

## REPORT ON CORPORATE GOVERNANCE

### 1. Corporate Governance Philosophy

The Company's Corporate Governance is aimed at ensuring Business Sustainability by striking a balance between Economic and Social goals and between Individual and Corporate goals. The Corporate Governance framework is to encourage the efficient use of resources, maintain an accountability and compliance of applicable Laws with a view to enhance value of all the Stakeholders. In compliance with the disclosure requirements of Schedule V to the Regulation 34 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the details are set out below:-

### 2. BOARD OF DIRECTORS

#### (A) Board Composition {2(a) of Part C of Schedule V}

The Board of Directors of the Company ('the Board') consists of 6 Directors, headed by an Executive Chairman and out of which Four (4) are Non Executive Directors of which Three(3) are Independent Directors and one is Woman Director. The Independent Directors are eminent professionals, with experience in, Management and Strategy, Human Resources, Banking, Corporate Laws etc. Composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Promoter- Executive Directors	Dr. Jimmy Mirchandani Chairman & Managing Director  <i>*Resigned as MD w.e.f. 03.04.2017. Continues to be a Director</i>
	Dr. Rahul Mirchandani Executive Director  <i>*Appointed as the Chairman and Managing Director w.e.f. 04.04.2017</i>
Promoter- Non-Executive Directors	Mrs. Nitya Mirchandani
Independent- Non-Executive Directors	Prof. R.S.S. Mani
	Mr. Chakradhar Bharat Chhaya
	Mr. Bhumitra Vinodchandra Dholakia

#### (B) Attendance and Other Directorships {2(b) to (e) of Part C of Schedule V}

Attendance of Directors at Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships/ Memberships of Committees of each Director in various Companies as on 31<sup>st</sup> March, 2017 is as follows:-

Name of the Director & Designation and category	Attendance of Meetings during 2016-17		Directorship in other Public Companies incorporated in India	No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies	Inter Se Relationship
	Board Meetings Attended(Total 4 (four) Held)	Last AGM held on 30 <sup>th</sup> September, 2016			
Dr. Jimmy Mirchandani Chairman & Managing Director (Promoter)(CMD) <i>*Resigned as MD w.e.f. 03.04.2017. Continues to be a Director</i>	2	Yes	2	NIL	Brother of ED
Dr. Rahul Mirchandani Executive Director (Promoter)(ED) <i>*Appointed as the Chairman and Managing Director w.e.f. 04.04.2017</i>	4	Yes	3	NIL	Brother of CMD and Husband of NED
Prof. R. S. S. Mani Director Non Executive (Independent)	4	Yes	NIL	NIL	N.A.
Mr. Chakradhar Bharat Chhaya Director Non Executive (Independent)	4	Yes	2	4 (including 2 as Chairman)	N.A.
Mr. Bhumitra Vinodchandra Dholakia Director Non Executive (Independent)	4	Yes	2	5 (including 4 as Chairman)	N.A.
Mrs. Nitya Mirchandani Director Non-Executive (Promoter)(NED)	4	Yes	NIL	NIL	Wife of ED

None of the Directors holds office in more than Seven Listed Companies as an Independent Director. None of the Whole Time Directors serve as an Independent Director in more than three Listed Companies. None of the Directors on the Board holds the office of Director in more than 15 Companies.

**(C) Details of Equity Shares of the Company held by the Directors as on 31<sup>st</sup> March, 2017 are given below: {2(f) of Part C of Schedule V}**

Name of the Directors	Number of Equity Share
<b>Executive Directors</b>	
Dr. Jimmy Mirchandani	35,24,830
Dr. Rahul Mirchandani	26,23,221
<b>Non-Executive Directors</b>	
Prof. R. S. S. Mani	NIL
Mr. C. B. Chhaya	NIL
Mr. Bhumitra V. Dholakia	NIL
Mrs. Nitya Mirchandani	3,000

The Company has not issued any Convertible Instruments.

**(D) Board Meetings**

The Agenda and Background notes with supporting are circulated to the Directors well in advance of the Board Meetings and additional items, if any, are tabled at the course of the Board Meetings. During the year information as mentioned in Regulation 17(7) of Listing Regulations has been placed before the Board for its consideration. The minutes of all the Committees of the Directors are placed before the Board and noted by them.

Four Board Meetings were held during the year, on 30.05.2016, 11.08.2016, 23.11.2016 and 10.02.2017. The quorum was present at all the Meetings.

The gap between two board meetings did not exceed four months. Every Quarter there was a Board Meeting as required under the Secretarial Standard-1 on the Board Meetings.

The terms and conditions of the appointment of Independent Directors are disclosed on the Web Site of the Company.

During the year a separate Meeting of the Independent Directors was held inter-alia to review the performance of Non-Independent Directors and the Board as a whole.

The Board periodically reviews compliance reports of all laws applicable to the Company.

**(E) Code of Conduct**

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Executives in compliance with the provision of Regulation 17(5) of Listing Regulations. All the Members of the Board, Key Managerial Personnel and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31-03-2017, and a declaration to that effect signed by the Chairman & Managing Director is attached and forms a part of this Report.

**(F) Web link where details of familiarization Program to Independent Director**

The web link for details of familiarization program to Independent Director is [www.ariesagro.com](http://www.ariesagro.com)

**BOARD COMMITTEES**

**3. AUDIT COMMITTEE**

Two third of the Members of the Committee are Non-Executive and Independent Directors. All the Members of the Audit Committee are professionals and financially literate within the meaning of Regulation 18 (1) (c) of the Listing Regulations.

**(i) The terms of reference of the Audit Committee :**

The terms of reference of the Audit Committee are in accordance with Part C of Schedule II to the Regulation 18 (3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee acts as a link between the Management, Auditors and Board of Directors of the Company and has full access to financial information.

Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

**(ii) Composition, Name of Members and Chairperson**

The Audit Committee comprises of the following Directors:

Mr. Bhumitra V. Dholakia	: Chairman (Independent Director)*
Dr. Rahul Mirchandani*	: Member (Non-Independent Director)
Prof. R. S. S. Mani	: Member (Independent Director)

***The composition of the Audit Committee was changed at the Board Meeting held on 03.04.2017 and Mrs. Nitya Mirchandani was inducted as a Member in place of Dr. Rahul Mirchandani.***

The Chairman of the Audit Committee remains present at the Annual General Meeting. The previous Annual General Meeting of the Company was held on 30<sup>th</sup> September, 2016 and was attended by Mr. Bhumitra V. Dholakia, Chairman of the Audit Committee.

**(iii) Meetings and Attendance during the year**

The Audit Committee met 4 times during the year on 30.05.2016, 11.08.2016, 23.11.2016 and 10.02.2017. Not more than four months had elapsed between any two meetings. The necessary quorum was present at all the Meetings.

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

Name of the Director	No. of meetings attended(held)
Mr. Bhumitra V. Dholakia	4(4)
Prof R. S. S. Mani	4(4)
Dr. Rahul Mirchandani	4(4)

The Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and Chief Financial Officer are permanent invitees to the meetings of the Committee. The Company Secretary is the Secretary of the Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE**

The Company has a Nomination and Remuneration Committee of Directors. The scope of the Nomination and Remuneration Committee is as per the amended provisions of the Listing Regulations.

**(i) The Terms of Reference of the Nomination and Remuneration Committee are as under:**

- To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- To formulate criteria for evaluation of Independent Directors and the Board;
- to devise a policy on Board diversity;
- 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 recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- Whether to extend or continue the term of appointment of the Independent Director , on the basis of the report of performance evaluation of Independent Director.

**(ii) & (iii) Composition, Name of members, Chairperson & Attendance during the year**

Nomination and Remuneration Committee consists of Mr. Chakradhar Bharat Chhaya, Prof. R. S. S. Mani, and Mr. Bhumitra V. Dholakia all Independent Directors, as members. Mr. Chakradhar Bharat Chhaya is the Chairman of the Committee. During the Financial Year 2016-17, the Committee met once on 11.08.2016.

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

Name of the Director	No. of meetings attended(held)
Mr. C. B. Chhaya	1(1)
Prof R. S. S. Mani	1(1)
Mr. Bhumitra V. Dholakia	1(1)

((iv) The Company does not have any Employee Stock Option Scheme.

**(v) Remuneration Policy**

The Remuneration Policy for Working Directors is in line with the other peer Companies and reviewed periodically. The payment of remuneration is duly approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and subsequently confirmed by the Shareholders.

The Nomination and Remuneration Policy of the Company is displayed on Company's web-site i.e. [www.ariesagro.com](http://www.ariesagro.com). And is re-produced as under;

**ARIES AGRO LIMITED**

**NOMINATION AND REMUNERATION POLICY FOR DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

**1. Introduction**

The Company considers human resources inclusive of its Senior Management Team Members as its invaluable Asset. This policy on Nomination and Remuneration of Directors, Key Manager Personnel (KMPs) and Senior Management has been formulated in terms of the provisions of the Companies Act, 2013 and the Listing Agreement in order to attract and retain high-performing and motivated Executives in a competitive corporate world. This will lead to good corporate governance as well as sustained and long-term value creation for Stakeholders.

**2. Objective and purpose of the Policy**

The objective and purpose of this policy are:

- 2.1 To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other Employees.
- 2.2 To formulate the criteria for evaluation of performance of all the Directors on the Board.
- 2.3 To devise a policy on Board diversity; and
- 2.4 To lay out remuneration principles for working Directors, Key Managerial Personnel and Senior Management Team Members linked to their effort, performance and achievement in relation to the Company's goals.

**3. Definitions**

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Agreements and/or Regulations.

'Company' means Aries Agro Limited

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and Rules.

'Key Managerial Personnel (KMP)' means

- i) Managing Director or the Manager,
- ii) Whole-time Director;
- iii) Company Secretary; and
- iv) Chief Financial Officer

'Senior Management' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Director, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

**General**

This Policy is divided in three parts:-

**Part – A** Scope and Applicability

**Part--B** Responsibilities and Powers of the Committee and recommended by the Committee to the Board.

**Part – C** covers the appointment and nomination; and

**Part – D** covers remuneration and perquisites etc.

This policy shall become effective from the date of its adoption by the Board and shall be included in the Report of the Board of Directors.

**Part – A**

**SCOPE AND APPLICABILITY**

- a) Remuneration structures and other terms of employment of Key Managerial Personnel and Senior Management. Personnel.
- b) Remuneration of Non-Executive Directors
- c) Selection of the Independent Directors
- d) Selection of Key Managerial Personnel.

**Part – B**

**RESPONSIBILITIES AND POWERS OF THE NOMINATION AND REMUNERATION COMMITTEE**

The following matters shall be dealt with by the Committee in consonance with the principles and requirements enshrined under the Companies Act and the Listing Agreement particularly clause relating to Corporate Governance: ;

- (a) Size and composition of the Board

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

- (b) **Directors:**  
*Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;*
- (c) **Succession plans:**  
*Establishing and reviewing Board and Key Managerial Personnel succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;*
- (d) **Evaluation of performance:**
- i. *Make recommendations to the Board on appropriate performance criteria for the Directors.*
  - ii. *Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.*
  - iii. *Identify ongoing training and education programmes for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.*
- (e) **Board diversity:**  
*The Committee is to assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity Policy.*
- (f) **Remuneration framework and policies:**  
*The Committee is responsible for reviewing and making recommendations to the Board on;*
- (a) *The remuneration of the Managing Director, Whole-time Directors and other KMPs*
- (b) *The level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;*
- (c) *The remuneration policies for all employees including KMPs, Senior Management and other Employees including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to*
- (i) *Attract and motivate talent to pursue the Company's long term growth;*
  - (ii) *Demonstrate a clear relationship between executive compensation and performance; and*
  - (iii) *Be reasonable and fair, having regard to best governance practices and legal requirements.*
- (d) *The Company's equity based incentive schemes including a consideration of performance thresholds and regulatory and market requirements;*
- (e) *The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and*
- (f) *The Company's remuneration reporting in the financial statements and remuneration report.*
- (g) *However, the Managing Director or Executive Director jointly or severally shall have right to fix total pay package (remuneration, allowances and perquisites) of all the Key Managerial and Senior Management Personnel (other than Director level) within the frame work of this Policy and periodically report to the Committee which will evaluate the same and if need be recommend variation in the pay package.*

### **Part – C**

#### **Policy for appointment and removal of Director, KMPs and Senior Management**

##### **Appointment criteria and qualifications**

1. *The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management level and recommend to the Board his / her appointment.*
2. *A person to be appointed as Director, KMP or Senior Management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.*
3. *A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.*
4. *The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years and shall not appoint Independent Directors who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the Explanatory Statement annexed to the Notice for such motion indicating the justification for extension of appointment beyond seventy years as the case may be.*
5. *A Whole-Time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a Whole-Time KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.*

##### **Term / Tenure**

1. **Managing Director / Whole-time Director**

*The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry term.*

## 2. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed Company.

### Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other Applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

### Retirement

The Whole-time Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing Policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and Senior Management Personnel in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

## PART – D

### Policy relating to the remuneration for Directors, KMPs and other Employees

#### Managing Director, Executive Director or Whole Time Director

1. The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director and/or Executive Directors (Whole Time Directors) shall be as permissible under the provisions of the Companies Act, 2013 and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director Or Executive Director(Whole Time Director) Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### Remuneration to KMPs (other than Directors) and Senior Management Personnel (referred to as Executives)

The policy on remuneration for KMPs and Senior Management Personnel is as below:

##### 1. Fixed Pay

The remuneration and reward structure for Executives comprises three broad components – Annual Remuneration, Variable Pay (Performance Incentive) and Long-Term rewards. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the Employees.

These guidelines are as under:

##### a) Annual Remuneration

Annual Remuneration refers to the annual compensation payable to the employees of the Company. This comprises of two parts – a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. Every employee is required to sign off and accept a target which clearly articulates the key performance measures for the particular defined role. The performance-linked variable pay will be directly linked to the performance on individual components of the performance contract and the overall performance of the business. An employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of shareholders.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a compensation with the relevant peer group globally, established through independent compensation surveys from time to time.

##### b) Long-term rewards

Long term rewards may include Long Term Incentive Plans (LTIP) under which incentives would be granted to eligible Executives based on their contribution to the performance of the Company, relative position in the organization and length of service under the supervision and approval of the Committee. The Company could implement various long term awards schemes that could include Long Term Incentive Programme (LTIP) spread over several years with payouts in multiple tranches linked to the Company's performance. Another form of long term awards could be in the nature of Stock Options of the Company. Stock Options may be granted to key employees and high performers in the organization who would be selected by the Committee based on their criticality, past performance and potential. The grant, vesting and other scheme details would be formulated from time to time.

These long term reward schemes are implemented to attract and retain key talent in the industry.

Remuneration to Non-Executive / Independent Directors

## 1. Remuneration

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder and the Listing Agreement.

The remuneration to the Non-Executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Remuneration structure for Independent Directors – Sitting fees as per the norms of the Company.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed by the Board on its own or upon the suggestion of the Nomination and Remuneration Committee as and when any changes are to be incorporated in the Policy. Any change or modification in the Policy as recommended by the Committee would be tabled for approval of the Board.

This Policy is updated on 30<sup>th</sup> May, 2014.

## e) Performance Evaluation of Directors

Pursuant to applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors including Managing Director and Non-Executive Directors and Chairperson of the Board.

## 5. Meeting of Independent Directors

A Separate meeting of the Independent Directors was held on 10.02.2017, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### (vi) Details of Remuneration paid to the Directors for the year ended 31<sup>st</sup> March 2017.

#### i) Managing Director and Executive Director.

The Agreements with the Chairman & Managing Director and Executive Director were for a period of three Years from 01.10.2015 to 30.09.2018.

The total remuneration paid to the Managing Director and Executive Director during the year 2016-17 was as under:

(Rupees)

Name	Salary	Commission	Contribution to Provident Fund/ Gratuity	Total
Dr. Jimmy Mirchandani Chairman & Managing Director *Resigned as MD w.e.f. 03.04.2017. Continues to be a Director	63,60,000	37,00,000	--	<b>1,00,60,000</b>
Dr. Rahul Mirchandani Executive Director *Appointed as the Chairman and Managing Director w.e.f. 04.04.2017	63,60,000	37,00,000	5,29,920	<b>1,05,89,920</b>

Notes:

- The Agreements with the Managing Director, and Executive Director were for a period of three years upto 30th September, 2018. Either party to the Agreement was entitled to terminate by giving the other party a notice of 3 months.
  - The Managing Director and Executive Director were entitled to compensation for loss of office in accordance with and subject to restrictions laid down under Sections 197 and 202 of the Companies Act 2013.
  - Presently, the Company does not have a scheme for grant of Stock Options to its Working Directors
  - The Managing Director and Executive Director are entitled to Commission within the overall limit prescribed under Section 197 of the Companies Act, 2013.
- ii) The Non Executive Directors are not entitled to any Remuneration except payment of Sitting Fees for attending the Meetings of Board of Directors and Committees thereof. During the year 2016-17, the Company has paid total Sitting Fee of Rs. 7,72,500/- to Non Executive Directors as under:

Prof. R. S. S. Mani	Rs. 2,10,000.00
Mr. C. B. Chhaya	Rs. 2,02,500.00
Mr. B. V. Dholakia	Rs. 2,40,000.00
Mrs. Nitya Mirchandani	Rs. 1,20,000.00

Since there is a payment of only sitting fees either the disclosure of the criteria of making other payments to non-executive directors or dissemination of the information on the website has not been made.

#### 5. STAKE HOLDERS RELATIONSHIP COMMITTEE

- i) The Company has a Stake Holders Relationship Committee pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Listing Regulations.
- ii) The Stake Holders Relationship Committee has been constituted to specifically look into redressing the Shareholders and Investors' Complaints or Grievances.
- iii) The Committee met once during the year on 10<sup>th</sup> February, 2017.
- iv) The Composition of the Stake Holders Relationship Committee and details of Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2016-17	
		Held	Attended
Mr. C. B. Chhaya Chairman	Independent, Non-Executive	1	1
Dr. Jimmy Mirchandani Member	Non-Independent, Executive	1	0
Dr. Rahul Mirchandani Member	Non-Independent, Executive	1	1

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the exclusive E-mail id of the Investor Grievance Department of the Company is [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)

- v) The Company has always valued Customer relationship. This philosophy has been extended to Stakeholder Relationship.
- vi) **Name & Designation and Address of Compliance Officer:**  
Mr. Qaiser Parvez Ansari, Company Secretary or in his absence Mr. S. Ramamurthy, Chief Financial Officer is designated as Compliance Officer of the Company.  
Aries House, Plot No. 24, Deonar  
Govandi(E), Mumbai-400 043  
Phone No. 022 2556 4052/53/62580505  
Fax No. 022 2556 4054/25571711
- vii) A statement of various Complaints received and cleared by the Company during the year ended on 31<sup>st</sup> March, 2017 is given below:

	Nature of Request/Complaint	Opening	No. of Requests/ Complaints	Redressed	Pending
	<b>A: REQUESTS</b>				
1.	Change/Correction of Address	0	5	5	0
2.	Receipt of D/W for Re-validation / Correction of Bank Mandate	0	8	8	0
	<b>TOTAL</b>	<b>0</b>	<b>13</b>	<b>13</b>	<b>0</b>
	<b>B: COMPLAINTS</b>	0	0	0	0
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>GRAND TOTAL</b>	<b>0</b>	<b>13</b>	<b>13</b>	<b>0</b>

- viii) The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and no Complaint was received during the Financial Year 2016-17 through SCORES.
- ix) As required by the Listing Regulations the E-mail ID of the Investor Grievance Department of the Company is [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com).
- x) The Web Site address of the Company is [www.ariesagro.com](http://www.ariesagro.com).

#### 5A. OTHER COMMITTEES (VOLUNTARY DISCLOSURE AND COMPLIANCE)

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

Corporate Social Responsibility(CSR) Committee of Directors as required under Section 135 of the Companies Act, 2013 was constituted on 2<sup>nd</sup> April, 2014 comprising of the following Directors:

- i) Dr. Jimmy Mirchandani, Non-Independent, Executive
- ii) Dr. Rahul Mirchandani, Non-Independent, Executive
- iii) Mr. Bhumitra V. Dholakia, Independent, Non-Executive

**\* Dr. Rahul Mirchandani was appointed as the Chairman w.e.f. 03.04.2017. There is no change in the composition of the Committee.**



The broad terms of reference of CSR Committee is as follows:

- (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- (b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year two Meetings of the CSR Committee was held on 30<sup>th</sup> May, 2016 and 11<sup>th</sup> August, 2016.

The Composition of the CSR Committee and details of Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2016-17	
		Held	Attended
Dr. Jimmy Mirchandani Chairman	Non-Independent, Executive	2	2
Dr. Rahul Mirchandani Member	Non-Independent, Executive	2	2
Mr. Bhumitra V. Dholakia	Independent, Non-Executive	2	2

#### b) Treasury Committee

##### Composition of the Committee

The Treasury Committee was constituted by the Board of Directors of the Company at their meeting held on 28<sup>th</sup> January, 2010 to consider and approve financial needs (borrowings of the Company from time to time and negotiate the Terms and Conditions with the Banks/Financial Institutions, avail the Credit Facilities and finalize and sign Agreements, Deeds, Documents etc with the Banks/Financial Institutions.

The Committee consists of the following members:

Dr. Jimmy Mirchandani : Chairman

Dr. Rahul Mirchandani : Member

Mr. C. B. Chhaya : Member

***The composition of the Treasury Committee was changed at the Board Meeting held on 03,04.2017 and Mrs. Nitya Mirchandani was inducted as a Member in place of Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani was appointed as the Chairman.***

The Committee met 3(three) times during the year and it was well attended.

#### c) Risk Management Committee

The Company is not required to have the Risk Management Committee as it does not fall under the Top 100 Companies as required by the Listing Regulations.

However, the Board of the Company had formed a Risk Management Committee to frame, implement and monitor Risk Management Plan for the Company.

The Composition of the Risk Management Committee was Dr. Jimmy Mirchandani, Chairman, Dr. Rahul Mirchandani Member and Mr. S. Ramamurthy. Member.

***The Board of Directors in their Meeting held on 11<sup>th</sup> August, 2016 dissolved the Risk Management Committee as the Audit Committee has additional task to oversight in the area of Financial Risks and Controls. Major Risks identified by business and functions are systematically addressed through mitigating actions on continuing basis.***

## 6. GENERAL BODY MEETINGS

(i) and (ii) **The date, time and venue of the last 3 General Body Meetings of the Company is given below:**

Financial Year ended	Date	Time	Venue	Details of Special Resolutions
31 <sup>st</sup> March, 2014	26.09.2014	10.00 a.m.	The Chembur Gymkhana, 16 <sup>th</sup> Road, Chembur, Mumbai-400 071	1. Authorisation for Borrowing Money under Section 180(1)(c) of the Companies Act, 2013 2. Authorisation for creation of Charges on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.
31 <sup>st</sup> March, 2015	30.09.2015	10.00 a.m.	The Chembur Gymkhana, 16 <sup>th</sup> Road, Chembur, Mumbai-400 071	1. Re-appointment of Dr. Jimmy Mirchandani as the Managing Director and revision in remuneration for a period of 3(three) Years commencing from 1st October, 2015 upto and inclusive of 30th September, 2018. 2. Re-appointment of Dr. Rahul Mirchandani as the Executive Director and revision in remuneration for a period of 3(three) Years commencing from 1st October, 2015 upto and inclusive of 30th September, 2018.
31 <sup>st</sup> March, 2016	30.09.2016	10.00 a.m.	The Chembur Gymkhana, 16 <sup>th</sup> Road, Chembur, Mumbai-400 071	NONE

(iii) to (iv) **No Postal ballot was conducted during the year under review. No Extra Ordinary General Meeting was held.**

(v) And (vi) At the forthcoming Annual General Meeting there is no Item on the Agenda requiring to be passed by Postal Ballot. Hence, no need to specify the procedure for Postal Ballot.

## 7. DISCLOSURES

### (i) Related Party Transactions

During the year under review, besides the transactions reported in Notes to the Accounts of the Annual Report, there were no other Related Party Transactions with the Promoters, Directors and Management that had a potential conflict with the interest of the Company at large.

The Board has approved a Policy for Related Party Transactions.

All the transactions with Related Parties are periodically approved by the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every Meeting for its approval. Transactions with Related Parties, as per requirements of Ind AS 24 are disclosed in Note No. 38 to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

### (ii) Compliances by the Company

There have been no instances of Non-Compliance on any matter with the Rules and Regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authority relating to the Capital Markets during the last three years.

### (iii) Whistle Blower Policy: (Vigil Mechanism)

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism for Employees and Directors to report concerns about un-ethical behavior. No person has been denied access to the Chairman/Member of the Audit Committee. The said Policy has been put up on the web site of the Company. There is one of the item at every Audit Committee Meeting to review any complaint received under Vigil Mechanism.

### (iv) Compliance with Mandatory and Non-Mandatory Items

The Company has complied with the mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the Listing Regulations. The status of compliance in respect of non-mandatory requirements of Listing Regulations is as follows:

- Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive functions is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him, whenever needed, in performance of his duties.
- Tenure of Independent Directors:** All three Independent Directors have been appointed for a term of 5(five) years in the Forty Fourth Annual General Meeting held on 26<sup>th</sup> September, 2014 and will hold office upto 25<sup>th</sup> September, 2019.
- Nomination and Remuneration Committee:** The Company has set up a Nomination and Remuneration Committee consisting of three Non Executive Independent Directors. Please see the paragraph on Nomination and Remuneration Committee.
- Shareholders' rights:** Un-Audited Quarterly Financial Results and Summary of Significant Events are posted on the website of the Company.

- (e) **Audit Qualification:** The Auditors remarks if any are explained in the Board's Report and necessary actions are also taken by the Company when required. The Company shall endeavor to have unqualified Financial Statements. There is no qualification in the Auditors Report in the current year.

There have been no qualifications by the Auditors in their report on the Accounts of the Company for the last 7(Seven) years. The Company shall endeavor to continue to have unqualified financial statements.

- (f) **Separate posts of Chairman and CEO**—The Articles No. 179 of the Articles of Association permits the Managing Director to hold the office of the Chairman.

- (g) **Reporting of Internal Auditor** Partner of the firm of Internal Auditor attends the meetings of the Audit Committee regularly and directly interacts with the Audit Committee.

- (h) **Web link where Policy for determining Material Subsidiaries is disclosed**

The Company has not formulated the Policy as its three Indian Subsidiaries are not Material and at present they do not have any commercial activity.

- (i) **Web link where Policy on dealing with Related Party Transactions:**

The web link for Policy dealing with Related Party Transactions is at [www.ariesagro.com](http://www.ariesagro.com).

- (j) **Disclosure of Commodity Price Risks and Commodity Hedging Activities**

Not Applicable

- (k) **CMD/CFO Certification**

Chairman & Managing Director/Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Listing Regulations and the same is annexed and forms part of the Annual Report.

- (l) **Declaration regarding Code of Conduct**

The Members of the Board and Senior Management Personnel have affirmed the Compliance with the Code applicable to them during the year ended 31<sup>st</sup> March, 2017. The Annual Report of the Company contains a Certificate by the Chairman and Managing Director in terms of Listing Regulations based on compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management Personnel.

- (m) **Reconciliation of Share Capital Audit**

A qualified Practicing Company Secretary carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and Listed Equity Share Capital. The Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in the Physical form and total number of Dematerialized shares held with NSDL and CDSL.

#### 8. **Non Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (7) above**

The Company has complied with all mandatory items of the Listing Regulations. The Company has executed a new Listing Agreement with BSE Ltd and the National Stock Exchange of India Ltd thus complying with Regulation 109 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 9. **Adoption of Discretionary requirements as specified in part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.**

The Company complied with all the discretionary requirements as specified in Part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### 10. **As per para 13 of Part C of Schedule V to the Listing Regulations, the Company has made disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 on the website of the Company – [www.ariesagro.com](http://www.ariesagro.com).**

#### 11. **SUBSIDIARY COMPANIES**

The Audit Committee reviews the Consolidated Financial Statements of the Company and the Investments made by its un-listed Subsidiary Companies. The Minutes of the Board Meetings along with Report on Significant developments of un-listed Subsidiary Companies are periodically placed before the Board of Directors of the Company.

#### 12. **MEANS OF COMMUNICATION**

##### **Means of Communication:**

- (i) **Quarterly/Half-yearly and Yearly Financial Results**

The Quarterly/Half-Yearly and Annual results of the Company are published in the Newspapers and posted on the website of the Company at [www.ariesagro.com](http://www.ariesagro.com). The Quarterly and Annual results are generally published in The Financial Express and Apla Mahanagar. The Company's Financial Results are sent in time to Stock Exchanges so that they may be posted on the Stock Exchanges' website.

- (ii) **Newspaper where results are published**

The Company usually publishes its financial results in following newspaper

1. The Financial Express
2. Apla Mahanagar

(iii) **Company's Corporate Website**

The Company's website is a comprehensive reference on Aries Agro Management, Products, Investor Relations, Clients, etc. The section on "Investors' Relations" serves to inform the Stakeholders, by giving complete financial details, Corporate Governance, Composition of Board, Contact Information relating to our Registrar and Transfer Agents, etc.

Quarterly Report on Corporate Governance Listing Regulations have been submitted to Stock Exchange(s) as follows

Quarterly Report for the quarter ended	Submitted to BSE Ltd. Through their portal	Submitted to National Stock Exchange of India Ltd through NEAPS
30 <sup>th</sup> June, 2016	6 <sup>th</sup> July, 2016	5 <sup>th</sup> July, 2016
30 <sup>th</sup> September, 2016	5 <sup>th</sup> October, 2016	5 <sup>th</sup> October, 2016
31 <sup>st</sup> December, 2016	6 <sup>th</sup> January, 2017	6 <sup>th</sup> January, 2017
31 <sup>st</sup> March, 2017	6 <sup>th</sup> April, 2017	6 <sup>th</sup> April, 2017

(iv) **Release of Official News**

The Company intimates to the Stock Exchange any Official News and places on its websites also.

(v) **Presentation to Institutional Investors or to analysts**

There is no Official News release displayed on the website. The Company's last presentation to Institutional Investors/Equity Analyst is posted on the website.

(vi) **Corporate Filing and Dissemination System (CFDS), BSE Online and NSE Electronic Application Processing System (NEAPS) –**

In accordance with Listing Regulations, all disclosures and communications to BSE Limited are done electronically through BSE's Online portal and to the National Stock Exchange of India Limited are done electronically through NSE's NEAPS portal.

### 13. GENERAL SHAREHOLDERS INFORMATION

(i) **Annual General Meeting**

The 47<sup>th</sup> Annual General Meeting of the Shareholders will be held on Thursday, 28<sup>th</sup> September, 2017 at 10.00 a.m.

Venue: The Chembur Gymkhana, 16<sup>th</sup> Road, Chembur, Mumbai – 400 071.

(ii) **Financial Calendar:-**

For the year ending 31<sup>st</sup> March, 2018 the Financial Results will be announced on:

First Quarter : On or before 14<sup>th</sup> August, 2017

Half year : On or before 14<sup>th</sup> November, 2017

Third Quarter : On or before 14<sup>th</sup> February, 2018

Yearly : On or before 30<sup>th</sup> May, 2018

(iii) **Date of Book Closure:** - Saturday, 16<sup>th</sup> September, 2017 to Thursday, 28<sup>th</sup> September, 2017 (both days inclusive)

(iv) **Dividend**, if any, declared by the Members in the ensuing Annual General Meeting will be paid on 24<sup>th</sup> October, 2017.

(v) **Unclaimed Dividend/IPO Refund to Investor Education and Protection Fund**

During the year under review the Company was not required to credit any amount to the Investor Education and Protection Fund (IEPF).

Pursuant to Section 124(5) of the Companies Act, 2013 dividend which remains Un-Paid/Un-Claimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

(vi) The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
For the Financial Year 2007-08	Transferred to Investor Education and Protection Fund Account	No (As per Section 205C of the Companies Act, 1956, No claim shall lie against the Fund)	N.A.	N.A.
For the Financial Years 2009-10 to 2015-16	Lying in respective Unpaid Dividend Accounts	Yes	M/S Aarhi Consultants Private Limited, Registrars and Transfer Agents 1-2-285, Domalguda, Hyderabad-500 029 040-27634445/8111/27642217	Letter on plain paper

(vii) Pursuant to the provision of the Investor Education and Protection Fund (Uploading of Information Regarding Un-Paid/Un-Claimed amounts lying with Companies), Rules, 2012, the Company has hosted on its website i.e. [www.ariesagro.com](http://www.ariesagro.com) and on the web site of the Ministry of Corporate Affairs the details of the Unclaimed Dividend as on the AGM dated 30.09.2016.

(viii) The date of declaration of dividend in respect of Financial Years 2009-10 to 2015-16 and the last date for claiming such dividend is given in the table below:

Financial year	Date of Declaration	Rate	Last Date of Claiming payment from Aarhi Consultants Pvt. Ltd*	Due for Transfer to IEPF
2009-10	17 <sup>th</sup> September, 2010	15%	21 <sup>st</sup> October, 2017	22 <sup>nd</sup> October, 2017
2010-11 (Interim)	28 <sup>th</sup> January, 2011	10%	4 <sup>th</sup> March, 2018	5 <sup>th</sup> March, 2018
2010-11 (Final)	29 <sup>th</sup> September, 2011	10%	4 <sup>th</sup> October, 2018	5 <sup>th</sup> October, 2018
2011-12	28 <sup>th</sup> September, 2012	15%	3 <sup>rd</sup> October, 2019	4 <sup>th</sup> October, 2019
2012-13	30 <sup>th</sup> September, 2013	15%	5 <sup>th</sup> October, 2020	6 <sup>th</sup> October, 2020
2013-14	26 <sup>th</sup> September, 2014	20%	1 <sup>st</sup> October, 2021	2 <sup>nd</sup> October, 2021
2014-15	30 <sup>th</sup> September, 2015	20%	5 <sup>th</sup> October, 2022	6 <sup>th</sup> October, 2022
2015-16	30 <sup>th</sup> September, 2016	15%	5 <sup>th</sup> October, 2023	6 <sup>th</sup> October, 2023

\*Indicative dates. Actual dates may vary.

- (ix) The Company's Registrars have already written to the Shareholders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends/ IPO Application Refunds . Attention of the stakeholders is again drawn to this matter through the Annual Report.
- (x) Shareholders are requested to get in touch with the Registrars for encashing the unclaimed dividend amount, if any, standing to the credit of their account.
- (xi) As per, Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF. Ministry of Corporate Affairs has recently notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 which have come into force from February 28, 2017. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF Suspense Account.

All the Share Holders are requested to claim the Unpaid/Unclaimed Dividends due to them by making an application to M/S. Aarhi Consultants Pvt.Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 22<sup>nd</sup> October, 2017. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Suspense Account. Kindly note that dividend for Financial Year 2009-10 Interim has already been transferred to IEPF.

However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Suspense Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarhi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim. We shall send a verification report to IEPF Authority for refund of the unclaimed dividend amount and transfer of the shares back to the credit of the shareholder. As per the above mentioned rules, only one such request can be made in one year.

(xii) **Listing:** The Equity Shares of the Company are listed on BSE Ltd and National Stock Exchange of India Ltd.

(xiii) ISIN NO. : INE298I01015

**Scrip Code : BSE - 532935**

**NSE - ARIES**

(xiv) **Listing Fee:** The Listing Fee for the financial year 2016-2017 has been paid to the above Stock Exchanges.

***The Listing Fee for the financial year 2017-2018 have also been paid to the above Stock Exchanges.***

(xiv) **Market Price Data: high, low during each month in the last Financial Year.**

Monthly Share Price Data of the Company's shares on BSE for the year ended 31<sup>st</sup> March, 2017

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2016	119.10	21.04.2016	88.05	05.04.2016
May, 2016	137.30	13.05.2016	103.00	31.05.2016
June, 2016	127.00	30.06.2016	106.00	02.06.2016
July, 2016	125.10	04.07.2016	112.10	21.07.2016 & 22.07.2016
August, 2016	119.20	01.08.2016	101.40	16.08.2016
September, 2016	124.40	22.09.2016	99.00	20.09.2016
October, 2016	148.30	10.10.2016	115.00	04.10.2016
November, 2016	144.05	29.11.2016	105.00	21.11.2016
December, 2016	177.70	13.12.2016	130.00	01.12.2016
January, 2017	189.00	18.01.2017	160.30	02.01.2017
February, 2017	195.90	08.02.2017	157.05	23.02.2017
March, 2017	162.75	01.03.2017	144.20	14.03.2017

Monthly Share Price Data of the Company's shares on NSE for the year ended 31<sup>st</sup> March, 2017

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2016	119.75	21.04.2016	88.05	01.04.2016 & 05.04.2016
May, 2016	137.35	13.05.2016	102.15	31.05.2016
June, 2016	127.35	30.06.2016	105.55	24.06.2016
July, 2016	125.70	04.07.2016	112.20	29.07.2016
August, 2016	119.85	01.08.2016	101.00	16.08.2016
September, 2016	124.70	22.09.2016	98.00	16.09.2016
October, 2016	148.45	10.10.2016	115.95	03.10.2016
November, 2016	144.20	29.11.2016	105.00	15.11.2016
December, 2016	177.65	13.12.2016	128.45	01.12.2016
January, 2017	189.90	11.01.2017	160.00	02.01.2017
February, 2017	195.95	08.02.2017	155.30	15.02.2017
March, 2017	162.75	01.03.2017	144.00	14.03.2017

(xv) Performance in comparison to BSE & NSE Sensex

**BSE**



**NSE**



(xvi) Name and Address of the Registrar and Share Transfer Agents

**M/S. AARTHI CONSULTANTS PVT LTD**

**Regd. Office**

1-2-285 Domalguda,

Hyderabad – 500029

Tel: 040 27638111 / 27634445 / 27642217 / 66611921

Fax: 040 27632184

Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

(xvii) Share Transfer System

Aarthi Consultants Private Limited processes transfer of shares held in Physical form and sends to the Company.

The powers for approval of share transfers (physical) are delegated as under:

Upto 1000 Shares : Mr. S. Ramamurthy, Chief Financial Officer and Mr. Qaiser P. Ansari, Company Secretary,

1001 to 5000 Shares : Dr. Jimmy Mirchandani, Chairman & Managing Director or Dr. Rahul Mirchandani, Executive Director

above 5000 Shares : Stake Holders Relationship Committee

If the relevant documents are in order and complete in all respects, the transfer of shares is effected and certificates are dispatched to the transferees within 15 days from the date of receipt.

The requests for dematerialisation of shares are processed by the Registrar and Share Transfer Agents and if all the documents are found to be in order, the same are approved by them within a period of 15 days.

(xviii) (1) Distribution of Share Holding as on 31<sup>st</sup> March 2017

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	8291	85.43	971319	9713190	7.47
2	5001 - 10000	736	7.58	572666	5726660	4.40
3	10001 - 20000	338	3.48	508010	5080100	3.91
4	20001 - 30000	107	1.10	277441	2774410	2.13
5	30001 - 40000	52	0.54	185412	1854120	1.43
6	40001 - 50000	57	0.59	270237	2702370	2.08
7	50001 - 100000	61	0.63	440979	4409790	3.39
8	100001 & Above	63	0.65	9778275	97782750	75.19
	Total:	9705*	100	13004339	130043390	100

*\*Prepared based on the PAN*

(2) Distribution of shareholding according to categories of shareholders as on 31<sup>st</sup> March, 2017

Categories	No. of Shares	Amt. in Rs.	% to Total
Promoters	6847926	68479260	52.66
Directors (Independent)	--	--	--
Financial Institutions/ Banks	31965	319650	0.25
Mutual Funds / UTI	--	--	--
NRIs / OCBs/FIIs	138483	1384830	1.06
Other Bodies Corporate	1081196	10811960	8.31
Public	4904769	49047690	37.72
<b>Total</b>	<b>13004339</b>	<b>130043390</b>	<b>100.00</b>

(xix) For the purpose of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011, the following Companies are to be considered as Group Companies belonging to Promoters Group.

Sr. No.	Name of the Companies	Shareholding of the Company as on 31.03.2017
1.	Sreeni Agro Chemicals Ltd.	NIL
2.	Aries Marketing Ltd.	NIL
3.	Blossoms International Ltd.	NIL
4.	Aries East-West Nutrients Pvt. Ltd.	NIL

(xx) **Subsidiary Companies**

A list of Subsidiary Companies is given in Note No. 38 of the Notes to Accounts forming part of the Annual Report.

All the Subsidiary Companies are Board managed. As the majority share holder, the Company has nominated its representative on the Board of Subsidiary Companies to monitor performance of such Companies. These are not material Subsidiaries as defined under Listing Regulations.

(xxi) **Details of Demat Shares as on 31<sup>st</sup> March, 2017**

Name of Depository	No. of Shareholders	No. of Shares	% of Capital
NSDL	5876	9902260	76.15
CDSL	3754	2806243	21.58
<b>Sub-Total</b>	<b>9630</b>	<b>12708503</b>	<b>97.73</b>
Physical Mode	264	295836	2.27
<b>Grand Total</b>	<b>9894*</b>	<b>13004339</b>	<b>100.00</b>

*\*Actual Count*

(xxii) The Company has not issued any GDR's/ ADR's, Warrants or any other convertible instruments.



(xxiii) **Plant Location: -**

Location	Address
Mumbai, Maharashtra	• ARIES House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043, Maharashtra
Hyderabad, Telangana	• 244-246, 250-252, IDA Phase-II, Pashamylaram, Patancheru Mandal, Medak Dist;502 307, Telangana
Chhatral, Gujarat	• 1202/1 & 1202/2, Village: Rajpur, Taluka: Kadi, Distt: Mehsana, 382 740, Gujarat
Lucknow, Uttar Pradesh	• Plot No. 836, Banthara, Lucknow-Kanpur Highway, Sikandarpur, Tehsil & Distt. Lucknow, U. P., 227 101
Fujairah, UAE	• Amarak Chemicals FZC( a Subsidiary of Golden Harvest Middle East FZC thereby a Step Down Subsidiary of Aries Agro Limited) Al Hayl Industrial Area, P. O. Box 5283, Fujairah Free Zone(FFZ), Fujairah, UAE

(xxiv) Address for Correspondence:

- i) Any query relating to the shares of the Company for Shares held in Physical Form and Shares held in Demat Form should be addressed to:

M/s. Aarathi Consultants Pvt. Ltd.  
1-2-285 Domalguda, Hyderabad – 500029  
Tel: 040 27638111 / 27634445 / 27642217 / 66611921  
Fax: 040 27632184  
Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

- ii) For grievance redress and any query

Mr. Qaiser P. Ansari, Company Secretary & Compliance Officer OR Mr. S. Ramamurthy, Chief Financial Officer, at the following address

Aries Agro Limited  
Aries House, Plot No. 24,  
Deonar, Govandi (E), Mumbai – 400043  
Tel: 022 25564052 / 53 / 62580505  
Fax: 022 25564054  
Email: [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)  
Web Site: [www.ariesagro.com](http://www.ariesagro.com)

(xxv) SEBI toll-free helpline service for investors: 1800 22 7575/1800 266 7575 (available on all days from 9.30 a.m. to 5.30 p.m.)

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**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**  
**AUDITORS' CERTIFICATE**

To the Members of Aries Agro Limited

We have examined the compliance of the conditions of Corporate Governance by Aries Agro Limited for the year ended 31<sup>st</sup> March, 2017, as stipulated in Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

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

For **Kirti D. Shah & Associates**  
**Chartered Accountants**

**Kirti D. Shah**  
**Proprietor**  
**Membership No. 32371**  
Mumbai  
Date: 9<sup>th</sup> August, 2017

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**Declaration by the Chairman & Managing Director to the Compliance of Code of Conduct in pursuance of Clause 49 (D) (ii) of the Listing Agreement**

It is hereby declared that the Company has obtained from all the Members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Conduct of the Company for the Financial Year 2016-17.

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**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
**DIN-00239057**  
Date: 9<sup>th</sup> August, 2017

## MANAGING DIRECTOR(MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Aries Agro Limited ("The Company") to the best of our knowledge and belief certify that :

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the Year ended on 31<sup>st</sup> March, 2017 and that to the best of 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.
- (b) 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. We hereby declare that all the Members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (c) We are responsible for establishing and maintaining Internal Controls for Financial Reporting and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting 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.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - i. There have been no significant changes in the Internal Controls over Financial Reporting during the year.
  - ii. There have been no 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. There have been no 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.

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN-00239057

**S. Ramamurthy**  
Chief Financial Officer  
Membership No. ACA-31200

Mumbai  
9<sup>th</sup> August, 2017