
REPORT ON CORPORATE GOVERNANCE
1. Board of Directors

The Board of Directors comprised of Five (5) Directors as on 31st March, 2019 including 3 Independent Directors out of which two are woman Director, which is in compliance with Companies Act, 2013.

The day to day management is conducted by the Mr. Pradyumna Jajodia, Director of the Company subject to superintendence, control and direction of the Board of Directors.

None of the Director on the Company's Board is holding office of Director in more than twenty Companies and Independent Director in more than seven listed companies. Further none of the Director is a Member of more than ten Committees and Chairman of more than five Committees across all the Companies in which he act as Director.

The composition of the Board and other relevant details relating to Directors are given below:

Name of the Director	DIN	Category	No. of other Directorships*	No. of Shares held	No. of Board Meeting Attended
HARISH KUMAR JAJODIA	00075508	Director	9	22,757	4
PRADYUMNA JAJODIA	00138175	Director	12	7,350	5
PADMANABH JAJODIA	00086099	Director	12	27,450	6
KRISHNA JAISINGH JAIN	06956461	Director	6	Nil	6
AVNI VISHAL SHROFF	07310330	Director	6	Nil	6

** Excludes Directorship in Foreign Companies and Government Bodies.*

2. Skill/Expertise/ Competencies of the Board of Directors

The requisite skills, expertise and Competence required for running the small business of the Company and as identified by Board of Director are available with Board of Director.

3. Committees of the Board

The Board has constituted three Committees of Directors as to effectively focus in activities falling within their terms of reference. The minutes of the meeting of all the Committees of the Board are placed before the Board for discussion/ noting. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the following Committees:

A. Audit Committee**I. Composition**

Pursuant to Section 177 of the Companies Act, 2013, the Audit Committee comprises of three (3) Directors who have considerable expertise in accounting and financial management. The Compliance Officer acts as Secretary to the Committee.

During the year the Committee met four times on 29th May, 2018, 9th August, 2018, 6th November, 2018 and 29th January, 2019 pursuant to requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The necessary quorum was present for all the meetings.

The attendance of each member of the Committee is given below:

Name of the Member	Designation	Nature of Directorship	No. of Meetings Attended
Shri. Padmanabh Jajodia	Chairperson	Director	4
Smt. Krishna Jain	Member	Non-Executive Independent Director	4
Smt. Avni V. Shroff	Member	Director	4

The Committee reconstituted on 29th January 2019 as under:

Sr. No.	Name of Member	Designation	Committee Designation
1.	Smt. Avni V. Shroff	Independent Director	Chairperson
2.	Shri Padmanabh Jajodia	Director	Member
3.	Smt. Krishna Jain	Independent Director	Member

II. Brief Description of term of reference:

The terms of reference of Audit Committee are broadly as under:

- Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Review and monitor the auditors independent and performance, and effectiveness of audit process;

LYNX MACHINERY AND COMMERCIALS LIMITED

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to, but not restricted to:
 - Matters required to be included in the 'Director's Responsibility Statement' under sub-section 5 of Section 134, which is further required to be included in our Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in the draft audit report.
- Approval or any subsequent modification of transactions of our Company with related parties;
- Scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of our Company, wherever it is necessary;
- Reviewing with the management the half yearly financial statements before submission to the Board for approval;
- 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;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- 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 'vigil' mechanism, in case the same is existing;
 - Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background of the candidate, etc.;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
 - Mandatorily review the following information:
 - Management discussion and analysis of financial information and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by the 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 shall be subject to review by the Audit Committee.
- III. The Audit Committee invites executives, as it considers appropriate (particularly the head of the finance function) and representatives of the statutory auditors. The internal auditor reports directly to the Audit Committee.

B. Nomination and Remuneration Committee

I. Composition

Nomination and Remuneration Committee has been constituted as per the provisions of Section 178(1) of the Companies Act, 2013 to review and to recommend the remuneration payable to the Executive Directors and Senior Management of the Company based on their performance and defined assessment criteria.

The Committee reconstituted on 29th January 2019, which comprises of three (3) members as mentioned herein below. The Compliance Officer Acts as Secretary to the Committee. As there was no new appointment or any payment of managerial remuneration during the year, there was no need for holding a meeting of the Committee.

The attendance of each member of the Committee is given below:

Name of the Member	Designation	Nature of Directorship
Smt. Avni V. Shroff	Independent Director	Chairperson (Independent Director)
Shri Padmanabh Jajodia	Director	Member (Non-Executive Director)
Smt. Krishna Jain	Independent Director	Member (Independent Director)

II. Brief Description of term of reference:

The following is the terms of reference of Nomination and Remuneration Committee,

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

III. Nomination and Remuneration Policy:

The Nomination and Remuneration Policy which determines criteria inter-alia qualification, positive attributes and independence of Directors for their appointment on the Board of the Company and payment of remuneration to Directors, Key Managerial Personnel and other Employees is in place, which is also available on the website of the Company.

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- (i) Qualification, expertise and experience of the Directors in their respective fields;
- (ii) Personal, Professional or business standing;
- (iii) Diversity of the Board.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

C. Stakeholder's Relationship Committee

I. Composition

Pursuant to Section 178 of the Companies Act, 2013 and also SEBI (Listing Obligation and Disclosures Requirements). Regulations, 2014, the Company has constituted a Stakeholders Relationship Committee comprising of Four (4) Directors as mentioned below to redress complaints of the shareholders. During the year the Committee met thrice on 29th May, 2018, 6th November, 2018 and 29th January, 2019.

The attendance of each member of the Committee is given below::

Name of the Member	Designation	Nature of Directorship	No. of Meetings Attended
Shri. Pradyumna Jajodia	Chairperson	Director	2
Shri. Padmanabh Jajodia	Member	Director	3
Smt. Krishna Jain	Member	Non-Executive Independent Director	3
Smt. Avni V. Shroff	Member	Independent Director	3

The Committee Reconstituted on 29th January 2019 as under :

Name of the Member	Designation	Committee Designation
Smt. Avni V. Shroff	Independent Director	Chairperson
Shri Pradyumna Jajodia	Director	Member
Shri Padmanabh Jajodia	Director	Member
Smt. Krishna Jain	Independent	Member

II. Term of reference:

The following is term of reference of Stakeholder's Relationship Committee

- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- ii. Redressal of shareholder's/investor's complaints Efficient transfer of shares; including review cases for refusal of transfer / transmission of any other securities;
- iii. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares or any other securities;
- iv. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- v. Allotment and listing of shares;
- vi. Reference to statutory and regulatory authorities regarding investor grievances; and
- vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances and
- viii. Any other power specifically assigned by the Board of Directors of the Company.

III. Number of shareholders' complaints:

No complaints received during the year under review.

By Order of the Board of Directors
For **Lynx Machinery And Commercials Limited**

Harish Kumar Jajodia
Director
(DIN: 00075508)

Place: Mumbai
Dated: 27th May, 2019