

## REPORT ON CORPORATE GOVERNANCE

### REPORT ON CORPORATE GOVERNANCE

The Board has taken necessary steps to ensure that all regulatory and mandatory provisions of Corporate Governance have been complied with. The Board furnishes the following relevant information for the benefit of the Members.

#### 1. Company's Philosophy on Code of Governance

Your Company believes in fair, transparent and ethical governance practices. The Company strives to achieve excellence in all aspects of the business, help the people succeed by providing them support and feedback and build teams that collaborate and contribute to their success. Every employee of the Company is not just an employee but an important resource and part of the family. The company's philosophy on corporate governance ensures accountability, ethical corporate behavior and fairness to all stakeholders which include regulators, customers, vendors investors and employees.

#### 2. Board of Directors

##### Composition / Category of Directors, Attendance, No. of Board/Committees No. of Shares as on March 31, 2020

Directors	Designation	Board Meetings		Last AGM Attended	No. of Other Directorships <sup>1</sup>	Member of Committees/ (Chairman) <sup>2</sup>	No. of Equity Shares
		Held	Attended				
<u>Executive Directors:</u>							
Mr. Rajesh Batra (Chairman)	Managing Director	5	5	Yes	5 (chairman of 2)	4 (chairman of 1)	70 <sup>3</sup>
<u>Non Executive Directors:</u>							
Dr. S. D. Israni	Independent Director	5	5	Yes	3	4	0
Mr. Rajiv Batra <sup>4</sup>	Non-executive Director	5	2	No	1	None	20
Mr. N. Santhanam	Independent Director	5	5	Yes	1	1 (chairman of 1)	0
Mrs. Pheroza Jimmy Bilimoria	Independent Director	5	5	Yes	None	None	0

1 excludes alternate directorship, directorship in section 8 companies, foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.

2 includes audit committee & stakeholders relationship committees of public companies.

3 includes 20 equity shares each held on behalf of partnership firm and trust.

4 ceased to be a Director with effect from closing hours of March 30, 2020 consequent to his resignation.

None of the Directors are related to any other Director on the Board, except Mr. Rajesh Batra and Mr. Rajiv Batra, who are related to each other as brothers.

## REPORT ON CORPORATE GOVERNANCE

The name of the other listed entities in which the Director is also a Director and the category of Directorship as on March 31, 2020 are as follows :

Name of the Director	Name of the Other Listed Entity	Category of Directorship
Mr. Rajesh Batra	National Peroxide Limited The Bombay Burmah Trading Corporation Limited	Independent Director Independent Director
Dr. S.D. Israni	Modern India Limited Advani Hotels and Resorts (India) Limited	Independent Director Independent Director
Mr. Rajiv Batra*	N.A.	N.A.
Mr. N. Santhanam	N.A.	N.A.
Mrs. Pheroza Jimmy Bilimoria	N.A.	N.A.

\* Ceased to be a Director with effect from closing hours of March 30, 2020 consequent to his resignation.

The Company held 5 (five) Board Meetings during the Financial Year 2019 - 20. These were on May 24, 2019, August 14, 2019, November 13, 2019, February 12, 2020 and March 6, 2020.

The details of familiarization programmes imparted to the Independent Directors are available at the weblink [www.cravatex.com\investors](http://www.cravatex.com\investors).

The matrix of core skills/expertise/competencies identified by the Board of directors as required in the context of its business and sector for it to function effectively and those actually available with the Board are

Skills	Rajesh Batra	S.D. Israni	N. Santhanam	Pheroza Billimoria	Rajiv Batra
Industry Knowledge	✓			✓	✓
Finance & Accounts	✓		✓		
Risk Management	✓	✓	✓		✓
International Business	✓		✓	✓	✓
Marketing/Sales	✓			✓	✓
Legal/Regulatory		✓	✓		
Business Operations	✓			✓	✓
Corporate Leadership	✓	✓	✓	✓	

In the opinion of the Board all the independent directors meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management of the Company.

None of the Independent Directors have resigned before the expiry of their tenure during the financial year ended March 31, 2020.

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### 3. Audit Committee

The committee is formed in terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### (a) Terms of Reference

The role and terms of reference of the Audit Committee include oversight of financial reporting process, review of Internal Audit Reports and the Statutory Auditors' Report on the financial statements, general interaction with the Internal Auditors and Statutory Auditors, selection and establishment of accounting policies, review of financial statements, both quarterly and annual, before submission to the Board, review of management discussion and analysis of financial condition and results of operations and review of performance of statutory and internal auditors and adequacy of internal control systems, approve policies in relation to the implementation of Insider Trading Code and supervise its implementation and other matters specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

#### (b) Composition

The Audit Committee consists of the following Non-executive and Executive Directors during the financial year 2019-20:

- (1) Mr. N. Santhanam (Chairman), Independent Director
- (2) Dr. S.D. Israni, Independent Director
- (3) Mrs. Pheroza Jimmy Bilimoria, Independent Director and
- (4) Mr. Rajesh Batra, Managing Director.

Mr. Rajesh Batra ceased to be a member of the Audit Committee w.e.f. February 13, 2020 consequent to his resignation as the member of the Audit Committee.

Mr. Sudhanshu Namdeo, Company Secretary acts as the Secretary to the Committee.

#### (c) Number of Meetings, Attendance

The Company held 5 (five) Audit Committee Meetings on May 24, 2019, August 14, 2019, November 13, 2019, February 12, 2020 and March 6, 2020. The details of attendance of the Audit Committee Members during the financial year 2019 - 20 are given below :

Name	No. of Meetings Held	No. of Meetings Attended
Mr. N. Santhanam	5	5
Dr. S. D. Israni	5	5
Mrs. Pheroza Jimmy Bilimoria	5	5
Mr. Rajesh Batra*	4	4

\* ceased to be a member of committee w.e.f. February 13, 2020 consequent to his resignation.

### 4. Nomination and Remuneration Committee

The committee is constituted in terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### (a) Terms of Reference

Broad terms of reference of the Committee include recommendation to the Board the set up and composition of the Board and its committees, identification of persons who are qualified to become directors and who may be appointed in KPM/ senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance and recommend to the Board the remuneration Policy for Directors, KMP/senior management personnel and other employees.

## REPORT ON CORPORATE GOVERNANCE

### (b) Composition

The Nomination and Remuneration Committee consists of the following Non-executive Directors during the financial year 2019 - 20:

- (1) Dr. S.D. Israni (Chairman), Independent Director
- (2) Mr. N. Santhanam, Independent Director and
- (3) Mrs. Pheroza Jimmy Bilimoria, Independent Director

### (c) Number of Meetings and Attendance

The Company held 4 (four) Nomination and Remuneration Committee Meeting on May 24, 2019, August 14, 2019, February 12, 2020 and March 6, 2020. The details of attendance of the Nomination & Remuneration Committee Members during the financial year 2019 - 20 are given below :

Name	No. of Meetings Held	No. of Meetings Attended
Dr. S. D. Israni	4	4
Mr. N. Santhanam	4	4
Mrs. Pheroza Jimmy Bilimoria	4	4

### (d) Performance Evaluation

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. The Board monitors and reviews the Board evaluation framework.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 4(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board is required to carry out the evaluation of its annual performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and CSR Committees and other committees. The Board has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including Chairman of the Board. Accordingly the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. A separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

The Board also carried out the performance evaluation of the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

## 5. Stakeholders Relationship Committee

The committee is constituted in terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (a) Terms of Reference

Broad terms of reference of the Stakeholders Relationship Committee are to approve and issue/register the transfers and/or transmission of equity shares of the Company, redressal of grievances/complaints of security holders.

### (b) Composition

The Stakeholders Relationship Committee consists of the following Directors for the financial year 2019-20:

- (1) Dr. S.D. Israni - Independent Director (Chairman)
- (2) Mrs. Pheroza Jimmy Bilimoria - Independent Director and
- (3) Mr. Rajesh Batra - Managing Director

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### (c) Compliance Officer

Mr. Sudhanshu Namdeo, Company Secretary is designated as the Compliance Officer.

### (d) No. of Shareholders Complaints Received, Not Resolved and Pending

There were 3 investor complaint received during the financial year 2019 - 20 which were resolved. There were no unresolved complaints and no complaints were pending at the end of the Financial Year ended March 31, 2020.

## 6. Corporate and Social Responsibility Committee

The committee was constituted in terms of Section 135 of the Companies Act, 2013.

### (a) Terms of Reference

Broad terms of reference of the CSR Committee were to formulate and recommend to the Board, a CSR policy for undertaking corporate social responsibility initiatives in accordance with the terms of Section 135 of the Companies Act, 2013 and the guidelines stated in Schedule VII of the Companies Act 2013.

### (b) Composition

The Corporate and Social Responsibility consisted of the following Directors:

- (1) Mr. N. Santhanam (Chairman), Independent Director
- (2) Mrs. Pheroza Jimmy Bilimoria, Independent Director and
- (3) Mr. Rajesh Batra, Managing Director

### (c) Number of Meetings and Attendance

No meeting was held during the year as the Company ceased to be a company covered under sub-section (1) of section 135 of the Act for three consecutive financial years. The Board of Directors in its meeting held on May 24, 2019 dissolved the CSR committee and decided to re-constitute the same as and when the provision of the Act would become applicable.

### Remuneration of Directors

The Non-executive Directors are paid remuneration by way of sitting fees. The details of sitting fees paid to the Non-executive Directors during the financial year 2019 - 20 are given below :

Name	Sitting Fees (Rs.)
Dr. S. D. Israni	2,00,000/-
Mr. Rajiv Batra	80,000/-
Mr. N. Santhanam	2,00,000/-
Mrs. Pheroza Jimmy Bilimoria	2,00,000/-

The details of sitting fees paid to the Audit Committee Members during the financial year 2019 - 20 are given below :

Name	Sitting Fees (Rs.)
Mr. N. Santhanam	1,00,000/-
Dr. S. D. Israni	1,00,000/-
Mrs. Pheroza Jimmy Bilimoria	1,00,000/-
Mr. Rajesh Batra	—

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The details of sitting fees paid to the Nomination & Remuneration Committee Members during the financial year 2019 - 20 are given below :

Name	Sitting Fees (Rs.)
Dr. S. D. Israni	80,000/-
Mr. N. Santhanam	80,000/-
Mrs. Pheroza Jimmy Bilimoria	80,000/-

The details of sitting fees paid to the Stakeholders Grievance Committee Members during the financial year 2019 - 20 are given below :

Name	Sitting Fees (Rs.)
Dr. S. D. Israni	40,000/-
Mrs. Pheroza Jimmy Bilimoria	40,000/-
Mr. Rajesh Batra	—

The appointment of Mr. Rajesh Batra, Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Members of the Company, which covers the terms of such appointment and remuneration payable. The details of remuneration paid to Mr. Rajesh Batra, Managing Director during the financial year 2019 - 20 are given below:

(Amount in Rs.)

Basic	HRA	Conveyance	Special Allowance	Medical	LTA	Bonus	Total
28,05,800	2,23,340	19,200	77,630	15,000	1,24,000	16,800	32,81,770

Presently, the Company does not have a scheme for grant of stock options either to the Directors or to the employees.

Details of Service Contracts, Notice Period, etc. of all the Directors for the financial year ended March 31, 2020:

Directors	Contract Period (Tenure)	Service Contract	Notice Period & Severance Fees
Managing Director	3 years w.e.f June 1, 2019 to May 31, 2022	Yes	Six months' notice or six months' salary, in lieu thereof
Non-Executive, Non-Independent Director	None. The Non-Executive Directors, liable to retire by rotation, get re-appointed as per the provisions of Articles of Association of the Company and the Companies Act, 2013.	No	None
Non-Executive, Independent Director	None. The Non-Executive Independent Directors are appointed for a fixed term of 5 years.	No	None

The criteria for payment to non-executive Directors is in line with practices followed by similar sized Companies keeping in view the role, responsibilities and contribution of the non-executive Directors.

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### Independent Directors' Meeting:

As a part of healthy Corporate Governance, as mandated under Schedule IV of the Companies Act 2013 and the Rules thereunder the independent directors met on February 12, 2020 without the presence of Managing Director, Non- Independent Directors and Management Team. The meeting was attended by all Independent Directors and was convened to enable independent directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. At the meeting, they

- (i) reviewed the performance of non-independent directors and the Board as a whole;
- (ii) reviewed the performance of the Chairperson of the Company, taking into account the views of other directors;
- (iii) assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board and its committees that is necessary for the Board to effectively and reasonably perform their duties

The independent directors present in the meeting held an unanimous opinion that the Non-Independent Directors, including the Managing Director bring to the Board, abundant knowledge in their respective fields and are experts in their areas. Besides, they are insightful, convincing, astute, with a keen sense of observation, mature and have a deep knowledge of the Company. The Board as a whole is an integrated, balanced and cohesive unit where diverse views are expressed and dialogued when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive and communicative. The Chairperson has abundant knowledge, experience, skills and understanding of the Board's functioning, possesses a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity.

The information flow between the Company's Management and the Board is complete, timely with good quality and sufficient quantity.

### 7. General Body Meetings

- (a) Location and time where last three AGMs were held:

	I (AGM)	II (AGM)	III (AGM)
Date	14/08/2019	17/09/2018	08/09/2017
Venue	Textiles Committee P. Balu Road, Prabhadevi Chowk Prabhadevi Mumbai-400 025	Textiles Committee P. Balu Road, Prabhadevi Chowk Prabhadevi Mumbai-400 025	Textiles Committee P. Balu Road, Prabhadevi Chowk Prabhadevi Mumbai-400 025
Time	10.30 a.m.	10.30 a.m.	10.30 a.m.

- (b) Whether any Special Resolutions were passed in the previous three AGMs?  
Yes
- (c) Whether any Special Resolutions were passed last year through postal ballot - details of voting pattern.  
No
- (d) Person who conducted the postal ballot exercise ?  
N.A.
- (e) Whether any Special Resolution is proposed to be conducted through postal ballot this year ?  
No
- (f) Procedure for Postal Ballot:

The procedure for conducting the postal ballot exercise followed by the Company is as per the Companies (Management and Administration) Rules, 2014 read with Section 110 of the Companies Act, 2013 and as mentioned in the Secretarial Standard 2 issued by Institute of Company Secretaries of India.

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### 8. Means of Communication

- (a) Quarterly, half yearly and annual financial results are announced as stipulated under Regulation 33 of SEBI (LODR) Regulation 2015.:
- (b) Newspapers wherein results published:  
Business Standard (in English) and Sakal (in Marathi)
- (c) Any website, where displayed:  
www.cravatex.com
- (d) Whether website also displays official news releases: No
- (e) Whether presentations made to institutional investors or to the analysts : No

### 9. General Shareholder Information

- (a) Annual General Meeting will be held on Thursday, August 13, 2020 at 3.30 p.m. through VC/OAVM of NSDL.
- (b) Financial Year : April 1 to March 31
  - Annual General Meeting 2019-20 : Thursday, August 13, 2020
  - Results for quarter ending June 30, 2020 : Second week of August, 2020
  - Results for quarter ending September 30, 2020 : Second week of November, 2020
  - Results for quarter ending December 31, 2020 : Second week of February, 2021
  - Results for the year ending March 31, 2021 : On or Before May 30, 2021
- (c) Dividend Payment Date : On or before September 11, 2020
- (d) Listing on Stock Exchange : Company's shares are listed on BSE Ltd. located at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.  
The Company has paid the listing fees to BSE on 08/04/2019.
- (e) Stock Code : 509472
  - SYMBOL : CRAVATEX
  - Demat ISIN : INE145E01017
- (f) Market Price Data : High: Rs.549.75 (23/01/2020)  
(Financial Year 2019 – 20) Low: 260.00 (22/05/2019)

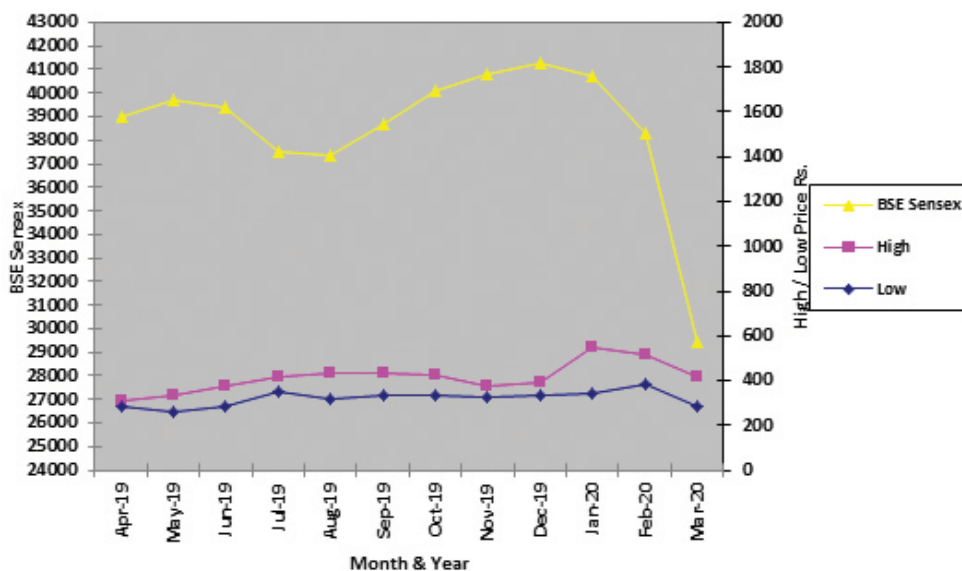


**REPORT ON CORPORATE GOVERNANCE**

High, Low and Number of Shares Traded during each month in the financial year 2019-20 on BSE Limited :

Month	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades	Total Turnover (Rs.)
Apr-19	305.50	284.40	1,924	64	5,65,493
May-19	331.70	260.00	2,346	64	7,36,742
Jun-19	376.50	281.00	5,804	215	20,07,353
Jul-19	414.00	352.45	8,032	267	31,28,595
Aug-19	435.00	320.00	6,420	149	24,64,973
Sep-19	434.50	337.60	7,168	149	29,88,312
Oct-19	426.00	338.15	4,338	182	15,71,016
Nov-19	378.00	326.00	7,194	182	25,24,787
Dec-19	394.95	331.00	5,436	104	19,52,124
Jan-20	549.75	342.90	8,597	557	40,18,467
Feb-20	518.00	385.70	4,914	178	23,50,354
Mar-20	415.00	285.00	1,786	58	6,34,681

(g) Stock Performance in Comparison to BSE Sensex :



(h) None of the Securities of the Company have been suspended from trading by BSE.

## REPORT ON CORPORATE GOVERNANCE

## (i) Registrars &amp; Share Transfer Agents:

Sharex Dynamic (India) Private Limited  
C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083

Tel No. : +91 22 2851 5606/ +91 22 2851 5644 / +91 22 2851 6338 / +91 22 2852 8087

Fax No.: +91 22 2851 2885

Email Id : :support@sharexindia.com

Website : www.sharexindia.com

(Previous address upto May 17, 2019)

Unit No.1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road  
Andheri (East), Mumbai - 400072

## (j) Share Transfer System:

95.92% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. The share transfers received in physical form are processed and share certificates are returned within a period of 15 days from the date of receipt, subject to the transfer instruments being valid and complete in all respects.

## (k) Distribution of Shareholding as on March 31, 2020 :

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
upto 100	1,351	74.35	62,213	2.41
101 to 200	189	10.40	30,416	1.17
201 to 500	153	8.42	50,095	1.94
501 to 1000	58	3.19	45,757	1.77
1001 to 5000	50	2.75	94,630	3.66
5001 to 10000	4	0.22	27,300	1.06
10001 to 100000	11	0.61	3,52,179	13.63
10001 and above	1	0.06	19,21,570	74.36
<b>Total</b>	<b>1,817</b>	<b>100.00</b>	<b>25,84,160</b>	<b>100.00</b>

Shareholding Pattern as on March 31, 2020

Equity Share Capital (Listed on BSE)

Category	No. of Shares	% To Equity Paid-up Capital
Promoters	19,38,120	75.00
Bodies Corporate	16,547	0.64
Public	5,64,523	21.85
NRI	10,187	0.39
HUF	15,123	0.59
IEPF	39,452	1.53
Clearing Member	208	0.01
<b>Total Equity Capital</b>	<b>25,84,160</b>	<b>100.00</b>

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4% Non-Convertible Cumulative Redeemable Preference Shares (Unlisted)

Category	No. of Shares	% To Preference Paid-up Capital
Promoters	75,75,000	100.00
<b>Total Preference Capital</b>	<b>75,75,000</b>	<b>100.00</b>

(l) Dematerialisation of equity shares and liquidity

The Equity Shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Of the Company's total shareholding, 24,78,709 (95.92%) equity shares were held in dematerialised mode by the Members of the Company of which 23,33,725 (90.31%) equity shares were under National Securities Depository Limited (NSDL) and balance 1,44,984 (5.61%) equity shares under Central Depository Services (I) Limited (CDSL) as on March 31, 2020.

(m) Outstanding global depository receipts or American depository receipts or warrants or any other convertible instruments, conversion date and likely impact on equity : None

(n) Commodity price risk or foreign exchange risk and hedging activities : None

(o) Plant Location

None

(p) Address for Correspondence

Registered Office:

(w.e.f. December 1, 2019)

Unit No. 201, 2nd Floor

Matulya Centre, Senapati Bapat Marg

Lower Parel (West)

Mumbai - 400 013

Tel. No.: 022-6666 7474, Fax No.: 022-2497 3210

E-mail : investors@cravatex.com

(Upto November 30, 2019)

4th Floor, Sahas, 414/2

Veer Savarkar Marg

Prabhadevi

Mumbai - 400 025

(q) Credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad : None

### 10. Other Disclosures:

(a) There are no material related party transactions during the year under review that has conflict with the interests of the Company.

The transactions entered into with related parties during FY 2020 were in ordinary course of business and at arm's length basis and were approved by the Audit Committee.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : None

(c) The Company has adopted the Whistle Blower Policy and Vigil Mechanism in terms of Regulation 22 of SEBI Listing Regulation. The Company does not deny access to any personnel to approach the audit committee on any issue. The policy has been uploaded on the Company's website.

(d) The Company has complied with all the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has not adopted any of the non-mandatory requirements.

(e) The policy on dealing with material subsidiaries is available on the website of the Company under section Policies and Procedures at [www.cravatex.com/investors](http://www.cravatex.com/investors).

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- (f) The policy on dealing with related party transactions is available on the website of the Company under section Policies and Procedures at [www.cravatex.com/investors](http://www.cravatex.com/investors).
- (g) Commodity price risks and commodity hedging activities : None
- (h) Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 : Not Applicable.
- (i) A certificate has been obtained from a company secretary in practice that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.
- (j) The Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year : None
- (k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is as follows :

Sr. No.	Name of the Company	Relationship	Name of the Statutory Auditor	Amount Paid
1.	Cravatex Limited	N.A.	GPS & Associates	6.75 lacs
2.	Cravatex Brands Limited	Subsidiary	B S R & Co. LLP	18.00 lacs
3.	BB (UK) Limited	Foreign Subsidiary	SRV Delson	GBP 27,250

11. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- (a) number of complaints filed during the financial year : Nil
- (b) number of complaints disposed of during the financial year : Nil
- (c) number of complaints pending as on end of the financial year : Nil
12. Non-compliance of any requirement of corporate governance report of Schedule V, Para C, sub-paras (2) to (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 : None
13. Extent to which discretionary requirements as specified in Part E of Schedule II have been adopted : None
14. The company has complied with corporate governance requirements specified in regulation 17 to 27 and clause b to l of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
15. The Managing Director and Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
16. Demat Suspense Account / Unclaimed Suspense Account : None

For and on behalf of the Board of Directors

**Rajesh Batra**  
 Chairman & Managing Director  
 DIN: 00020764

Place : Mumbai

Dated : June 29, 2020

CIN : L93010MH1951PLC008546

**Registered Office:**

Matulya Center, 2nd Floor

Senapati Bapat Marg

Lower Parel (W), Mumbai - 400013.

Tel. No.: +91 22 66667474, Fax No.: +91 22 24973210

E-mail: [investors@cravatex.com](mailto:investors@cravatex.com)

Website: [www.cravatex.com](http://www.cravatex.com)

**REPORT ON CORPORATE GOVERNANCE**

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

This is to confirm that as provided under Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, all Board of Directors and Senior Management of the Company have affirmed Compliance with the Code of Conduct for the Financial Year ended March 31, 2020.

For Cravatex Limited,

**Rajesh Batra**  
*Chairman & Managing Director*  
DIN: 00020764

Place : Mumbai

Dated : June 29, 2020

CIN : L93010MH1951PLC008546

**Registered Office:**

Matulya Center, 2nd Floor

Senapati Bapat Marg

Lower Parel (W), Mumbai - 400013.

Tel. No.: +91 22 66667474, Fax No.: +91 22 24973210

E-mail: investors@cravatex.com

Website: www.cravatex.com

## REPORT ON CORPORATE GOVERNANCE

### COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Cravatex Limited

I have examined the compliance of conditions of Corporate Governance by **Cravatex Limited**, for the year ended on March 31, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mentioned above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to us and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 *except disclosure as specified in Schedule V(C) Point 10(l) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 in the Corporate Governance Report in Annual Report of the Company for the financial year 2018-19. However the Company has disclosed the same in Board's Report.*

I 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 Hemanshu Kapadia & Associates  
*Practicing Company Secretaries*

**Hemanshu Kapadia**

*Proprietor*

C.P. No. 2285

Membership No.: F3477

UDIN: F003477B000394417

Place : Mumbai

Dated : June 29, 2020