the Company's website at the following link: <http://punjlloydgroup.com/investors>.

The Company does not have any material unlisted Indian subsidiary Company and hence, it is not required to have an Independent Director of the Company on the Board of any subsidiary Company.

Management

Management Discussion and Analysis

This Annual Report has a detailed section on Management Discussion and Analysis.

Disclosures by Management to the Board

All disclosures relating to financial and commercial transactions

Code of Conduct

The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management Personnel. The Code is applicable to Executive and Non-Executive Directors as well as Senior Management Personnel. As per the SEBI Regulations, the duties of Independent Directors have been suitably incorporated in the said Code as laid down in the Act. A copy of the code is available on Company's website at the following link: <http://punjlloydgroup.com/investors>.

A declaration signed by the Chairman and Managing Director is given below:

where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines on accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

Related Party Transactions

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions and the same has been disclosed on the Company's website at the following link: <http://punjlloydgroup.com/investors>.

All related party transactions including those transactions of repetitive in nature requiring omnibus approval are placed before the Audit Committee for approval.

The details of related party transactions entered into by the Company pursuant to each Omnibus approval given, are reviewed by the Audit Committee.

Related Party Disclosures as required under the SEBI Regulations are given in the notes to the Financial Statements.



Annexure II - Corporate Governance Report

Whistle-Blower Policy

The Company has in place a vigil mechanism in the form of Whistle Blower Policy. It aims at providing avenues for employees to raise complaints and to receive feedback on any action taken and seeks to reassure the employees that they will be protected against victimization and for any whistle blowing conducted by them in good faith. The policy is intended to encourage and enable the employees of the Company to raise serious concerns within the organization rather than overlooking a problem or handling it externally. The Company is committed to the highest possible standard of openness, probity and accountability. It contains safeguards to protect any person who uses the Vigil Mechanism (whistle blower) by raising any concern in good faith. The Company does not tolerate any form of victimization and take appropriate steps to protect a whistle blower that raises a concern in good faith and treats any retaliation as a serious disciplinary offence that merits disciplinary action. The Company protects the identity of the whistle blower if the whistle blower so desires, however the whistle blower needs to attend any disciplinary hearing or proceedings as may be required for investigation of the complaint. The mechanism provides for a detailed complaint and investigation process. If circumstances so require, the employee can make a complaint directly to the Chairman of the Audit Committee. The Company also provides a platform to its employees for having direct access to the Chairman and Managing Director of the Company for raising any concerns. It is through atpconnect@punjllloyd.com.

Mr. Dinesh Thairani, Company Secretary of the Company is the Compliance Officer. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice

Code of Conduct to Regulate, Monitor and Report trading by insiders and code of Practices and Procedures for fair Disclosure of unpublished price Sensitive Information

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (the Regulations), which replace the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Company has laid down a code of conduct for regulation, monitoring and reporting of insider trading by employees of the Company, including directors and other "connected persons" (as defined in the Regulations), in relation to the securities of the Company (the Code). The Code clearly specifies the guidelines and procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning of the consequences of violations. The code clearly specifies, among other matters, that Directors and specified employees of the Company and other "connected persons can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed at the time of declaration of results, dividend and material events, as per the Code.

Mr. Dinesh Thairani, Company Secretary, is the Compliance Officer of the Company.

Further pursuant to the above Regulations, the Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Company will adhere to the principles for fair disclosure of unpublished price sensitive information as laid down in the above code without diluting the provisions of the Regulations, as applicable in any manner.

Mr. Surender Bhardwaj is designated as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

Shareholders

Re-appointment of Directors

The brief resume and other requisite details, as required to be disclosed under SEBI Regulations, of the Director seeking appointment/re-appointment at the ensuing AGM is given as part of the Notice calling the AGM.

Communication to Shareholders

The Company puts forth key information about the Company and its performance, including quarterly results, official news releases and presentations to analysts, on its website regularly for the benefit of the public at large.

The quarterly/half yearly and annual financial results of the Company are normally published in Business Standard/Hindu Business Line/Financial Express in English and Rashtriya Sahara, Jansatta and Business Standard in Hindi. In addition to the above, quarterly and annual results are displayed at the Company's website at 'www.punjllloyd.com/investors' for the information of all Shareholders.

Detailed presentation is made to the Institutional Investors and Financial Analysts on the unaudited quarterly financial results as well as the annual audited financial results of the Company. These presentations are also uploaded on the Company's website. Annual Report containing, inter alia, the Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

Scores

The Company has enrolled itself for SEBI Complaints Redress System (SCORES), a centralized web based complaints redress system with 24 x 7 access. It allows online lodging of complaints at anytime from anywhere. An automated e-mail acknowledging the receipt of the complaint and allotting a unique complaint registration number is generated for future reference and tracking. The Company uploads an Action Taken Report (ATR) so that the investor can view the status of the complaint online. All complaints are saved in a central database which generates relevant MIS reports to SEBI.

Investor Grievances & Shareholder Redressal

The Company has appointed a Registrar and Share Transfer Agent, M/s. Karvy Computershare Pvt. Ltd., which is fully equipped to carry



Annexure II - Corporate Governance Report

out share transfer activities and redress investor complaints. Mr. Dinesh Thairani, Company Secretary is the Compliance Officer for redressal of all shareholders' grievances.

Details of Non-Compliance by the Company

The Company has complied with all the requirements of regulatory authorities. No penalties/ strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Compliance

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of corporate governance as stipulated in the SEBI Regulations.

A Certificate from M/s BGJC & Associates LLP, Statutory Auditors, confirming compliance with the conditions of the Corporate Governance as stipulated under the SEBI Regulations, is attached to the Directors' Report forming part of the Annual Report.

Non - Mandatory Requirements

The details of compliance of the non-mandatory requirements are

listed below.

Non Executive Chairman's Office

The Company has an Executive Chairman and hence, this is not applicable.

Shareholder Rights - Furnishing of Half-Yearly Results

Details of the shareholders' rights in this regard are given in the section 'Communication to Shareholders'.

Audit Qualifications

The observations of the Auditors have been fully explained in Note 2(a)(iii) and 8 to the financial statements.

The Company continues to adopt appropriate best practices in order to ensure unqualified Financial Statements.

Separate Posts of Chairman and CEO

Mr. Atul Punj is the Chairman and Managing Director and hence, the same is not applicable.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

Shareholder Information

General Body Meetings

The date, time and venue of the last three Annual General Meetings are given in Table 10.

Table 10: Details of last three Annual General Meetings

Financial Year	Date	Time	Venue	No. of Special Resolutions Passed
2014-15	August 14, 2015	10.30 A.M.	Air Force Auditorium, Subroto Park, New Delhi 110010	1
2015-16	August 10, 2016	10.30 A.M.	Air Force Auditorium, Subroto Park, New Delhi 110010	2
2016-17	September 21, 2017	10.30 A.M.	Kamani Auditorium, 1, Copernicus Marg, New Delhi - 110001	1

Annual General Meeting 2018

Date	September 28, 2018
Venue	Kamani Auditorium 1, Copernicus Marg, New Delhi - 110001
Time	10:30 A.M.
Book Closure	September 21, 2018 to September 28, 2018 (both days inclusive)

Calendar of Financial year ended March 31, 2018

The meetings of Board of Directors for approval of Quarterly Financial Results during the Financial Year ended March 31, 2018 were held on the following dates:

First Quarter	August 10, 2017
Second Quarter	November 11, 2017
Third Quarter	February 14, 2018
Fourth Quarter and Annual	May 30, 2018



Annexure II - Corporate Governance Report

Tentative Calendar for Financial Year ending March 31, 2019

The tentative dates of meeting of the Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2019 are as follows:

First quarter	Second week of August, 2018
Second quarter	Second week of November, 2018
Third quarter	Second week of February, 2019
Fourth quarter and Annual	Last week of May, 2019

Listing Details

Name of Stock Exchange	Stock code / Trading Symbol
BSE Limited (BSE)	532693

Debt Securities

1. Listing on Wholesale Debt Market (WDM) on BSE
2. Debenture Trustee : IDBI Trusteeship Services Limited

Stock Data

Table 11 below gives the monthly high and low prices and volumes of Company's (Punj Lloyd) equity shares at BSE Limited (BSE) and the National Stock Exchange Limited (NSE) for the year 2017-18.

Table 11: High and Low Prices and Trading Volumes at the BSE and NSE

Month	BSE (in ₹ Per Share)			NSE (in ₹ Per Share)		
	High	Low	Volume (Nos.)	High	Low	Volume (Nos.)
April, 2017	23.85	19.40	1,21,13,445	23.90	19.35	4,60,39,825
May, 2017	25.35	20.20	1,41,72,067	25.35	20.05	5,53,07,227
June, 2017	22.50	17.70	97,22,540	22.55	17.75	2,99,92,432
July, 2017	23.50	19.20	1,59,30,644	23.45	19.20	5,23,22,670
August, 2017	22.50	18.35	75,71,582	22.60	18.50	2,76,89,466
September, 2017	25.85	18.85	2,42,02,489	25.90	18.85	11,34,99,025
October, 2017	23.55	20.50	88,72,236	23.65	20.20	3,42,48,722
November, 2017	23.50	20.00	68,54,410	23.50	19.95	2,61,40,894
December, 2017	24.95	20.40	1,12,15,529	24.90	20.50	5,29,60,426
January, 2018	29.15	21.90	2,38,94,110	29.00	21.85	10,43,12,293
February, 2018	23.50	19.25	66,03,982	23.50	19.20	2,87,77,684
March, 2018	20.25	15.80	61,08,848	20.30	15.85	2,39,09,780

Source: BSE and NSE website

Name of Stock Exchange	Stock code / Trading Symbol
National Stock Exchange of India Ltd. (NSE)	PUNJLLOYD
ISIN	INE701B01021

Listing Fees

Annual listing fees for the year 2018-19 has been paid by the Company to the Stock Exchanges.

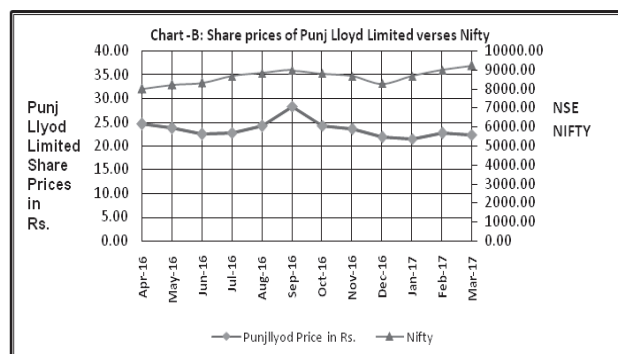
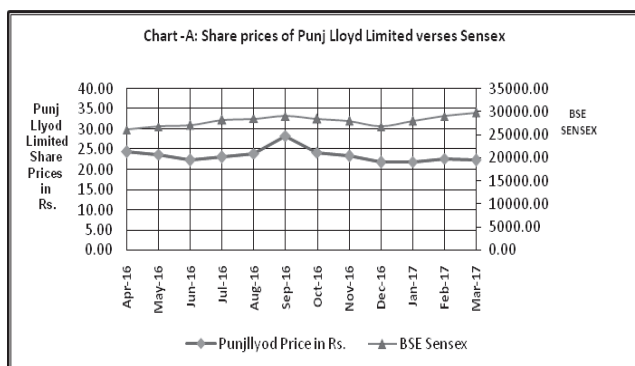
Depository Fees

Annual Custody /Issuer fees for the year 2018-19 to Central Depository Services (India) Limited (CDSL) has been paid and to National Securities Depositories Limited (NSDL) is under process of payment.



Annexure II - Corporate Governance Report

Stock Performance



Share Transfer Agents and Share Transfer and Demat System

The Company registers share transfers through its share transfer agents, whose details are given below.

Karvy Computershare Pvt. Ltd.

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Tel.: +91 40-67162222 Fax: +91 40-23001153 E-mail: einward.ris@ karvy.com

In compliance with the SEBI circular dated December 27, 2002, requiring share registry in terms of both physical and electronic mode to be maintained at a single point, Punj Lloyd has established connections with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the two depositories, through its Share Transfer Agent.

Shares received in physical form are processed and the share certificates are returned within 10 to 15 days from the date of

receipt, subject to the documents being complete and valid in all respects.

The Company's equity shares are under compulsory dematerialized trading. Shares held in the dematerialized form are electronically held with the Depositories. The Registrar and Share Transfer Agent of the Company periodically receives data regarding the beneficiary holdings, so as to enable them to update their records and send all corporate communications, etc.

As on March 31, 2018, there were 3,04,701 shareholders holding 33,55,71,292 shares of Rs.2/- each in electronic form. This constitutes 99.99% of the total paid up capital of the Company.

The Company obtains half-yearly certificate of compliance from a Company Secretary in Practice, with regard to the share transfer formalities as required under SEBI Regulations and files the same with the Stock Exchanges.

There are no legal proceedings against the Company on any share transfer matter. Table 12 gives details about the nature of complaints and their status as on March 31, 2018.

Table 12: Number and nature of complaints for the year 2017-18

Particulars	Non-Receipt of Share Certificates	Non-Receipt of Dividend	Others (Non-Receipt of Annual Reports/ Non Receipt of Demat Credit, etc.)	Total
Received during the year	6	7	6	19
Attended during the year	6	7	6	19
Pending as on March 31, 2018	NIL	NIL	NIL	NIL

Green Initiative

The Ministry of Corporate Affairs (MCA) had undertaken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies, whereby companies have been permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. The Companies Act, 2013 also allows the Company to send various notices/ documents to its shareholders through

electronic mode to the registered e-mail addresses of shareholders.

Securities and Exchange Board of India (SEBI) have also, in line with the aforesaid MCA initiatives, permitted listed entities to supply soft copies of Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose.

In view of the Green Initiatives announced as above, the Company shall send all documents to Shareholders like General Meeting



Annexure II - Corporate Governance Report

Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those shareholders, whose e-mail address is registered with Depository Participant (DP)/ Registrars & Share Transfer Agents (RTA) (hereinafter 'registered e-mail address') and made available to us, which has been deemed to be the shareholder's registered e-mail address for serving documents.

To enable the servicing of documents electronically to the registered e-mail address, we request the shareholders to keep their e-mail addresses validated/ updated from time to time. We wish to reiterate that Shareholders holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Shareholders holding shares in physical form have to write to our Registrar and Share Transfer Agent, at their specified address, so as to update their registered e-mail address from time to time.

Please note that the Annual Report of the Company will also be available on the Company's website www.punjilloyd.com for ready reference. Shareholders are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of request from the shareholder, any time, as a member of the Company.

Shareholding Pattern and Distribution

Tables 13 and 14 gives the shareholding pattern and distribution.

Table 13: Shareholding Pattern as on March 31, 2018

Category		As on March 31, 2018	
		Total No. of Shares	Percentage
A.	Shareholding of Promoter and Promoter Group		
a.	Indian Promoters	4,23,36,801	12.62
b.	Foreign Promoters	7,71,21,970	22.98
	Total shareholding of Promoter & Promoter Group	11,94,58,771	35.60
B.	Public Shareholding		
1.	Institutions		
a.	Mutual Funds / UTI	NIL	N.A.
b.	Foreign Portfolio Investors	47,625	0.01
c.	Banks / Financial Institutions	2,30,32,569	6.86
2.	Non-Institutions		
a.	Bodies Corporate	2,42,30,442	7.22
b.	Resident Individuals	16,05,42,835	47.84
c.	NBFCs Registered with RBI	2,19,785	0.07
3.	Others		
a.	Non Resident Indians	64,03,028	1.91
b.	Trusts	48,750	0.01
c.	Clearing Members	12,78,601	0.38
d.	Foreign National	NIL	N.A.

Transfer of unpaid /unclaimed amounts to Investor Education Protection Fund

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), as amended, the Company has transferred the unclaimed and unpaid dividends amounting to Rs. 4,23,135 (Rupees Four Lakh Twenty Three Thousand One Hundred Thirty Five Only) for the Financial Year 2009 - 10 into the Investor Education Protection Fund (IEPF) established by the Government of India.

Equity Shares corresponding to Unpaid/ Unclaimed Dividend and Equity Shares held in Suspense Account.

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), as amended, the equity shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the Demat account of the IEPF Authority. Accordingly, the Company has transferred 3,33,339 equity shares (including 2,310 equity shares lying in pool account/ suspense account) to the Demat account of IEPF.



Annexure II - Corporate Governance Report

Category		As on March 31, 2018	
		Total No. of Shares	Percentage
e.	IEPF	3,33,339	0.10
Total Public Shareholding		21,61,36,974	64.40
C.	Shares held by Custodians and against which Depository Receipts have been issued		
a.	Promoter & Promoter Group	NIL	N.A.
b.	Public	NIL	N.A.
Grand Total:		33,55,95,745	100.00

Table 14: Distribution of shareholding by share class as on March 31, 2018

Sl. No.	Shareholding Class	No. of shareholders	% of Shareholders	No. of shares held	Shareholding %
1	1 - 5,000	2,98,422	96.68	7,94,99,798	23.69
2	5,001 - 10,000	5,738	1.86	2,12,06,029	6.32
3	10,001 - 20,000	2,621	0.85	1,96,11,779	5.84
4	20,001 - 30,000	705	0.23	88,04,685	2.62
5	30,001 - 40,000	367	0.12	66,18,004	1.97
6	40,001 - 50,000	198	0.06	45,56,400	1.36
7	50,001 - 1,00,000	350	0.11	1,25,08,113	3.73
8	1,00,001 and above	265	0.09	18,27,90,937	54.47
Total:		3,08,666	100.00	33,55,95,745	100.00

Plant Locations

The Company is engaged in providing integrated design, engineering procurement, construction and project management services for energy and infrastructure sector. The projects are executed at the sites provided by the clients. The Company has a Central workshop situated at Banmore, Madhya Pradesh for carrying out repair and maintenance of construction equipment. For its defence business and for precision machining and systems integration, the Company has a machining and integration facilities at Plot No. Part of L1, Industrial Area, Ghirongi, Malanpur, Dist. Bhind, Madhya Pradesh.

Investor Correspondence Address

Company	Mr. Dinesh Thairani Compliance Officer Punj Lloyd Limited Corporate Office I, 78, Institutional Area, Sector-32, Gurugram-122001 Tel. No. +91-124-2620493; Fax No. +91-124-2620111 E-mail: investors@punjlloyd.com
Registrars	Mr. K. S. Reddy Assistant General Manager Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Tel.: +91-40-67162222; Fax: +91-40-23001153 E-mail: einward.ris@karvy.com
Debenture Trustee	IDBI Trusteeship Services Limited Asian building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001



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Depositories	National Securities Depository Limited Trade World, 4 th Floor, Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai 400013 Tel.: +91-22-2499 4200; Fax: +91-22-2497 6351 E-mail: info@nsdl.co.in
	Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, - 17th Floor, Dalal Street, Mumbai 400 001 Tel.: +91-22-2272 3333; Fax: +91-22-2272 3199 E-mail: investors@cDSLindia.com

For Punj Lloyd Limited

Place: Gurugram
Date : May 30, 2018

Atul Punj
Chairman and Managing Director

Independent Auditors' Certificate on Corporate Governance

To the Members of Punj Lloyd Limited

We have been engaged by Punj Lloyd Limited ("the Company"), having its registered office at Punj Lloyd House, 17-18 Nehru Place, New Delhi-110019, to certify the compliance of conditions of Corporate Governance by the Company, for the year ended March 31, 2018, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C,D and E of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations

Auditors' Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered

Accountants of India ('ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and best of our information and according to the explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations as applicable.

We state that such compliance is neither an assurance to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

The certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **BGJC & Associates LLP**
Chartered Accountants
ICAI Firm Registration No. 003304N

Place: Gurugram
Date: May 30, 2018

Darshan Chhajjer
Partner
Membership No. 088308