

REPORT ON CORPORATE GOVERNANCE**ANNEXURE -1**

(In Compliance to Regulation 34(3) of SEBI (LODR) Regulations, 2015 hereinafter referred as Regulation)

1. Company's Philosophy on Code of Governance

Company's policy towards Corporate Governance is guided by better co-ordination, creation of trust, transparency and fairness while dealing with all stakeholders. The efforts of the company are directed towards compliance of regulatory framework, customer's satisfaction as to price, quality and service, meeting commitment and assurance to vendors, investors, bankers, authorities, business associates and surrounding communities and sustaining long term growth for maximizing shareholders value.

2. Board of Directors (as per Regulation-17)**2.1 Composition, Attendance, Directorship/Committee Membership, Attendance in Meeting**

The company has optimum composition of Executive and Non-Executive Directors as per Regulation-17. The Board of Directors on 31st March, 2016 consisted of eight directors out of which four (50%) were Independent directors and Six (75%) were Non-Executives including Non-executive Chairman. All independent directors are professionals with substantial experience in business, finance, law and corporate management and meet the criteria of independence as per law. The attendance of Board members at the meetings held during Financial year was as under:-

Sl No	Name of Director	Status	No of Board Meetings		Attendance in last AGM	Director in Other companies	Chairman/Committee Member in other companies
			Held	Attended			
1	Mr. Ravi Nandan Sahaya (DIN-00059292)	Chairman Non_Executive	4	4	Yes	2	Nil
2	Mr. Sanjiv Nandan Sahaya (DIN 00019420)	Managing Director	4	4	Yes	Nil	Nil
3	Mr. Rajnish Gambhir (DIN-00459644)	Executive Director & CFO	4	4	Yes	1	Nil
4	Mr. Om Prakash Saxena (DIN-01059659)	Independent Director	4	4	Yes	4	Nil
5	* Mr. Yash Bharat Divecha (DIN-06585017)	Independent Director	3	3	Yes	Not Applicable	Not Applicable
6	Mr. Rajendra Sahay (DIN-02633026)	Independent Director	4	4	Yes	Nil	Nil
7	Mrs. Pammi Sahaya (DIN- 02350838)	Woman Director Non-Executive	2	2	Yes	Nil	Nil
8	Mr. Rakesh Verma (DIN-7102952)	Independent Director	4	4	N.A.	1	Nil
9	* Mr. Sanjay Sarda (DIN-00208161)	Independent Director	Nil	Nil	N.A.	1	Nil

All Directors in other companies as above are in Indian Companies only and does not include Private Companies and companies under section-8 of the Act. A chairmanship/Committee member refers to Audit Committee and Stakeholders Committee of public limited companies only.

*In view of death of Yash Bharat Divecha on 5th January, 2016, Mr. Sanjay Sarda was appointed by the Board as Additional Director on 11th February, 2016 and no Board Meeting has been held thereafter.

2.2 Relationship between Directors Interse

Mr. Sanjiv Nandan Sahaya and Mrs. Pammi Sahaya are relatives under Section- 2(77) of the Act read with the Companies (Specification of definition) Rules, 2014.

2.3 Changes in Board of Directors:

In view of death of Yash Bharat Divecha on 5th January, 2016, Mr. Sanjay Sarda (DIN-00208161) who fulfilled criteria of Independent director was appointed on 11th February, 2016 by the Board as Additional Director and holds office till next AGM.

2.4 Board Procedure

The Meetings of the Board of Directors are usually held at the Registered Office of the Company. The Directors are intimated well in advance by giving at least 7 days' notice. The Board reviews and discusses at each quarterly meeting the Operating Performance, Compliance of Statutory Payments, Internal Audit Reports and steps to rectify/improve upon observations, quarterly and year to date results, changes in shareholdings and other matters brought to the notice of Board by the Management. Four Board Meetings were held during the financial year ending on 31st March 2016 - on 29th May, 2015, 14th August, 2015, 06th November, 2015 and 11th February, 2016.

2.5 Profile of Directors Seeking Appointment /Reappointment is given below as per Reg-36(3)

Mr. Rajnish Gambhir (DIN-00459644)

Mr. Rajnish Gambhir (Date of Birth- 22nd April, 1961) aged about 55 years has been on the Board of the Company since 24th October, 2008. Presently, he is Executive Director and has been given additional responsibility of Chief Financial Officer (Key Managerial Personnel) of the Company with effect from 29th May, 2014. He is a Commerce graduate and has vast experience and knowledge in the field of Finance, Purchase, Marketing and other commercial aspects. He holds 500 number of equity shares of the company. He is director in of one other limited company namely (i) Golden Steel Corporation Ltd. He is not Chairman / committee member of any other company. He retires by rotation and is eligible for re-appointment at the next AGM. He is not related to any director.

Mr. Sanjay Sarda (DIN- 00208161)

Mr. Sanjay Sarda (Date of Birth- 19th September, 1960) aged about 56 years was co-opted as Independent Director on 11th February, 2016. He is also member of Remuneration Committee, Audit Committee and CSR Committee of the Board. He holds the degree of B.Tech (Chemical) from Madras University. He has more than 30 years experience in business. He holds 1000 number of equity shares of the company. He is interested as director of one other limited company as Managing Director of Sparrow Electronics Limited. He is not related to any director.

Terms and Conditions for Appointment letters of Independent Directors is given in the company's website: www.associatedpigmentsltd.com and is available for inspection at the registered office of the company.

2.6 Directors Familiarization Programme as per Reg-25(7)

At the time of appointment a formal letter of appointment is issued setting out in brief rights, duties and responsibilities as a director. All directors newly joining including Independent directors are provided

with the Company Profile, Company Policies, business model; latest Annual Report containing company's manufacturing facilities, performance and other host of information on operations and control. They are also updated and informed about disclosure compliances at quarterly meetings of Board/Committee.

2.7 Code of Business Conduct and Ethics for Board of Directors and Senior Management Personnel

The Code of Conduct laid down by the Company, binds all the Board Members and Senior Management of the Company. A declaration by the Chief Executive Officer and Chief Financial Officer is given towards the end of this report.

Committees of Board

3. Audit Committee (as per Regulation- 18)

The Audit Committee consists of four directors out of which three (75%) are Independent and Non-Executives and have relevant finance and audit exposure whose attendance is furnished below:-

Sl No	Name of Director	Status	No of Meetings	
			Held	Attended
1	* Mr. Rajendra Sahay (w.e.f. 7.11.2015)	Chairman -Independent Director	4	3
2	Mr. Sanjiv Nandan Sahaya	Managing Director	4	4
3	** Mr. Yash Bharat Divecha (Up to 05.01.2016)	Independent Director	3	3
4	* Mr. Om Prakash Saxena	Independent Director	4	4
5	** Mr. Sanjay Sarda (w.e.f11.02.2016)	Independent Director	Nil	Nil

*The Board of Directors had appointed Mr. Rajendra Sahay as Chairman of Audit Committee at the Board Meeting held on 6th November, 2015 in place of Mr. Om Prakash Saxena, who was chairman till 6th November, 2015 and continued as member of the Committee thereafter.

**In view of death of Yash Bharat Divecha, Mr. Sanjay Sarda was appointed a member on 11th February, 2016 and no Audit Committee Meeting has been held thereafter.

Four Meetings of Audit Committee were held **on 29th May, 2015, 14th August, 2015, 06th November, 2015 and 11th February, 2016** and attendance thereof is given above.

The Committee is headed by an Independent Director. The representatives of Internal Auditors and Statutory Auditors do attend and participate in the meetings regularly, on invitation. Minutes of the Audit Committee Meetings are read, discussed and noted by the Members of the Board and Audit Committee. The terms of reference of the Audit Committee are as per requirement of Section- 177 of the Act and as specified in Part-C of Schedule II of SEBI (LODR) Regulations, 2015 such as Oversight of financial reporting process and disclosures, appointment and remuneration of Auditors, Cost Auditors, Secretarial Auditors Internal Auditors and Chief Financial Officer, review of quarterly, half yearly, and annual financial results and report of Auditors thereon, evaluation of Internal Financial Controls and Risk Management System and functioning of Whistle Blower Policy, all matters connected with Finance, Accounts, Audits and Investigations and others specified therein.

4. Nomination and Remuneration Committee (NRC) (as per Regulation- 19)

The Committee consists of three Independent directors whose attendance is given below:-

Sl No	Name of Director	Status	No of NRC	
			Held	Attended
1	*Mr. Om Prakash Saxena (w.e.f. 7.11.2015)	Chairman -Independent Director	1	1
2	Mr. Rajendra Sahay	Independent Director	1	1
3	**Mr. Yash Bharat Divecha (Upto 05.01.2016)	Independent Director	1	1
4	**Mr. Sanjay Sarda (w.e.f 11.02.2016)	Independent Director	Nil	Nil

*The Board of Directors had appointed Mr. Om Prakash Saxena as Chairman of NRC at the Board Meeting held on 6th November, 2015 in place of Mr. Rajendra Sahay, who was Chairman till 6th November, 2015 and continued as member of the NRC thereafter.

**In view of death of Yash Bharat Divecha, Mr. Sanjay Sarda was appointed a member by Board on 11th February, 2016 and no Committee Meeting has been held thereafter. The Nomination and Remuneration Committee met once on 11/02/2016. The terms of reference of NRC is as per Section-178 of the Companies Act, 2013 and as specified in Part-D of Schedule II of SEBI (LODR) Regulations, 2015 which includes to recommend / review appointment, remuneration, performance evaluation and related policy decision for executive members of Board, Non independent directors and senior executives and others as specified. The Nomination and Remuneration Policy of the company has been posted in the website of the company www.associatedpigmentsltd.com

5. Remuneration to Directors and their Relatives

The remuneration paid to whole time directors and their relatives; if any is decided by Board of Directors on recommendation of the Nomination and Remuneration Committee and also approved by Shareholders in General Meeting wherever required. While deciding remuneration factors like experience, qualifications, industry trends, financial position of the company, and other relevant factors are considered. Directors interested do not participate in discussion and voting of resolution approving remuneration.

Schedule – V of the Companies Act, 2013 is adhered for fixing remuneration. The non-executive directors are entitled to sitting fees. Presently, the company does not have any scheme for grant of stock options either to the whole time directors or the employees. The details of remuneration paid are given below:-

(a). Remuneration to Executive Directors as Salary during FY 2015-16

Name of the Director	Rupees
Sri Sanjiv Nandan Sahaya, Managing Director	10,80,000
Sri Rajnish Gambhir, Executive Director	6,00,000
Total	16,80,000

(b) Remuneration paid to Relative of Directors as Salary during FY 2015-16

Miss Saloni Sahaya, relative of Mr. Sanjiv Nandan Sahaya and Mrs Pammi Sahaya has been paid salary of Rs 90,000/- for part of the year.

No increment in salary was allowed during the year to the above directors/ relative.

(c) Remuneration to Non-Executive Directors during FY 2015-16

In view of financial position of the company, the non-executive directors were paid fees @ Rs. 4000/- for each meeting of the Board/Committee as decided at the Board Meeting held on 12th November, 2013.

Details of Remuneration paid to the non-executive directors during the financial year 2015-16

<u>Name of the Director</u>	<u>Sitting fees (Rupees)</u>
Sri Ravi Nandan Sahaya	16,000
Sri Om Prakash Saxena	36,000
Sri Rajendra Sahay	28,000
Sri Yash Bharat Divecha	24,000
Smt. Pammi Sahaya	20,000
Sri Rakesh Verma	20,000
Total	<u>1,44,000</u>

6. Stakeholder's Relationship Committee (as per Regulation- 20)

The Stakeholders' Relationship committee was reconstituted during the year and consists of Mr. Ravi Nandan Sahaya (Non- Executive Chairman), Mrs. Pammi Sahaya, and Mr. Rakesh Verma (substituted for Sri Rajendra Sahay) on 31st March, 2016. For any clarification / complaint, shareholders may contact Stakeholders' Relationship committee. The committee oversees and reviews all matters connected with share transfers, issue of duplicate share certificates etc. The committee also looks in to redressal of investor's grievances pertaining to transfer of shares, non-receipt of balance sheet, issue duplicate/physical scrip's, non-receipt of dividend etc.

No complaints were received during the year. The Committee met once on 11/02/2016 .The committee has delegated the authority for transfer/transmission and other routine share-work for timely service to investors which are reported in quarterly meeting of Board of Directors.

7. Risk Management (as per Regulation- 21)

Regulation-21 is not applicable to the company since it is not among top 100 listed companies.

However, the company has formed Risk Management Committee comprising of six members out of which three are directors and three are senior level employees. Mrs. Pammi Sahaya is the chair person of the committee.

Business risk evaluation and measures to mitigate the same is an ongoing process. The risk management process of the company involves risk identification, measurement, prioritization, monitoring, and mitigation as discussed in the Directors Report. A meeting of the committee was held on 28th March, 2016.

8. Vigil Mechanism and Whistle Blower (as per Regulation- 22)

The Company has in place a vigil mechanism and Whistle Blower Policy for directors and employees to report their genuine concerns in line with Regulation-22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Scheme provides (i) safeguards against victimization to person availing the mechanism and (ii) no personnel is denied direct access to the chairman of Audit Committee

9. Corporate Social Responsibility Committee

The Corporate Social Responsibility committee on 31st March,2016 consists of Mrs. Pammi Sahaya (Chairman), Mr. Sanjay Sarda (appointed on 11.02.2016 due to death of Yash Bharat Divecha) and Sri

Rajendra Sahay. In view of financial position and inadequacy of Profit CSR activity could not be carried out and any meeting of the committee was not held during the year.

10. Related Party Transactions – Regulation-23

The company has formulated policy on dealing with Related Party Transaction which is placed on the website of the company. During the Year the company had not entered in to any contract/arrangement /transaction with Related Parties which could be considered material. Moreover, there is no material related party contracts or arrangements entered prior to the coming in force of The SEBI (LODR) Regulations, 2015 . All transactions with Related Parties in compliance to Accounting Standard-18 are disclosed in Note-2.08 of Notes on Accounts in the Audited Financial Statement forming part of this Annual Report which are at arms length price and do not attract Section-188 of the Companies Act, 2013. However approval of the Board has been obtained for all such transactions during the year in compliance to Clause-49 of Listing Agreement and SEBI (LODR) Regulations, 2015.

Significant related party transactions that may have potential conflict with the interest of the company at large.

The members of senior management have made disclosure to the Board relating to all material, financial and other transactions stating that they did not have personal interest that could result in a conflict with the interest of the company at large.

Disclosures

11. Details of non-compliance by the company, penalties, strictures 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

During the year under review, there was no penalty or stricture imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets.

The company has complied with applicable mandatory requirements in terms of SEBI (LODR), Regulations,2015. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

12. Disclosure of Commodity Price risks and Commodity hedging activities.

During the year, the company was not engaged in any type of Commodity hedging for fluctuation of raw-material and other Input costs due to financial constraints. However, it ensures hedging of Foreign Exchange Exposure involved in Imports.

13. Audit of Share Capital

Mr. B.N. Khandelwal (ACS-1614, CP-1148) practicing company secretary carried out the secretarial audit on a quarterly basis to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

14. General Body Meetings

The last three years annual general meetings were held at Kala Mandir (Kalakunj), 48, Shakespeare Sarani, Kolkata – 700017 (i) 26th September, 2013. At 3.00 P.M.(ii) 25th September, 2014 at 3.00 P. M. and (iii) 26th September, 2015 at 12.00 Noon

Special Resolutions passed in the Three Annual General Meetings**(1) FY 2012-13 -Special Resolutions passed at Annual General Meeting held n 26/09/2013**

- (i) Approval u/s 198 & 309 of the companies Act, 1956 for re-appointment of Mr. Sanjiv Nandan Sahaya, Managing Director for 5 Years.
- (ii) Approval U/S 81(A) of the Companies Act for issue of Preference share not exceeding Rs. 14 Crores to promoters and associates on preferential basis
- (iii) Re classification of Authorized Capital in Clause-V of the Memorandum of Association of the Company comprising of 11 Crores of Equity Shares and Rs. 14 crores unclassified shares
- (iv) Re classification of Authorized Capital in Article -4 of Articles of Association of the Company Comprising of 11 Crores of Equity Shares and Rs. 14 crores unclassified shares

(2) FY 2013-14 Special Resolutions passed at Annual General Meeting held n 25/09/2014

- (i) Authority for Borrowing Power to Board upto Rs. 400 Crores pursuant to the Provisions of Section180 (1)(c) and any other applicable provisions of the Companies Act,2013 and Rules made thereunder including any amendment thereto.
- (ii) Authority for Mortgage/Charge of Property against borrowing upto Rs. 400 Crores pursuant to Section180(1)(a) and any other applicable provisions of the Companies Act,2013 and Rules made thereunder

(3) FY 2014-15 Special Resolutions passed at Annual General Meeting held on 26/09/2015

- (i) Omnibus approval under Section-188 of the Act for availing /Repaying loans and Advances from Related Parties up to Rs 200 Crores on Interest .

None of the subjects placed in the last three Annual General Meeting required approval by a postal ballot. The Management Discussion and analysis report is already covered in Directors Report.

15 .Means of Communication

The unaudited quarterly , half yearly and audited financial results and other Notices/disclosures as per SEBI(LODR) Regulations is normally published in (1) The Business Standard (English) and The Aarthik Lipi Bengali) and are also placed on the company's website www.associatedpigmentsltd.com. The company did not issue any official news release nor given any presentation to analysts/investors during Fy 2015-16.

16. General Shareholders Information**16.1 Annual General Meeting**

Date & Time : 26th September 2016 at 3.00 PM
 Venue : 'Sangit Kala Mandir Trust'(Kala Kunj)
 48, Shakespeare Sarani, Kolkata – 700 017
 Book Closure : 20th September, 2016 to 26th September, 2016
 (Both days inclusive)

16.2 Financial Calendar 2015-16 (Tentative)

Annual General Meeting for FY 2016 -17

September, 2017

16.3 Financial reporting for the quarter ending

30th June, 2016
 30th September, 2016
 31st December, 2016
 31st March, 2017

Date of Board Meeting

- Between 1st to 14th August, 2016
 - Between 1st to 15th November, 2016
 - Between 1st to 15th February, 2017
 - Between 1st to 30th May, 2017

16.4 Dividend Payment Date - No dividend declared for FY 2015-16

16.5 Listing of Shares

<u>Name of Stock Exchange</u>	<u>Stock Code</u>
The Calcutta Stock Exchange Association Limited	11026
ISIN allotted by Depositories (Company ID Number)	INE 578E01019

Annual listing fees up to March, 2016 have been paid to the Stock Exchange. Listing fee has not been paid to other non-operational/derecognized stock exchanges.

16.6 Market Price Data / Stock Price Performance

There has been no trading of the company's equity shares during the year under review at The Calcutta Stock Exchange Association Ltd.

16.7 Shareholding pattern as on 31st March 2016

Particulars	No. of Shares of Rs. 10/- each	% to total
Promoters & Promoters Group	77, 81,679	72.55
Bodies Corporate - Non promoters	1, 10,651	1.03
Public Shareholding	28,32,947	26.41
Others	1,110	0.01
Total	1,07,26,387	100.00

Distribution of Shareholding as on 31st March 2016

Shareholding (Range)	No. of Shares	Percentage	No. of Members	Percentage
Upto 500	11,96,983	11.16	10770	97.71
501 to 1000	96,495	0.90	5	1.24
1001 to 5000	1,44,980	1.32	1	0.65
5001 to 10000	74,435	0.70	10	0.08
10001 to 50000	246948	2.30	15	0.14
50001 to 100000	669223	6.24	9	0.08
100000 & above	8296323	77.35	11	0.10
Total	10726387	100.00	11021	100.00

16.8 Dematerialisation of shares and liquidity

The shares of the company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL. Out of 29,44,708 equity shares of Rs. 10/- each held by

the persons other than promoters, 17,13,453 equity shares (58.19%) have been dematerialized and balance 12,31,255 (41.81%) are in physical form as on 31st March 2016. The equity shares of the company are listed with Calcutta Stock Exchanges and listing fees upto FY 2015-16 have been paid. Other Stock Exchanges have been derecognized by SEBI. Company could not proceed with Bombay Stock Exchange for listing due to erosion of net worth.

16.9 Share Transfer System and RTA

With a view to rendering prompt and efficient service to the investors, M/s Niche Technologies Private Limited has been appointed as the Registrar and Share Transfer Agent of the company. The Transfer of Shares is affected by the Registrars after necessary approval of the Committee of the Board. The process of Share Transfer is generally completed within two weeks.

Shareholders are therefore requested to correspond with the share transfer agent for transfer / transmission of shares, change of address and queries pertaining to their shareholding etc. at their address given in this report.

The company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the company's equity.

16.10 Address for investor correspondence

For transfer / dematerialization of shares
And any other query relating to the shares
of the company

Niche Technologies Private Limited
D -511, Bagree Market
71, Biplabi Rashbehari Bose Road
Kolkata – 700 001
Tel: 2235-7270/7271

For any query on annual report/ investors'
Grievance

E-mail: nichetechpl@nichetechpl.com
E-mail: Investors @ aplgroupco.com

16.11 Plant locations

1.B.T.Road

260, Barrackpore Trunk Road
Khardah, Kolkata -700 115

2.Malwan

Plot No. B-4 & B-5
UPSIDC Industrial Areas
Malwan, Fatehpur (U.P)
Pin - 212664

3.Panskura

Vill: Kanakpur, P.O.- Naranda (Panskura)
Dist: Purba Medinipore (West Bengal)
Pin - 721139

The lease of Bharatpur unit in Rajasthan expired in August, 2015 and has not been renewed.

17. DISCLOSURE OF DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT - NIL

Certificate by Chief Executive Officer & Chief Financial Officer

The Board of Directors
Associated Pigments Limited
18/1A, Hindustan Road, Kolkata – 700 029

Dear Sir,

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Associated Pigments Limited, to the best of our knowledge and belief, certify that –

1. We have reviewed the financial statements and the cash flow statement for the year ended on 31st March 2016 and based on our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading
 - (ii) these statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations
2. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee –
 - (i) Any significant changes, if any, in the internal control over financial reporting during the year
 - (ii) All significant changes, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Any Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.
5. We affirm that we have not denied any personal access to the Audit Committee (in respect of matters involving alleged misconduct) and provided protection to the whistle blowers from unfair termination other unfair/prejudicial employment practices.
6. We further declare that all the Board members and senior management personnel of the company have complied with the code of conduct of the company for the year ended 31st March, 2016

Place: Kolkata
Dated – 28TH May, 2016

Rajnish Gambhir
Executive Director
(Chief Financial Officer)

Sanjiv Nandan Sahaya
Managing Director
(Chief Executive Officer)

Auditor's Certificate on Corporate Governance

To
**The Members of
Associated Pigments Limited**

We have examined the compliance of the conditions of Corporate Governance by **ASSOCIATED PIGMENTS LIMITED**, for the year ended 31 March 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges for the period from 1 April 2015 to 30 November 2015 and as per Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1 December 2015 to 31 March 2016.

Management's responsibility

The Company's management takes full responsibility of the compliance of the conditions of corporate governance as stipulated in the regulations mentioned above.

Auditors' responsibility

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

We conducted our engagement in accordance with the 'Guidance Note on Audit Reports and Certificates for 'Special Purposes' issued by the Institute of Chartered Accountants of India. Our responsibility is to certify based on the work done.

Conclusion

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in clause 49 of the Listing Agreement and Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

Restrictions on use

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

**Place: Kolkata
Date: 28TH May, 2016**

**For VPC & Associates
Chartered Accountants
Firm Registration No: 313203E
(R.K.Vyas)
(Partner)
Membership No. 51386**