

# REPORT ON CORPORATE GOVERNANCE

## 1. Company's Philosophy on code of Corporate Governance:

Corporate Governance is a value-based framework for managing the affairs of the Company in a fair and transparent manner. As a responsible Company, Man Infraconstruction Limited ('MICL') uses this framework to maintain accountability in all its affairs, and employ democratic and open processes, which in turn leads to adoption of best governance practices and its adherence in true spirit, at all times. The Company's philosophy is primarily based on the principles of integrity, transparency, fairness, accountability, full disclosure and independent monitoring of the state of affairs. The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. This governance protects and balances the interests of all the stakeholders thereby enhancing the shareholder value.

## 2. Board of Directors:

### • Composition of the Board

The strength of the Board was ten Directors as on 31<sup>st</sup> March,

2015, comprising of three Executive Directors and seven non-executive Directors including one woman Director and one Investor Director namely, Mr. Rajiv Maliwal representing SA 1 Holding Infrastructure Company (P) Limited. Five of the seven Non-executive Directors on Board were Independent Directors.

All the Non-executive Directors are experienced, competent and renowned persons from their respective fields. The Chairman of the Board is a Non-executive Independent Director. The composition of Board is in conformity with Clause 49 of Listing Agreement entered into with the Stock Exchanges.

### • Board Meetings and Annual General Meeting:

Five meetings of Board of Directors were held during the financial year under review i.e. on 29<sup>th</sup> May 2014, 25<sup>th</sup> June, 2014, 13<sup>th</sup> August 2014, 12<sup>th</sup> November 2014, and 4<sup>th</sup> February 2015. The previous Annual General Meeting of the Company was held on 18<sup>th</sup> September, 2014.

The particulars of Directors, Category, their attendance at the Board Meetings and Annual General Meeting, other Directorships and Memberships/Chairmanships in committees of other Companies as on 31<sup>st</sup> March 2015 are as under:

| Name of Director                           | Category                        | No. of Board meetings during the year: 5 | Attended previous AGM | No. of other   |                         |                           |
|--|---------------------------------|--|-----------------------|----------------|-------------------------|---------------------------|
|  |                                 | Attended                                 |                       | Directorships* | Committee Memberships @ | Committee Chairmanships @ |
| Berjis Desai (DIN: 00153675)               | Chairman & Independent Director | 5  | Yes                   | 9              | 5                       | 2                         |
| Parag Shah (DIN: 00063058)                 | Managing Director               | 5  | Yes                   | 4              | -                       | -                         |
| Manan Shah <sup>§</sup> (DIN: 06500239)    | Whole-time Director             | 5  | Yes                   | 3              | -                       | -                         |
| Suketu Shah (DIN: 00063124)                | Whole-time Director             | 5  | Yes                   | 5              | -                       | -                         |
| Rajiv Maliwal (DIN: 00869035)              | Non-executive Nominee Director  | 4  | No                    | 3              | -                       | -                         |
| Namit Arora <sup>#</sup> (DIN: 02577648)   | Non-executive Nominee Director  | 2  | No                    | N.A.           | N.A.                    | N.A.                      |
| Dinesh Lal <sup>#</sup> (DIN: 00037142)    | Independent Director            | 3  | Yes                   | 7              | -                       | -                         |
| Sivaramakrishnan Iyer (DIN: 00503487)      | Independent Director            | 5  | Yes                   | 3              | 2                       | 3                         |
| Dharmesh Shah (DIN: 01599899)              | Independent Director            | 4  | Yes                   | 2              | 1                       | 2                         |
| Kamlesh Vikamsey (DIN: 00059620)           | Independent Director            | 3  | Yes                   | 10             | 3                       | 1                         |
| Shruti Udeshi <sup>§</sup> (DIN: 06900182) | Non-executive Director          | 3  | Yes                   | -              | -                       | -                         |

\* None of the Independent Director serves as an Independent Director in more than seven listed companies.

# Mr. Namit Arora resigned from the Board w.e.f. November 27, 2014 as joint nominee of Standard Chartered Private Equity (Mauritius) II Limited and Standard Chartered Private Equity (Mauritius) III Limited. Mr. Dinesh Lal was appointed as Independent Director w.e.f. 29<sup>th</sup> May 2014 and resigned from the Board w.e.f. 13<sup>th</sup> April, 2015.

@ Committees of Directors include Audit Committee and Stakeholders Relationship Committee of Indian public (Listed & Unlisted) companies only.

\$ Mr. Manan P. Shah was appointed as a Whole-time Director of the Company w.e.f. 29<sup>th</sup> May 2014 and Ms. Shruti Udeshi was appointed on the Company's Board on 13<sup>th</sup> August, 2014.

The Directors of the Company are not related to each other except that Mr. Parag Shah is the father of Mr. Manan Shah. As required under Clause 49 VII(E)(1), particulars of Directors seeking re-appointment has been annexed to the Notice of Annual General Meeting.

### **3. Code of Conduct:**

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Management in accordance with the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. All the members of the Board and the Senior Management have affirmed compliance with the Code of Conduct as on 31<sup>st</sup> March, 2015 and a declaration to that effect signed by the Managing Director is enclosed and forms a part of this Report.

### **4. Committees of the Board:**

#### **▪ Audit Committee:**

(a) Terms of reference of Audit Committee are wide enough covering all the matters specified for Audit Committee under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee inter alia include following:

#### **A. Powers of Audit Committee**

The Audit Committee shall have powers, which should include the following:

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **B. Role of Audit Committee**

The role of the Audit Committee shall include the following:

- 1) 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;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Reviewing, 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 Companies Act, 2013;
  - (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.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - 6) 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - 8) Approval or any subsequent modification of transactions of the company with related parties;
  - 9) Scrutiny of inter-corporate loans and investments;
  - 10) Valuation of undertakings or assets of the company, wherever it is necessary;
  - 11) Evaluation of internal financial controls and risk management systems;
  - 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - 13) 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;
  - 14) Discussion with internal auditors of any significant findings and follow up there on;
  - 15) 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;
  - 16) 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;
  - 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
  - 18) To review the functioning of the Whistle Blower mechanism;
  - 19) 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, etc. of the candidate;
  - 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**C. Review of information by Audit Committee**

The Audit Committee shall mandatorily review the following information:

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

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process.

**(b) Composition, meetings and attendance:**

The composition of the Audit Committee as on 31<sup>st</sup> March 2015 is as under:

| Sr. No. | Name of the Member           | Designation | Category                        |
|---------|------------------------------|-------------|---------------------------------|
| 1.      | Mr. Sivaramakrishnan S. Iyer | Chairman    | Non-executive & Independent     |
| 2.      | Mr. Kamlesh Vikamsey         | Member      | Non-executive & Independent     |
| 3.      | Mr. Dharmesh R. Shah         | Member      | Non-executive & Independent     |
| 4.      | Mrs. Shruti Udeshi           | Member      | Non-executive & Non-independent |

All members of Audit Committee are financially literate and Mr. Sivaramakrishnan S. Iyer and Mr. Kamlesh Vikamsey being Chartered Accountants have the requisite financial expertise.

The Managing Director and the Chief Financial Officer are the permanent invitees to the Audit Committee. The Company Secretary acts as the secretary to the Committee. The Statutory Auditors, the Internal Auditors and Executives of the Company are also invited to the Audit Committee Meetings, whenever required. The Quorum for the Audit Committee meeting is two members.

Four meetings of the Audit Committee were held during the financial year under review i.e. on 29<sup>th</sup> May, 2014, 13<sup>th</sup> August, 2014, 12<sup>th</sup> November, 2014 and 4<sup>th</sup> February 2015. The attendance of the Members is given below:

| Name of Member               | Number of meetings held | Number of meetings attended |
|------------------------------|-------------------------|-----------------------------|
| Mr. Sivaramakrishnan S. Iyer | 4                       | 4                           |
| Mr. Kamlesh Vikamsey         | 4                       | 3                           |
| Mr. Dharmesh R. Shah         | 4                       | 3                           |
| Mr. Namit Arora*             | 4                       | 2                           |
| Mrs. Shruti Udeshi#          | -                       | -                           |

\* Mr. Namit Arora resigned as Director w.e.f. November 27, 2014 and consequently ceased to be a Member of Audit Committee;

# The Board at its meeting held on 4th February, 2015 reconstituted Audit Committee by appointing Mrs. Shruti Udeshi as a committee member.

▪ **Nomination and Remuneration Committee:**

**(a) Composition, meetings and attendance:**

The composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March 2015 is as under:

| Sr. No. | Name of the Director | Designation | Category                        |
|---------|----------------------|-------------|---------------------------------|
| 1.      | Mr. Dharmesh Shah    | Chairman    | Non-executive & Independent     |
| 2.      | Mr. Berjis Desai     | Member      | Non-executive & Independent     |
| 3.      | Mr. Rajiv Maliwal    | Member      | Non-executive & Non-independent |
| 4.      | Mr. Dinesh Lal       | Member      | Non-executive & Independent     |

**(b) Terms of Reference of the Committee, *inter alia*, includes the following:**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Four meetings of the Nomination and Remuneration Committee were held during the financial year under review i.e. on 29<sup>th</sup> May, 2014, 25<sup>th</sup> June, 2014, 13<sup>th</sup> August, 2014 and 4<sup>th</sup> February 2015. The attendance of the Members is given below:

| Name of Member                         | Number of meetings held | Number of meetings attended |
|--|-------------------------|-----------------------------|
| Mr. Dharmesh Shah <sup>§</sup>         | 4                       | 1                           |
| Mr. Berjis Desai                       | 4                       | 4                           |
| Mr. Rajiv Maliwal                      | 4                       | 3                           |
| Mr. Namit Arora <sup>*</sup>           | 4                       | 2                           |
| Mr. Sivaramakrishnan Iyer <sup>§</sup> | 4                       | 2                           |
| Mr. Dinesh Lal <sup>#</sup>            | -                       | -                           |

\* Mr. Namit Arora resigned as Director w.e.f. November 27, 2014 and consequently ceased to be a Member of Nomination and Remuneration Committee.

§ The Board at its meeting held on 12<sup>th</sup> November, 2014 reconstituted the Nomination and Remuneration Committee by appointing Mr. Dharmesh Shah as the Chairman of the Committee. Mr. Sivaramakrishnan Iyer ceased to be a Member of the Committee.

# The Board at its meeting held on 4<sup>th</sup> February, 2015 has reconstituted Nomination and Remuneration Committee by appointing Mr. Dinesh Lal as a committee member. Mr. Dinesh Lal, however, resigned from the Board w.e.f. 13<sup>th</sup> April, 2015 and consequently ceased to be a Member of said Committee.

**(c) Nomination and Remuneration Policy:**

The Company's Nomination and Remuneration policy is driven by success and performance of the individual employee/Executive Directors and the Company through its compensation policy, endeavors to attract, retain, develop and motivate a high performance workforce. The remuneration structure of the Executive Directors comprises of Salary and Commission on Profit after Tax (PAT) as decided by the Board. The Non-executive Directors of the Company are paid sitting fees of ₹ 5,000/- for attending the meetings of the Board of Directors and ₹ 3,000/- each for attending Audit Committee and Nomination and Remuneration Committee Meeting which are subject to applicable tax deducted at source.

Details of Remuneration paid to the Managing Director and the Whole-time Directors for the Financial Year ended 31<sup>st</sup> March 2015 are as under:

| Name of Director | Designation         | Salary<br>(₹ in Lakhs) | Commission<br>(₹ in Lakhs) |
|------------------|---------------------|------------------------|----------------------------|
| Mr. Parag Shah   | Managing Director   | 171.00                 | 45.00                      |
| Mr. Manan Shah   | Whole-time Director | 22.50                  | 4.50                       |
| Mr. Suketu Shah  | Whole-time Director | 117.00                 | 9.00                       |

Apart from above, the Managing Director and Whole-time Directors are entitled to car and driver for Company's business and reimbursement of actual entertainment and traveling expenses incurred in connection with the Company's business

Details pertaining to Non-executive Director's Shareholding in the Company as on 31<sup>st</sup> March 2015 and sitting fees paid during financial year 2014-15 are as under:

| Name of Non-executive Director | Equity Shares held (Number) | Sitting Fees* (₹) |
|--------------------------------|-----------------------------|-------------------|
| Mr. Berjis Desai               | 41,850                      | 37,000            |
| Mr. Rajiv Maliwal              | Nil                         | 29,000            |
| Mr. Namit Arora                | Nil                         | 22,000            |
| Mr. Dinesh Lal                 | Nil                         | 15,000            |
| Mr. Sivaramakrishnan Iyer      | 7,500                       | 46,000            |
| Mr. Kamlesh Vikamsey           | Nil                         | 24,000            |
| Mr. Dharmesh Shah              | 22,910                      | 32,000            |
| Mrs. Shruti Udeshi             | Nil                         | 15,000            |

\* Excluding service tax and TDS

During the year, the Company paid ₹ 1.16 Lakhs as professional fees to M/s. J Sagar Associates, a Law Firm in which the Company's Director, Mr. Berjis Desai, is the Managing Partner. Apart from above, there were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors

▪ **Stakeholder Relationship Committee :**

**(a) Scope of the Stakeholder Relationship Committee:**

The Stakeholder Relationship Committee inter-alia deals with various matters relating to redressal of shareholders and investors complaints like delay in transfer/ transmission of shares, non-receipt of balance sheet, non-receipt of dividends etc. and also recommends measures to improve the performance of investor services.

**(b) Composition, meetings and attendance:**

As on 31<sup>st</sup> March, 2015, the Stakeholder Relationship Committee consists of three Directors out of which, two Directors are Executive Directors. Mr. Berjis Desai, Chairman of the committee is a Non-executive Independent Director.

The Stakeholder Relationship Committee members met six times during the year i.e. on 29<sup>th</sup> May 2014, 13<sup>th</sup> August 2014, 12<sup>th</sup> November 2014, 25<sup>th</sup> November, 2014, 4<sup>th</sup> February, 2015 and 18<sup>th</sup> February, 2015 to review and redress the investor complaints.

The attendance of the members is noted below:

| Name of Member                            | Chairman / Member | Number of meetings held | Number of meetings attended |
|---|-------------------|-------------------------|-----------------------------|
| Mr. Berjis Desai <sup>#</sup>             | Chairman          | 6                       | 5                           |
| Mr. Sivaramakrishnan S. Iyer <sup>#</sup> | Member            | 6                       | 1                           |
| Mr. Parag Shah                            | Member            | 6                       | 6                           |
| Mr. Suketu Shah                           | Member            | 6                       | 6                           |

<sup>#</sup> The Board at its meeting held on 29th May, 2014 reconstituted the committee by appointing Mr. Berjis Desai as the Chairman and Mr. Sivaramakrishnan Iyer ceased to be the Member of Committee.

Pursuant to the requirements of Clause 47(a) of the Listing Agreement entered into by the Company with the Stock Exchanges, Mr. Durgesh Dingankar, Company Secretary is the Compliance Officer of the Company.

**Status of Complaints / Grievances during the period:**

| Received from         | Pending as on 01.04.2014 | Received during 2014-15 | Redressed during 2014-15 | Pending as on 31.03.2015 |
|-----------------------|--------------------------|-------------------------|--------------------------|--------------------------|
| Direct from investors | NIL                      | 01                      | 01                       | NIL                      |
| NSE                   | NIL                      | NIL                     | NIL                      | NIL                      |
| BSE                   | NIL                      | NIL                     | NIL                      | NIL                      |
| SEBI                  | NIL                      | NIL                     | NIL                      | NIL                      |
| Total                 | NIL                      | 01                      | 01                       | NIL                      |

The Company had received 1 request/ complaint; which was addressed to satisfactorily within the stipulated time period.

Pursuant to Clause 5A (g) of the Listing Agreement entered into between the Company and the Stock Exchanges, the details of shares lying in suspense account are as under:

| Unclaimed Shares as on 1 <sup>st</sup> April 2014 |                  | Details of Shareholders approached during the Financial Year 2014-15 for the claiming of shares |               | Details of Shareholders to whom the shares have been transferred during the Financial Year 2014-15 |               | Unclaimed Shares as on 31 <sup>st</sup> March 2015* |                  |
|---|------------------|---|---------------|--|---------------|---|------------------|
| No. of share holders                              | No. of shares    | No. of share holders  | No. of shares | No. of share holders   | No. of shares | No. of share holders                                | No. of shares    |
| 1   | 205 <sup>#</sup> | NIL   | NIL           | NIL  | NIL           | 1   | 205 <sup>#</sup> |

Note: \* The Shareholders may please note that the voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the same.

<sup>#</sup> The details of shares are recorded considering the sub-division of face value of equity shares of the Company from ₹ 10/- each to ₹ 2/- each during the financial year 2014-15.

- **Management Committee:**

The Management Committee has been formed in order to facilitate operational convenience and smooth management of the day to day affairs of the Company. Management Committee was constituted on 2<sup>nd</sup> April, 2010 and comprises of Mr. Berjis Desai, Mr. Parag Shah, Mr. Dharmesh Shah and Mr. Suketu Shah. Management Committee during the financial year met on 5<sup>th</sup> February, 2015.

- **Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee has been constituted in order to support initiatives in the field of health, safety, education, infrastructure development, environment, relief and assistance in the event of a natural disaster, livelihood support, animal welfare and contributions to other social development organizations and also through collaborations with several Trusts and NGOs in accordance with the provisions of Section 135 of the Companies Act, 2013. The CSR Committee comprises of Mr. Berjis Desai, Mr. Parag Shah and Mr. Suketu Shah. The CSR Committee met on 29<sup>th</sup> May 2014 and 4<sup>th</sup> February, 2015 during the financial year.

- **Meeting of Independent Directors:**

As required under Section 149 of the Companies Act, 2013 read with Schedule IV to the Act and Clause 49 II (B)(6) of the Listing Agreement entered into with the Stock Exchanges, the Meeting of Independent Directors of the Company was held on 4<sup>th</sup> February 2015 inter-alia to review the performance of non-independent Directors and Board as a whole, the Chairperson of the Company and to assess the quality, quantity and flow of information between the management and the board. Further the Independent Directors were briefed on their roles, rights and responsibilities towards the Company, the nature of industry in which the Company operates and its business model.

## 5. General Body Meetings:

Details of previous three Annual General Meetings are as follows:

| Financial Year | Date       | Venue  | Time       |
|----------------|------------|--|------------|
| 2013-14        | 18.09.2014 | Lions Club of Ghatkopar, Plot E-93, Garodia Nagar, Ghatkopar (East), Mumbai- 400 077 | 11.00 A.M. |
| 2012-13        | 13.08.2013 | Lions Club of Ghatkopar, Plot E-93, Garodia Nagar, Ghatkopar (East), Mumbai- 400 077 | 11.00 A.M. |
| 2011-12        | 08.08.2012 | Lions Club of Ghatkopar, Plot E-93, Garodia Nagar, Ghatkopar (East), Mumbai- 400 077 | 11.00 A.M. |

- Special resolutions passed at the previous three Annual General Meetings were as follows:

- ❖ 12<sup>th</sup> Annual General Meeting held on 18<sup>th</sup> September, 2014:

- To appoint Mr. Manan Shah as a Whole-time Director of the Company for a period of 5 years.

- ❖ 11<sup>th</sup> Annual General Meeting held on 13<sup>th</sup> August, 2013:

No special resolution was passed at the Annual General Meeting held on 13<sup>th</sup> August, 2013.

- ❖ 10<sup>th</sup> Annual General Meeting held on 8<sup>th</sup> August, 2012:

- To re-appoint Mr. Parag Shah as Managing Director and fix his remuneration.
- To re-appoint Mr. Suketu Shah as Whole-time Director and fix his remuneration.
- To adopt new set of the Articles of Association of the Company in substitution for and to the total exclusion of all the Articles of existing Articles of Association of the Company.

- Pursuant to Section 110 of the Companies Act, 2013 ('the Act') read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the details of the resolutions passed during financial year 2014-15 by way of Postal Ballot are as follows:

The Company obtained approval of shareholders for following resolutions; the results of which were declared on 12<sup>th</sup> August, 2014; for the purpose of:

- Special Resolution no. 1 for authorizing Board of Directors to borrow monies in excess of aggregate paid-up share capital and free reserves of the Company or ₹ 700 Crores, whichever is higher;

- Special Resolution no. 2 for authorizing Board of Directors for creation of Mortgage, charge, hypothecation, lien and other encumbrances;
- Special Resolution no. 3 for authorizing Board of Directors to invest or to provide loans and advances or give guarantees/ securities up to 100% of free reserves and securities premium account or ₹ 900 Crores, whichever is higher;
- Ordinary Resolution no. 4 for sub-division of each Equity Share of ₹ 10/- into 5 Equity Shares of ₹ 2/- each fully paid-up; and
- Special Resolution no. 5 for alteration of Clause V(a) of the Company's Memorandum of Association consequent upon sub-division of Equity Shares of the Company.

Details of voting pattern of the above mentioned resolutions are as under:

| Resolution No. | Total number of valid Votes | No. of Shares in favour of resolution | Percentage | No. of Shares against the resolution | Percentage |
|----------------|-----------------------------|---------------------------------------|------------|--------------------------------------|------------|
| 1              | 4,36,86,691                 | 4,36,80,932                           | 99.99      | 5,759                                | 0.01       |
| 2              | 4,36,86,641                 | 4,36,80,965                           | 99.99      | 5,676                                | 0.01       |
| 3              | 4,36,86,641                 | 4,36,48,180                           | 99.91      | 38,461                               | 0.09       |
| 4              | 4,36,86,656                 | 4,36,84,284                           | 99.99      | 2,372                                | 0.01       |
| 5              | 4,36,86,616                 | 4,36,84,144                           | 99.99      | 2,472                                | 0.01       |

All the aforesaid resolutions were passed with requisite majority.

The Company has obtained approval of shareholders for following resolutions; the results of which were declared on 24<sup>th</sup> December, 2014; for the purpose of:

- Special Resolution no. 1 for authorizing Board of Directors to invest or to provide loans and advances or give guarantees/ securities up to 60% of the paid-up share capital, free reserves and securities premium account or 100% of free reserves and securities premium account or ₹ 1800 Crores, whichever is higher pursuant to Section 186 of the Companies Act, 2013;
- Special Resolution no. 2 for authorizing the Board of Directors of the Company to enter into contracts or arrangement with the related parties including material related party transactions pursuant to Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 and clause 49(VII) of the Listing Agreement; and
- Special Resolution no. 3 for authorizing Manaj Infraconstruction Limited, a Material Subsidiary of the Company to sell, lease or dispose of its assets pursuant to clause 49(V) (G) of the Listing Agreement.

Details of voting pattern of the above mentioned resolutions are as under:

| Resolution No. | Total number of valid Votes | No. of Shares in favour of resolution | Percentage | No. of Shares against the resolution | Percentage |
|----------------|-----------------------------|---------------------------------------|------------|--------------------------------------|------------|
| 1              | 20,65,81,804                | 20,65,76,739                          | 100.00     | 5,065                                | 0.00*      |
| 2              | 3,18,42,224                 | 3,18,37,344                           | 99.98      | 4,880                                | 0.02       |
| 3              | 20,65,84,159                | 20,65,78,259                          | 100.00     | 5,900                                | 0.00*      |

\* Less than 0.01

All the aforesaid resolutions were passed with requisite majority.

The Board had appointed Mr. Himanshu S. Kamdar, Partner of M/s. Rathi & Associates, Company Secretaries, Mumbai as the Scrutinizer to conduct the above mentioned postal ballot exercises in a fair and transparent manner.

## 6. Disclosures:

### • Related Party Transactions:

During the year under review, apart from the transactions reported in Notes to accounts, there were no related party transactions with the Promoters, Directors, Management, Subsidiaries and other Related Parties. None of the contracts/transactions with Related Parties had a potential conflict with the interest of the Company at large. The interest of Director, if any, in the transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. Details



of transactions with related parties are placed before the Audit Committee on a quarterly basis. All transactions entered into between the Company and Related Parties were in the ordinary course of business and at arm's length.

▪ **Compliances by the Company:**

The Company has complied with the requirements of the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years and no penalties, strictures have been imposed against it by such authorities during such period.

▪ **Whistle Blower Policy and Access of personnel to the Audit Committee:**

The Company has set up a Vigil mechanism by way of a Whistle Blower Policy as required under Section 177(9) of the Companies Act, 2013. The Company's personnel have access to the Chairman of the Audit Committee in exceptional circumstances. No person of the Company has been denied access to the Audit Committee and there are no instances of any such access.

▪ **Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:**

The Company has complied with the mandatory requirements of the Corporate Governance Clause of Listing Agreement. The Company has appointed Mr. Berjis Desai, Independent Director as the Chairman and Mr. Parag Shah, Promoter as the Managing Director of the Company in accordance with non-mandatory requirements of Clause 49 of the listing agreement.

▪ **Web-site:**

The Company's Web-site [www.maninfra.com](http://www.maninfra.com) contains a special dedicated section 'Investor Relations' where the information pertaining to the Financial Results, Shareholding Pattern, Press Releases, Corporate Governance, Annual Reports, Listing Information, etc. is available and can be downloaded.

▪ **Code of Conduct:**

The Company has adopted the code of conduct and ethics for Directors/Independent Directors and senior management. The code had been circulated to all the members of the Board and senior management and the same has been put on the Company's website at [www.maninfra.com](http://www.maninfra.com). The Board members and senior management have affirmed their compliance with the code.

▪ **Risk management policy:**

The Company has laid down procedures for risk assessment and its minimization. These are reviewed by the Board to ensure that the management manages the risk through a properly defined framework.

▪ **CEO/CFO Certification:**

A Certificate signed by Mr. Parag Shah (Managing Director) and Mr. Ashok Mehta (Chief Financial Officer) was placed before the Board of Directors at its meeting held on 27<sup>th</sup> May, 2015 in compliance with Clause 49 (IX) of the Listing Agreement.

▪ **Policy to Prevent Sexual Harassment at the work place:**

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Company. To redress complaints of sexual harassment if any, the Company has formed a Complaints Committee. During the year under review, there was no complaint of any sexual harassment at work place.

7. **Means of Communication:**

- (a) The quarterly results of the Company are published in newspapers in compliance with the provisions of Clause 41 of the listing agreement. Generally, the same are published Business Standard (English dailies) and Mumbai Lakshdweep (Marathi dailies). As the results of the Company are published in the newspapers, half-yearly reports are not sent to each shareholder.
- (b) The Financial results, official news releases and presentations made to analysts, if any, are also displayed on the Company's website [www.maninfra.com](http://www.maninfra.com) in addition to the same being disseminated by the National Stock Exchange of India Limited (NSE) on [www.nseindia.com](http://www.nseindia.com) and BSE Limited (BSE) on [www.bseindia.com](http://www.bseindia.com) as the copies of the financial results and official press releases are sent to the Stock Exchanges from time to time.

(c) The Management Discussion and Analysis Report forms part of this Annual Report.

**8. General Shareholders' Information:**

**Thirteenth Annual General Meeting:**

|   |   |
|---|---|
| <b>Date, Time and Venue of Annual General Meeting</b> | <b>Date:</b> 12 <sup>th</sup> August, 2015<br><b>Time:</b> 10.00 AM<br><b>Venue:</b> Lions Club of Ghatkopar, Plot E-93, Garodia Nagar, Ghatkopar (East), Mumbai- 400 077 |
| <b>Financial Calendar</b>                             | 1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015   |
| <b>Date of Book Closure</b>                           | From: 6 <sup>th</sup> August, 2015 to 12 <sup>th</sup> August, 2015 (both days inclusive).  |

**Financial reporting for the quarter/year ending (tentative and subject to change)**

|                    |                      |
|--------------------|----------------------|
| June 30, 2015      | By August 14, 2015   |
| September 30, 2015 | By November 14, 2015 |
| December 31, 2015  | By February 14, 2016 |
| March 31, 2016     | By May 30, 2016      |

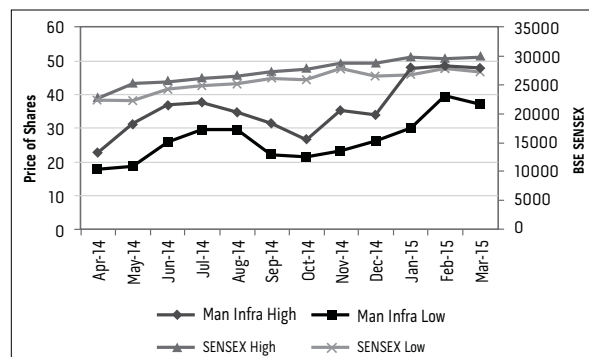
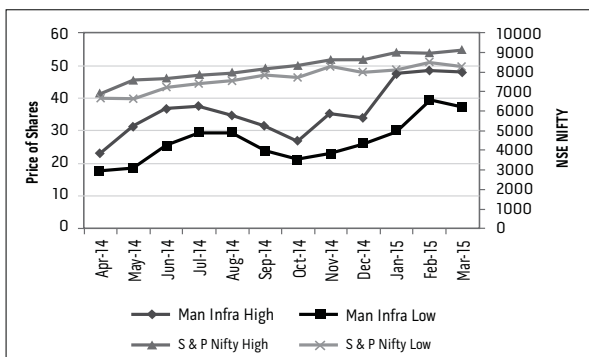
|  |   |
|--|---|
| <b>Registered Office:</b>              | 12 <sup>th</sup> Floor, Krushal Commercial Complex, Above Shoppers Stop, G. M. Road, Chembur (West), Mumbai – 400 089<br><b>CIN:</b> L70200MH2002PLC136849<br>Website: <a href="http://www.maninfra.com">www.maninfra.com</a><br>E-mail: <a href="mailto:investors@maninfra.com">investors@maninfra.com</a><br>Tel : +91 22 4246 3999<br>Fax : +91 22 2526 0589 |
| <b>Listing on Stock Exchanges:</b>     | National Stock Exchange of India Limited (NSE); and BSE Limited (BSE)<br>The Company has paid Annual Listing fees for the year 2014-2015 to both the Stock Exchanges. The annual custodian fees is payable to each of the Depositories based on number of folios as on 31st March 2015 and will be paid on receipt of invoices.                                 |
| <b>Stock Code:</b>                     | <b>NSE:</b> MANINFRA-EQ<br><b>BSE:</b> 533169   |
| <b>ISIN of Company' Equity Shares:</b> | INE949H01023  |
| <b>CIN:</b>                            | L70200MH2002PLC136849   |

▪ **Stock Market price data:**

Monthly high and low prices of the Company's Equity Shares and performance in comparison to BSE Sensex and NSE Nifty from April, 2014 to March 2015 are noted herein below:

| Month  | MICL on BSE* |       | SENSEX   |          | MICL on NSE* |       | S & P CNX Nifty |         |
|--------|--------------|-------|----------|----------|--------------|-------|-----------------|---------|
|        | High         | Low   | High     | Low      | High         | Low   | High            | Low     |
| Apr-14 | 22.72        | 17.82 | 22939.31 | 22197.51 | 23.20        | 17.80 | 6869.85         | 6650.40 |
| May-14 | 31.18        | 18.44 | 25375.63 | 22277.04 | 31.38        | 18.49 | 7563.50         | 6638.55 |
| Jun-14 | 36.80        | 25.60 | 25725.12 | 24270.20 | 36.80        | 25.46 | 7700.05         | 7239.50 |
| Jul-14 | 37.56        | 29.60 | 26300.17 | 24892.00 | 37.54        | 29.43 | 7840.95         | 7422.15 |
| Aug-14 | 34.70        | 29.50 | 26674.38 | 25232.82 | 34.74        | 29.40 | 7968.25         | 7540.10 |
| Sep-14 | 31.45        | 22.25 | 27354.99 | 26220.49 | 31.20        | 23.70 | 8180.20         | 7841.80 |
| Oct-14 | 26.65        | 21.10 | 27894.32 | 25910.77 | 26.60        | 21.10 | 8330.75         | 7723.85 |
| Nov-14 | 35.40        | 23.25 | 28822.37 | 27739.56 | 35.40        | 22.85 | 8617.00         | 8290.25 |
| Dec-14 | 33.90        | 26.05 | 28809.64 | 26469.42 | 33.85        | 26.00 | 8626.95         | 7961.35 |
| Jan-15 | 47.80        | 30.00 | 29844.16 | 26776.12 | 47.80        | 30.10 | 8996.60         | 8065.45 |
| Feb-15 | 48.50        | 39.45 | 29560.32 | 28044.49 | 48.45        | 39.30 | 8941.10         | 8470.50 |
| Mar-15 | 47.85        | 37.10 | 30024.74 | 27248.45 | 47.80        | 37.15 | 9119.20         | 8269.15 |

- \* The face value of Equity Shares of the Company was sub-divided from ₹ 10/- to ₹ 2/- each pursuant to approval of Shareholders received by way of Postal Ballot on 12th August, 2014. Hence the monthly high and low prices of the Company's Equity Shares reflect the effect of sub-division (split) retrospectively for the earlier periods.



**Registrar and Share Transfer Agents:**

For both Physical and Demat (Common Registry)

**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound,

LBS Marg, Bhandup (West),

Mumbai-400078

Tel: +91 22 25963838

Fax: +91 22-25946969

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

- **Share Transfer System:**

Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are in order. The Stakeholder Relationship Committee meets as often as required. As per the requirements of Clause 49 of the Listing Agreement and to expedite the process of share transfers, the Board has delegated powers of share transfer to the Stakeholder Relationship Committee (erstwhile Share Transfer Committee) comprising of Mr. Berjis Desai, Independent Director, Mr. Parag Shah, Managing Director and Mr. Suketu Shah, Whole-time Director, who shall attend to matters pertaining to share transfer once in a fortnight, as may be required.

- **Distribution of Shareholding:**

Distribution of Shareholding as on 31<sup>st</sup> March, 2015 is noted below:

| No. of Equity Shares held | Shareholders  |            | Shares              |            |
|---------------------------|---------------|------------|---------------------|------------|
|                           | Number        | %          | Number              | %          |
| 1 - 500                   | 11,611        | 69.87      | 23,64,167           | 0.96       |
| 501 – 1000                | 2,011         | 12.10      | 17,83,528           | 0.72       |
| 1001 – 2000               | 1,105         | 6.65       | 17,82,896           | 0.72       |
| 2001 – 3000               | 525           | 3.16       | 13,65,302           | 0.55       |
| 3001 – 4000               | 217           | 1.31       | 7,97,539            | 0.32       |
| 4001 - 5000               | 294           | 1.77       | 14,23,536           | 0.57       |
| 5001 - 10000              | 353           | 2.12       | 27,66,946           | 1.12       |
| 10001 and above           | 502           | 3.02       | 23,52,16,356        | 95.04      |
| <b>Total</b>              | <b>16,618</b> | <b>100</b> | <b>24,75,00,270</b> | <b>100</b> |

▪ **Shareholding Pattern:**

| Category of Shareholder                       | As on 31 <sup>st</sup> March, 2015 |               |
|---|------------------------------------|---------------|
|   | No. of Shares                      | %             |
| <b>Holding of Promoter and Promoter Group</b> |                                    |               |
| Individual and Hindu Undivided Family         | 16,33,68,175                       | 66.01         |
| <b>Total (A)</b>                              | <b>16,33,68,175</b>                | <b>66.01</b>  |
| <b>Non-Promoters Holding</b>                  |                                    |               |
| Mutual Funds                                  | -                                  | -             |
| Banks/Financial Institutions                  | 47,94,389                          | 1.94          |
| Foreign Institutional Investors               | 86,845                             | 0.03          |
| <b>Total (B)</b>                              | <b>48,81,234</b>                   | <b>1.97</b>   |
| <b>Non-Institutional Investors</b>            |                                    |               |
| Bodies Corporate                              | 1,06,55,816                        | 4.30          |
| Indian Public/others                          | 4,52,21,776                        | 18.28         |
| Non-Resident Indians                          | 6,39,399                           | 0.26          |
| Foreign Companies                             | -                                  | -             |
| Overseas Bodies Corporate                     | 1,77,84,425                        | 7.18          |
| Directors                                     | 49,49,445                          | 2.00          |
| <b>Total (C)</b>                              | <b>7,92,50,861</b>                 | <b>32.02</b>  |
| <b>Grand Total (A+B+C)</b>                    | <b>24,75,00,270</b>                | <b>100.00</b> |

▪ **Dematerialization of shares and liquidity:**

The International Securities Identification Number (ISIN) allotted to the Company is INE949H01023. The Equity Shares of the Company are compulsorily traded in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI). The Company has connectivity with National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) for Demat facility. As on 31<sup>st</sup> March, 2015, 99.96% of the total Equity Capital was held in the demat form with NSDL and CDSL.

| Physical and Demat Shares as on 31 <sup>st</sup> March, 2015 |                     |               |
|--|---------------------|---------------|
|  | Shares              | %             |
| No. of Shares held in dematerialized form in NSDL            | 14,58,54,609        | 58.93         |
| No. of Shares held in dematerialized form in CDSL            | 10,15,38,616        | 41.03         |
| Physical Shares  | 1,07,045            | 0.04          |
| <b>Total</b>   | <b>24,75,00,270</b> | <b>100.00</b> |

▪ **Reconciliation of Share Capital Audit:**

In accordance with Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996, Reconciliation of Share Capital of the Company is carried out on a quarterly basis by M/s Rathi & Associates, Company Secretaries, Mumbai, to reconcile the total admitted capital with NSDL and CDSL and total issued and listed capital.

▪ **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

There are no GDRs/ADRs/Warrants or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

▪ **Plant location:** The Company does not have any plant.

▪ **Shares held in Electronic Form :**

The members holding shares in electronic mode should address their correspondence to their respective Depository Participant (DP) regarding change of address, change of bank account mandate and nomination. While opening accounts with Depository Participant (DP), the information furnished by the Shareholders pertaining to their Bank Account, will be used by the Company for payment of

dividend. However, members who wish to receive dividend in a Bank Account, other than the one specified while opening account with DP, may notify such DP about change in bank account details. Members are requested to furnish complete details of their respective bank account including MICR code of their respective Bank to their DP.

▪ **Shares held in Physical Form:**

In order to provide protection against fraudulent encashment of dividend warrants, the members are requested to provide, if not provided earlier, their Bank Account numbers, names and address of the Bank, quoting Folio numbers to the Company's Registrar and Transfer Agent to incorporate the same on the dividend warrants.

▪ **Address for correspondence:**

**Company Secretary**

Man Infraconstruction Ltd.  
12<sup>th</sup> Floor, Krushal Commercial Complex,  
Above Shoppers Stop, G. M. Road,  
Chembur (West), Mumbai – 400 089  
Tel : +91 22 4246 3999  
Fax : +91 22 2526 0589  
Website: [www.maninfra.com](http://www.maninfra.com)  
E-mail: [investors@maninfra.com](mailto:investors@maninfra.com)

**Link Intime India Pvt. Ltd.,**

C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai-400 078  
Tel: +91 22 25963838  
Fax: +91 22-25946969  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### **IMPORTANT COMMUNICATION TO THE SHAREHOLDERS**

Ministry of Corporate Affairs has taken a 'Green initiative in Corporate Governance' by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. Your Company is concerned about the environment and utilizes natural resources in a sustainable way. To support this Green initiative the Company hereby requests its members who have not registered their e-mail addresses so far to register their e-mail addresses with the depository through their concerned depository participants in respect of electronic holdings and with the Company or its Registrar in respect of physical holding.