

# Corporate Governance Report

## 1. Corporate Governance

Corporate governance is the application of best management practices, compliance of laws, rules, regulations and adherence to standards to achieve the objects of the Company, enhance stakeholder value and discharge social responsibility. The Corporate Governance Structure in the Company assigns responsibility and authority to the Board of Directors, its committees and the executive management and senior management employees, among others. Since coming into effect of Companies Act, 2013, the Company has to follow both SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter called 'Regulations') and provisions of the Companies Act, 2013 and in some cases stricter of the two.

### Company's Philosophy on code of Corporate Governance

The Company acknowledges its responsibilities to its stakeholders. The Company believes that corporate governance helps to achieve commitment and goals to enhance stakeholder value by giving equal attention to all stakeholders. The Company's core values are based on integrity, emphasis on product quality and transparency in its dealings with all stakeholders. Any good corporate governance provides an appropriate framework for the Board, its committees and the executive management to carry out the objectives that are in the interest of the Company and the stakeholders. The Company maintains highest levels of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities. The Company is committed to meeting the aspirations of all our stakeholders. The satisfaction of associates is reflected in the stability at all the levels of management.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. A code of conduct is framed and adopted in and the pursuit of excellence at corporate governance.

The Company has three tiers of the governance pyramid:

- Shareholders - Board of Directors
- Committees of the Board
- Executive Management

Each of the tier operates within the given parameters as per prevailing laws and regulations or the practices prevalent in the industry.

## 2. Board of Directors

### a) Board Composition

The Board of Directors of Jain Irrigation comprises Executive and Non-Executive Directors. The founder of the diversified Jain Irrigation Systems Limited, Jalgaon, Padmashri Dr. Bhavarlal H Jain, passed away on February 25, 2016. Dr. Bhavarlal Jain was the Non-Executive Chairman of Jain Irrigation Systems Limited. Shri Ashok B. Jain Vice-Chairman of the Company was appointed as chairman of the Board of Directors and the Company, with effect from February 27, 2016. He is a whole-time executive chairman.

The strength of Independent Directors is mandated at half of the strength of the Board. During the chairmanship of Padmashri Dr. Bhavarlal H Jain, the Board had six independent members in the total strength of 12 up to February 25, 2016. Since the year end, due to untimely death of Professor Arun Kumar Jain, an Independent Director the number of Directors in both Executive and Independent category is equal. The Board has five independent members in the total strength of 10, at present. The Executive Directors are five in view of the diverse nature of business of the Company. The Independent Directors are professionals in their field and possess background of financial, legal and agriculture fields. Three Independent Directors out of six Directors are with the Company's Board for less than nine years at present. At present, in terms of the Articles of Association, the strength of the Board shall not be less than three or not more than 14.

The Board has five independent members in the total strength of 10 at present.

Since Shri Ashok B. Jain is a whole-time Executive Chairman, the strength of independent Directors is mandated at half of the strength of the Board.

The composition of the Board and category of Directors are as follows:

Name of Director	Category
Shri Bhavarlal Hiralal Jain*	Promoter Director- Non Executive
Shri Ashok Bhavarlal Jain	Promoter Director- Executive
Shri Anil Bhavarlal Jain	Promoter Director- Executive
Shri Ajit Bhavarlal Jain	Promoter Director- Executive
Shri Atul Bhavarlal Jain	Promoter Director- Executive
Shri R Swaminathan	Non-Promoter Director- Executive

Name of Director	Category
Shri Devendra Raj Mehta	Non-Promoter - Independent Director
Shri Ghanshyam Dass	Non-Promoter - Independent Director
Shri Vasant V Warty	Non-Promoter - Independent Director
Ms. Radhika C Pereira	Non-Promoter - Independent Director
Dr. Arun Kumar Jain**	Non-Promoter - Independent Director
Dr H P Singh	Non-Promoter - Independent Director

\* Expired on 25<sup>th</sup> February, 2016

\*\* Expired on 8<sup>th</sup> April, 2016

Shri Bhavarlal H. Jain was father of Shri Ashok B. Jain, Shri Anil B. Jain, Shri Ajit B. Jain and Shri Atul B. Jain.

Shri Ashok B. Jain, Shri Anil B. Jain, Shri Ajit B. Jain and Shri Atul B. Jain are brothers.

None of the other Directors are related to any other Director on the Board.

The following is the composition of the Board on 31<sup>st</sup> March, 2016:

As on	Executive Directors	Non-Executive Directors	Total Strength
31st March, 2016	5	6	11
At present	5	5	10

#### b) Meetings of Independent Directors

The Independent Directors of the Company have met once in FY 2016 without the presence of Executive Directors or management personnel. Such meetings were conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the chairman of the meeting. The chairman of the meeting takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director of the Company.

#### c) Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code). A copy of the Code has been put on the Company's website ([www.jains.com](http://www.jains.com)). The Code has been circulated to Directors and management personnel, and its compliance is affirmed by them annually.

#### d) Scheduling and selection of agenda items for Board meetings

A minimum four of pre-scheduled Board meetings are held annually. Additional Board meetings depend on importance of matters. Board meetings convened by giving at least a seven-day notice to address the Company's specific decision needs. Resolutions are passed by circulation in case of eligible business due to urgency of matters. The meetings are usually held at the chairman's office at Jalgaon or Mumbai office.

The Board is given presentation covering finance, performance review of various segments of business and their operations, overview of business operations of major subsidiary companies before taking on record the Company's quarterly/annual financial results.

The items/matters required to be placed before the Board, *inter alia*, include:

- Appointment of Chairman, if the Chairman of the Company is not present in the meeting
- Grant leave of absence, if any
- Review and confirm the minutes of previous Board meeting
- Brief on statutory developments, changes in government policies, among others with impact thereof, Directors' responsibilities arising out of any such developments
- Quarterly/annual divisional performance vis-à-vis the budget for the financial quarter/year adopted by Board and reasons and details for variations, if any
- Annual operating plans of businesses and budgets including capital budgets and any updates
- Quarterly results of the Company and review performance of various segments of business
- The Company's annual financial results, financial statements, Auditors' Report and Board's Report
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' services
- Appointment, remuneration and resignation of Directors
- Formation/reconstitution of Board Committees
- Terms of reference of Board Committees, Minutes of Board meetings of unlisted subsidiary companies
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of the key managerial personnel
- Appointment of internal auditors, cost and statutory auditors and secretarial auditors (Audit Committee)
- Quarterly/Annual Secretarial Audit Reports submitted by secretarial auditors recommended by Audit Committee
- Dividend recommendation
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made

- Significant changes in accounting policies and internal controls
- Takeover of a company or acquisition of a controlling or substantial stake in another company
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies
- Issue of securities
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee
- Internal Audit findings and External Audit Reports (through the Audit Committee)
- Proposals for major investments, mergers, amalgamations and reconstructions
- Status of business risk exposures, its management and related action plans
- Making of loans and investment of surplus funds
- Borrowing of monies, giving guarantees or providing security in respect of loans (Through Operations Review Committee within Budget limits approved annually)
- Significant write off's/disposals or incidents of fraud/theft, among others
- Convene general meetings of shareholders
- Taking on record compliances certificates and minutes of Committee appointed by Board

The Managing Director and Company Secretary in consultation with other concerned members of the senior management, finalise the agenda for Board/committee meetings.

**e) Board Material Distributed in Advance**

The agenda and notes on agenda are circulated to Directors generally seven days in advance. The agenda papers are serially numbered with Index of contents. The documents which are not practicable to attach to the agenda are circulated at meeting. In special and exceptional circumstances, additional items on the agenda are permitted by the chairman.

**f) Recording Minutes of Proceedings at Board and Committee Meetings**

The Company Secretary records minutes of proceedings of each Board and committee meeting. Draft minutes are circulated to Board/Board Committee members for their comments within fifteen days. The minutes are finalised and entered in the Minutes Book within thirty days from the conclusion of the meeting.

**g) Post Meeting Follow-up Mechanism**

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board/ Board Committee meetings are communicated promptly to the concerned departments/divisions. Action-taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Board Committee for noting.

**h) Compliance**

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/ Companies Act, 2013, read with rules issued thereunder, as applicable and the secretarial standards recommended by the Institute of Company Secretaries of India as well as generally compliance with laws and regulations.

**i) The table below gives the composition of Jain Irrigation's Board and the number of other directorships and committee memberships as on March 31, 2016.**

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Other Directorship in Ltd. Co.</b>	<b>Other Directorship in Pvt. Ltd. Co.</b>	<b>Membership in Committees of Companies (other than JISL)</b>	<b>Membership in Committees at JISL</b>
1	Mr. Ashok B. Jain	4	9	Nil;	2
2	Mr. Anil B. Jain	19*	6	Nil	1
3	Mr. Ajit B. Jain	8*	7	Nil	3
4	Mr. Atul B. Jain	12*	10	Nil	2

Sr. No.	Name of Directors	Other Directorship in Ltd. Co.	Other Directorship in Pvt. Ltd. Co.	Membership in Committees of Companies (other than JISL)	Membership in Committees at JISL
5	Mr. D. R. Mehta	7	1	Nil	1
6	Mr. R. Swaminathan	2*	Nil	Nil	1
7	Mr. Ghanshyam Dass	5	4	Nil	1
8	Mrs. Radhika Pereira	3	1	Nil	3
9	Mr. V. V. Warty	Nil	Nil	Nil	3
10	Dr. Arun Kumar Jain	Nil	Nil	Nil	NIL
11	Dr. H P Singh	Nil	Nil	Nil	NIL

\* Including foreign Subsidiary Companies in group.

#### j) Meetings of Board and Its Committees

Meetings of the Board and its Committees are held as and when required. The meetings of the Board and Audit Committee normally last for a day and in some cases are held over two days. The Board of Directors met seven times and the AGM was held on September 30, 2015, during the year.

#### Date of Board Meetings

Sr. No.	Date
1	15 <sup>th</sup> May, 2015
2	10 <sup>th</sup> August, 2015
3	24 <sup>th</sup> August, 2015
4	02 <sup>nd</sup> September, 2015
5	09 <sup>th</sup> November, 2015
6	14 <sup>th</sup> February, 2016
7	27 <sup>th</sup> February, 2016

#### The attendance details are as follows:

Sr. No.	Name of Directors	Designation	Category	BOD	AGM
1	Mr. Bhavarlal H. Jain*	Chairman	Promoter Director	5#	Yes
2	Mr. Ashok B. Jain**	Chairman	Promoter Director	7	Yes
3	Mr. Anil B. Jain	Managing Director	Promoter Director	7	Yes
4	Mr. Ajit B. Jain	Joint Managing Director	Promoter Director	7	Yes
5	Mr. Atul B. Jain^	Joint Managing Director	Promoter Director	6	Yes
6	Mr. D. R. Mehta	Independent Director	Independent Director	7	No
7	Mr. R. Swaminathan	Executive Director	Executive Director	3##	No##
8	Mr. Ghanshyam Dass	Director	Independent Director	7	No <sup>§</sup>
9	Mrs. Radhika Pereira	Director	Independent Director	7	No
10	Mr. V. V. Warty	Director	Independent Director	6	Yes
11	Dr Arun Kumar Jain***	Director	Independent Director	5	No
12	Dr H. P. Singh	Director	Independent Director	6	Yes

\*Expired on 25<sup>th</sup> February, 2016. \*\*Chairman w.e.f. 27<sup>th</sup> February, 2016. \*\*\* Expired on 08<sup>th</sup> April, 2016

# Not Present in two meetings due to ill health

## At abroad at the time of meeting and attended by Audio Conference

§ Not Present due to ill health at the AGM on Doctors' advice.

^ Being abroad for on Company's business.

**k) Disclosure in respect of the retiring Director**

Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
1	Mr. Atul B Jain B Com	He is a Commerce Graduate. He joined the management team in 1992. He was posted in London office and developed the Food Processing distribution business in Europe and helped the Company to maintain the plastic exports to Europe. He was appointed CMO of the Company w.e.f. 20 <sup>th</sup> August, 2002. Besides overall marketing management responsibility he has also handled all India marketing function of Drip Irrigation and PVC pipe products, PE and other specialty pipes and fittings all over the world. He has been involved with development of new applications & products in overseas markets for food and plastic sheet divisions.	<p><b>Director of:</b></p> <ul style="list-style-type: none"> <li>i) Atlaz Technology Pvt. Ltd.</li> <li>ii) Cosmos Investment &amp; Trading Pvt. Ltd.</li> <li>iii) JAF Products Pvt. Ltd.</li> <li>iv) Jain Brothers Industries Pvt. Ltd.</li> <li>v) Jain Eagro.Com India Pvt. Ltd.</li> <li>vi) Jain Extrusion &amp; Moulding Pvt. Ltd.</li> <li>vii) Jain Rotfil Heaters Pvt. Ltd.</li> <li>viii) Jain Vanguard Polybutylene Ltd.</li> <li>ix) Jalgaon Investments Pvt. Ltd.</li> <li>x) Pixel Point Pvt. Ltd.</li> <li>xi) Timbron India Pvt. Ltd.</li> <li>xii) JISL Overseas Ltd.</li> <li>xiii) Cascade Specialities Inc.</li> <li>xiv) Jain (Americas) Inc</li> <li>xv) Jain (Europe) Ltd.</li> <li>xvi) Jain Overseas Investments Ltd.</li> <li>xvii) Jain Investment &amp; Finance BV</li> <li>xviii) Sleaford Quality Foods Ltd.</li> <li>xx) Sleaford Food Group Ltd.</li> <li>xxi) Arnolds Quick Dried Foods Ltd.</li> <li>xxii) Jain International Foods Limited (Formerly SQF 2009 Ltd)</li> <li>xxiii) Ex-cel Plastics Ltd</li> <li>xxiv) Jain Sulama Sistemleri Sanayive Ticaret A.S.</li> </ul> <p><b>Proprietor:</b></p> <ul style="list-style-type: none"> <li>i) Jain Sons Investments Corporation</li> </ul> <p><b>Partner:</b></p> <ul style="list-style-type: none"> <li>i) Jalgaon Udhyog</li> <li>ii) Jain Computer &amp; Allied Services</li> <li>iii) Jalgaon Metal &amp; Bricks Manufacturing Co.</li> </ul> <p><b>Trustee:</b></p> <ul style="list-style-type: none"> <li>i) Anubhuti Scholarship Foundation</li> <li>ii) Bahinabai Chaudhary Memorial Trust</li> <li>iii) Jain Family Holding Trust</li> <li>iv) Jain Family Investment Trust</li> <li>v) Jain Family Enterprises Trust</li> <li>vi) Jain Family Investment Management Trust</li> <li>vii) Jain Family Trust</li> </ul> <p><b>Committee Membership:</b></p> <ul style="list-style-type: none"> <li>Member - Risk Management Committee</li> </ul>

### 3. Audit Committee

#### i) The Audit Committee meetings are generally conducted just before the Board meeting. The Audit Committee has the following powers:

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

#### Role of the Audit Committee

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct and credible
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor/internal auditor/cost auditors and the fixation of audit fees
- c) Review Internal Audit Reports and discussion with internal auditors regarding any significant findings and follow up there on;
- d) Reviewing with the management the annual financial statements before submission to the Board for approval, with particular reference to:
  - i) Change, if any, in accounting policies and practices and reasons for the same
  - ii) Compliance with listing and other legal requirement relating to financial statements
  - iii) Disclosure of any related party transactions
  - iv) Statutory liabilities (direct/indirect taxes) of the Company
  - v) Qualifications in the draft audit report
- e) Financial reporting to all stakeholders:  
The management is responsible for financial reporting and internal controls in the Company. The statutory auditors are responsible for performing audit of the Company's financial statements in accordance with the generally accepted audit practices, and issue reports based on such audits. The Audit Committee is responsible for supervising the financial reports, statutory audit and internal audit to ensure accurate, timely and appropriate disclosures that maintain and enhance the quality of financial reporting
- f) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
- g) Compliance with listing and other legal requirements relating to financial statements

- h) Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process approval or any subsequent modification of transactions of the Company with related parties
- i) Scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the Company, wherever it is necessary
- j) Evaluation of internal financial controls and risk management systems
- k) The Management Discussion and Analysis of financial condition and results of operations
- l) Formulating the scope, functioning, periodicity and methodology for conducting the internal audit, reviewing the adequacy of internal audit function, if any, reporting structure coverage and frequency of internal audit, discussion with internal auditors of any significant findings and follow-up thereon
- m) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
- n) To review the functioning of the Vigil Mechanism and Whistle Blower Mechanism
- o) Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996
- p) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
- q) Compliance certificate, certifying compliance with all laws as applicable to the Company

#### ii) Composition of Audit Committee

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Members of the Audit Committee possess financial/accounting expertise/exposure.

The following are the members of the Audit Committee, as on 31<sup>st</sup> March 2016:

Sr.No.	Name of Director	Designation
a)	Mr. Ghanshyam Dass	Chairman
b)	Mr. V. V. Warty	Member
c)	Mrs. Radhika Pereira	Member

Mr. Anil B Jain, Vice Chairman & Managing Director is permanent invitee and the Company Secretary is the secretary and convener of the Committee.

The statutory auditors were present in four Audit Committee meetings out of five Audit Committee meetings held during the FY 2016. Audit Committee meeting held on August 24, 2015 – for slump sale business was not attended by auditors.

**iii) Audit Committee Meetings and Attendance**

Date of Audit Committee Meetings

Sr. No.	Date of Meeting
1	15 <sup>th</sup> May, 2015
2	10 <sup>th</sup> August, 2015
3	24 <sup>th</sup> August 2015
4	09 <sup>th</sup> November 2015
5	14 <sup>th</sup> February 2016

Presence at Audit Committee Meetings

Name of Directors	Designation	Category	Total meeting	Meeting Atten.
Mr. Ghanshyam Dass	Chairman	Independent Director	5	5
Mr. V. V. Warty	Member	Independent Director	5	5
Mrs. Radhika Pereira	Member	Independent Director	5	5

**iv. General**

The representatives of statutory auditors are permanent invitees to the Audit Committee meetings. They have attended all the Audit Committee meetings held during the year. Executives of accounts department, finance department, corporate secretarial department and internal audit department, and representatives of internal auditors attend Audit Committee meetings. The internal auditor reports directly to the Audit Committee.

The chairman of the Audit Committee was not present at the last Annual General Meeting, held on September 30, 2015 due to ill health as per advise of doctors.

**v. Subsidiary Companies**

The Company has the following direct wholly-owned subsidiaries:

- a) JISL Overseas Ltd, Mauritius
- b) Jain International Trading BV, Netherlands
- c) Jain Processed Foods Trading and Investments Pvt. Ltd.

The Company has the following unlisted subsidiaries:

- i) Jain Farm Fresh Foods Limited
- ii) Jain Processed Foods Trading and Investments Pvt. Ltd.

The Independent Director of the Company is nominated on the Board of above subsidiaries, with effect from May 30, 2016.

The Company monitors performance of above subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by the subsidiary companies, are reviewed quarterly by the Company's Audit Committee

- A statement containing all significant transactions and arrangements entered into by subsidiary companies is placed before the Company's Audit Committee/Board

**4. Nomination and Remuneration Committee**

**i) Brief description of terms of reference:**

Brief description of terms of reference: The Nomination and Remuneration Committee formulated for determining qualification, 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.

The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The NRC considers and recommends the remuneration of Executive Directors, Non-Executive Directors and KMPs in the Company; the allotment/devolution of ESOPs under approved ESOP Scheme 2005 & 2011. Two meetings were held on April 22, 2015, and September 02, 2015.

**ii) Composition**

Committee consists of following persons as on 31<sup>st</sup> March, 2016:

Sr No	Name	Designation
a)	Mr. V. V. Warty	Chairman
b)	Smt Radhika Pereira	Member
c)	Mr. Ashok B. Jain	Member
d)	Mr. Ajit B. Jain	Member
e)	Dr. H. P. Singh	Member

The Company Secretary is the secretary and convener of the Committee.

**iii) Presence at Nomination and Remuneration Committee Meeting:**

Name of Directors	Designation	Category	Total meeting	Meetings Attended
Mr. V. V. Warty	Chairman	Independent Director	2	2
Mrs. Radhika Pereira	Member	Independent Director	2	2
Dr H. P. Singh*	Member	Independent Director	2	-
Mr. Ashok B. Jain	Member	Executive Director	2	2
Mr. Anil B. Jain*	Member	Executive Director	2	1
Mr. Ajit B. Jain	Member	Executive Director	2	2

\*Appointed as on 15<sup>th</sup> May 2015 and resigned on 30<sup>th</sup> May 2016.

#### iv) Remuneration Policy

##### Appointment and Remuneration Policy

In accordance with Section 178 of the Company Act 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Nomination and Remuneration Committee is constituted and the Board on its recommendation has framed Appointment and Remuneration Policy in FY 2015.

The policy aims to ensure that persons appointed as Directors and key managerial personnel possess requisite qualification, experience, expertise and attributes commensurate to their position; and the remuneration to such personnel is fair and reasonable, and sufficient to attract, retain and motivate the personnel.

NRC meets once in at least six months and minutes are submitted to the Board.

Persons to be appointed as Directors should be persons of integrity; meet regulatory requirements and possess requisite knowledge/expertise/skills/experience.

NRC would decide whether their qualifications, expertise and other attributes are adequate for the position.

Remuneration payable to EDs would be comparable with EDs of other companies, which have comparable level of business. Fixed remuneration would include perquisites and allowances and other perquisites like car and telephone, among others, as per the Company's policy. Variable pay is based on performance. Stock option will be on the basis of Stock Options Plan as per law in existence. Annual increment would be based on the Company's policy. No sitting fees will be paid.

The overall limits shall be as laid down in Companies Act, 2013.

Chief financial officer and company secretary should have requisite qualifications, experience and attributes commensurate with the position. Fixed remuneration will include perquisites and allowances, other retirement benefits, car and telephone, among others.

Independent Directors should meet the regulatory requirements. They should have general qualification and attributes adequate for the position. Besides, honesty and integrity is a must.

As for IDs' remuneration, they would be entitled to sitting fees and commission, as a percentage of net profit, depending upon profits of the Company and regulatory provisions of Companies Act, 2013.

The appointment and removal of Directors, and KMPs will be considered by NRC and recommended to the Board, after due evaluation of the performance of personnel.

Board diversity shall be considered from a number of aspects including but not limited to gender, cultural and educational background, geographical location, industry experience/expertise and skills. However, all appointments will be based on meritocracy and the Company's requirements.

For orderly succession for appointment to the Board and to senior management, the NRC formulates policies, institutes processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommended to the Board.

#### v) Remuneration to Directors

The remuneration paid or payable to the Directors for services rendered during 2015-16 is given hereunder:

##### A - Executive Directors

Sr. No	Name	Designation	Gross Remuneration (₹)		Total (₹)
			Remuneration & Perquisites	Commission	
1	Shri Ashok B Jain*	Chairman	23,878,871	-	23,878,871
2	Shri Anil B Jain	Vice Chairman & Managing Director	24,028,871	-	24,028,871
3	Shri Ajit B Jain	Jt. Managing Director	23,878,871	-	23,878,871
4	Shri Atul B Jain	Jt. Managing Director	23,878,871	-	23,878,871
5	Shri R Swaminathan	Executive Director	6,196,771	-	6,196,771
<b>Total</b>			<b>101,862,257</b>	<b>-</b>	<b>101,862,257</b>

\* Chairman with effect from 27<sup>th</sup> February 2016

Pending the receipt of the approval from the Ministry of Corporate Affairs of Government of India, the 4 Executive Directors are paid only restricted remuneration as minimum remuneration during the FY 2016.

**B) Non-Executive Directors**

Sr. No.	Name of Director	Commission (₹)	Perquisites (₹)	Sitting Fees (₹)			Total (₹)
				Board Meeting	Committee Meetings	Total	
1	Mr. V. V. Warty	1,000,000	-	300,000	900,000	1,200,000	2,200,000
2	Mrs. Radhika Pereira	1,000,000	-	350,000	950,000	1,300,000	2,300,000
3	Mr. D R Mehta	1,000,000	-	350,000	-	350,000	1,350,000
4	Mr. Ghanshyam Dass	1,000,000	-	350,000	450,000	800,000	1,800,000
5	Dr. Arun Kumar Jain*	1,000,000	-	250,000	-	250,000	1,250,000
6	Dr. H. P. Singh	1,000,000	-	300,000	-	300,000	1,300,000
<b>Total</b>		<b>6,000,000</b>	<b>-</b>	<b>1,900,000</b>	<b>2,300,000</b>	<b>4,200,000</b>	<b>10,200,000</b>

\*Expired on 08<sup>th</sup> April, 2016

**vi) Terms of Appointment of Executive Directors**

Sr. No	Name	Period	Remuneration Per Month (₹)	Commission
1	Shri Ashok B. Jain	1 <sup>st</sup> October, 2015 to 30 <sup>th</sup> September, 2018	1,583,333	1% of net Profit
2	Shri Anil B. Jain		1,583,333	
3	Shri Ajit B. Jain		1,583,333	
4	Shri Atul B. Jain		1,583,333	
5	Shri. R. Swaminathan		520,320	NA

Perquisites: (Common to all above)

- i) Contribution to the provident fund, superannuation fund, annuity fund and/or gratuity;
- ii) Gratuity not exceeding half-month salary for each year of completed service under this appointment;
- iii) Leave encashment, if any, as per the Company's policy applicable.

**5. Stakeholders Relationship Committee**

The 'Stakeholders' Relationship Committee' (SRC) was constituted by the Board on August 11, 2014 by change of name of the Shareholders Grievances Committee. The SRC is primarily responsible for the review of all matters connected with the Company's transfer of securities and redressal of shareholders'/investors'/security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading. The SRC's composition and the terms of reference meet with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 178 of the Companies Act, 2013.

The scope of the Committee is as follows:

- Oversee and review all matters connected with the transfer of the Company's ordinary equity/DVR equity shares
- Approve issue of the Company's duplicate share certificates
- Consider, resolve and monitor redressal of investors'/shareholders' grievances related to transfer of shares, non-receipt of annual report and non-receipt of declared dividend, among others
- Oversee the performance of the Company's registrars and transfer agents
- Recommend methods to upgrade the standard of services to investors

- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable
- Perform such other functions as may be necessary or appropriate for the performance of its duties

Four meetings of SRC were held on May 15, 2015, August 10, 2015, November 09, 2015 and February 14, 2016 during the year 2015-16. However, the transfer sub-committee has met 35 times to approve the requests for transfer, transmission, duplicate, split and demat of shares, among others

**i) Stakeholders Relationship Committee (SRC) is comprises the following as on March 31, 2016:**

Sr. No.	Name of Member	Designation
1	Mrs. Radhika Pereira	Chairman
2	Mr. V. V. Warty	Member
3	Mr. Ajit B. Jain	Member

The Company Secretary is the secretary and convenor of this Committee.

Presence at Stakeholders Relationship Committee (SRC) meeting:

Name of Directors	Designation	Category	Total meetings	Meetings Attended
Mrs. Radhika Pereira	Chairman	Independent Director	4	4
Mr. V. V. Warty	Member	Independent Director	4	4
Mr. Ajit B. Jain	Member	Executive Director	4	4

## ii) Compliance Officer:

Shri. Avdhut V. Ghodgaonkar - Company Secretary

## iii) Shareholders queries received, solved and pending during the year ended 31st March 2016

Nature of Complaints	Op. Balance	Re-ceived	Re-solved	Bal-ance
Transfer/ Transmission of Shares related	-	14	14	-
Non - receipt of dividend	-	7	7	-
Demat/Remat of Shares	-	4	4	-
Non receipt of new Shares	-	7	7	-
Non-receipt of Annual Report	-	13	13	-
Loss of shares	-	1	1	-
Others	-	1	1	-
<b>Total</b>		<b>47</b>	<b>47</b>	<b>-</b>

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the Company/RTA and online viewing by investors of actions taken on the complaint and its current status.

## 6. Operations Review Committee:

The Board has since 2010 constituted Operations Review Committee, which undertakes the work of approving (within the borrowing powers approved by Board) individual sanction letters and delegates authority for completing documentation related to such borrowing, review the operational areas, delegation of authority for some more areas in view of increase in the size of operations, timely decisions for operational efficiency and effectiveness.

The Committee consists of the following persons as on March 31, 2016:

Name	Designation	Meetings Attended (Total meetings 29)
Mr. Ashok B. Jain	Chairman	28
Mr. Anil B. Jain	Member	28
Mr. Ajit B. Jain	Member	29
Mr. Atul B. Jain	Member	29
Mr. R. Swaminathan	Member	13

The Operations Review Committee met 29 times during FY 2016.

## 7. Annual General Meetings

### i) The details of the location, date and time for last three Annual Meetings are given as below:

Year	Location	Date	Time
2012-13	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001	27.09.2013	11.00 AM
2013-14	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001	26.09.2014	11.00 AM
2014-15	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001	30.09.2015	11.00 AM

### ii) Special Resolutions passed:

Date of Meeting	Matter of Special Resolution
26 <sup>th</sup> AGM held on 27 <sup>th</sup> September, 2013	ESOP Variation
27 <sup>th</sup> AGM held on 26 <sup>th</sup> September, 2014	None
28 <sup>th</sup> AGM held on 30 <sup>th</sup> September, 2015	Limits on the Borrowing Powers of the Board of Directors
	Re-appointment, remuneration & perquisites of Mr Ashok B. Jain as Executive Vice-Chairman of the Company
	Re-appointment, remuneration & perquisites of Mr Anil B. Jain as Chief Executive Officer/Managing Director of the Company
	Re-appointment, remuneration & perquisites of Mr Ajit B. Jain as Chief Operating Officer/Joint Managing Director of the Company
	Re-appointment, remuneration & perquisites of Mr Atul B. Jain as Chief Marketing Officer/Joint Managing Director of the Company
	Re-appointment, remuneration & perquisites of Mr R Swaminathan as Executive Director of the Company

### iii) Special Resolution(s) passed through Postal Ballot

The members of the Company have passed a special resolution for the approval of sale, transfer or otherwise disposal of Indian Food Business of the Company to Jain Farm Fresh Foods Limited, wholly-owned subsidiaries of the Company, along with all assets and liabilities including licenses, permits and consents, among others, as a 'going concern' and on a 'slump sale' basis u/s 180 (1) (a) of the Companies Act, 2013 through Postal Ballot on Postal Ballot Notice dated August 26, 2015 dispatched/mailed to Shareholders on August 28, 2015 and Report dated September 28, 2015 of Scrutineer i.e. Mr. Aaron Solomon, Partner, Solomon & Co, Solicitors per provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014.

The details of the voting pattern in respect of Special Resolution passed for sale, transfer or otherwise disposal of Indian Food Business of the Company was as under:

Item no.	Particulars of business/ Resolution	Particulars of Voting methods	Total voted Equity Shares	Total Voted DVR Shares	Total VR Shares (4+10% of 5)	Valid VR in favour		Valid VR Against		Invalid	
						No. of Shares	% of Total VR	No. of Shares	% of Total VR	No. of Shares	% of Total VR
1	2	3	4	5	6	7	8	9	10	11	12
1	Approval for sale of India Food Business of the Company to Jain Farm Fresh Foods Ltd, Wholly Owned Subsidiary (WOS) of the Company u/s 180 (1) (a) of the Companies Act, 2013	E-voting	211,060,912	1,620,196	211,222,932	211,169,322	99.97	53,610	0.03	-	0.00
		Postal Ballot	72,859,667	4,850,704	73,344,737	73,339,107	99.99	4,420	0.01	1210	0.00
<b>Total</b>			<b>283,920,579</b>	<b>6,470,900</b>	<b>284,567,669</b>	<b>284,508,429</b>	<b>99.98</b>	<b>58,030</b>	<b>0.02</b>	<b>1210</b>	<b>0.00</b>

**iv) Person who conducted the Postal Ballot Exercise**

The Board has appointed Mr Aaron Solomon, Partner, Solomon & Co, Solicitors, Mumbai as a scrutinizer. He conducted the postal ballot voting process in a fair and transparent manner.

**v) Whether any special resolution is proposed to be conducted through Postal Ballot:**

None

**vi) Procedure for Postal Ballot:**

a) Shareholders holding shares in physical mode: The Company has dispatched Postal Ballot Form and procedure for voting to all shareholders holding shares in physical mode and having no mail ID

b) Shareholders holding shares in electronic mode: The Company has appointed Central Depository Services (India) Limited for conducting e-Voting by the members of the Company.

**8. Disclosures**

**i. Management Discussion and Analysis:**

29<sup>th</sup> Annual Report has a detailed chapter on Management Discussion and Analysis.

**ii. Related Party Transaction (RPT):**

The Company has not entered into materially significant RPT that may have potential conflict with the interest of the Company at large. However, the RPTs do first get approval of the Audit Committee. The Company does have trading relations with some of its trading wholly-owned subsidiary entities. The Audit Committee and the Board of the Company approved on an omnibus basis on May 22,

2014 RPT of ₹ 8,000 million under the provisions of Section 188 of the Companies Act, 2013.

The details of related party transactions are given in detail in Note No 36 of the Audited Accounts of the Company for the year ended March 31, 2016.

**iii. Details of non-compliance by the Company:**

a) Capital Market Compliance: There were no cases of non-compliance during the year with stock exchange where the shares of the Company are listed, SEBI regulations or any other statutory bodies nor any cases of penalties imposed by them for any non-compliance related to the capital market compliances during the last three years.

b) Compliance under Companies Act: There were no cases of non-compliance of applicable provisions of Companies Act, 2013 nor any cases of penalties imposed by the Department of Corporate Affairs or the registrar of companies or any other statutory bodies for any non-compliance related to the Company Law provisions during the last three years.

c) Insider Trading: In terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated a 'code of internal procedure & conduct for prevention of insider trading' in shares of the Company. The code of conduct has been explained and circulated to the employees and is implemented by Compliance Officer, who reports to the Managing Director.

**iv. Whistle Blower Policy:**

The Company has a Whistle Blower Policy and no personnel has been denied access to the Audit Committee.

## 9. Modes of Communication

- i) Quarterly Results:** All financial quarterly results of the Company are forthwith communicated to stock exchanges (where the Company's equity shares are listed) as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the results are published in a leading Marathi newspaper circulated over Jalgaon district and leading financial newspapers published on an all India basis. These results are simultaneously posted on the website of the Company (<http://www.jains.com>.)
- ii) Press Release:** Official news releases are sent to Stock Exchanges posted on the website of Company(<http://www.jains.com>.)
- iii) Annual Report:** The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report and is displayed on the Company's website ([www.jains.com](http://www.jains.com)).
- **Presentations to institutional investors/analysts:** Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are also uploaded on the Company's website ([www.jains.com](http://www.jains.com)).
  - **Website:** The Company's website ([www.jains.com](http://www.jains.com)) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a downloadable form.
  - **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. The Company is regularly submitting all periodical compliance filings like shareholding pattern, corporate governance report and media releases, among others electronically on NEAPS.
  - **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. The Company is regularly submitting all periodical compliance filings like shareholding pattern, corporate governance report and media releases, among others electronically on the Listing Centre.
- The Company has complied with the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 10. General Shareholders Information

### i) Annual General Meeting

i)	Day, Date, Time & Venue	29 <sup>th</sup> Annual General Meeting Friday, 11.00 AM on 30 <sup>th</sup> September, 2016 Registered Office at Jain Plastic Park, N H No. 6, Bambhori, Jalgaon - 425001	
ii)	Financial Year	1 <sup>st</sup> April 2015 to 31 <sup>st</sup> March 2016	
iii)	Book Closure Dates	Monday, 19 <sup>th</sup> September, 2016 to Friday, 30 <sup>th</sup> September, 2016 (Both days inclusive)	
iv)	Dividend payment date	6 or 7 <sup>th</sup> October, 2016	
v)	Listing of Shares on Stock Exchanges	The Stock Exchange, Mumbai National Stock Exchange of India Ltd., Mumbai	
vi)	Stock Codes	Ordinary Equity Shares	DVR Equity Shares
	The Stock Exchange, Mumbai National Stock Exchange of India Ltd., Mumbai	500219 JISLJALEQS	570004 JISLDVREQS
vii)	Corporate Identification Number (CIN)	L29120MH1986PLC042028	
viii)	Registered Office	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon 425001	
ix)	ISIN No.	Ordinary Equity Shares: INE175A01038	DVR Equity shares: INE175A01010
x)	Depositories	National Securities Depository Ltd. Central Depository Services (India) Ltd.	
xi)	Address for correspondence	Jain Plastic Park, N H No. 6, Bambhori, Taluka- Dharangaon, District- Jalgaon-425001.(Maharashtra)	

ii) Market Price Data (in ₹) During FY 2016

a) Ordinary Equity Shares Quotations

Month	Mumbai Stock Exchange				National Stock Exchange			
	Date	High	Date	Low	Date	High	Date	Low
Apr-15	13-Apr-2015	68.15	28-Apr-2015	56.65	13-Apr-2015	68.15	28-Apr-2015	56.65
May-15	19-May-2015	68.80	13-May-2015	55.30	19-May-2015	68.90	13-May-2015	55.10
Jun-15	24-Jun-2015	70.60	03-Jun-2015	59.10	24-Jun-2015	70.55	03-Jun-2015	59.20
Jul-15	23-Jul-2015	79.00	01-Jul-2015	68.05	23-Jul-2015	78.95	01-Jul-2015	67.90
Aug-15	10-Aug-2015	77.80	25-Aug-2015	50.55	10-Aug-2015	77.90	25-Aug-2015	50.50
Sep-15	30-Sep-2015	64.80	07-Sep-2015	53.20	30-Sep-2015	64.70	07-Sep-2015	53.10
Oct-15	20-Oct-2015	68.75	30-Oct-2015	61.00	20-Oct-2015	68.80	30-Oct-2015	61.00
Nov-15	06-Nov-2015	69.40	02-Nov-2015	61.00	06-Nov-2015	69.40	02-Nov-2015	60.90
Dec-15	03-Dec-2015	70.20	14-Dec-2015	60.10	03-Dec-2015	70.35	14-Dec-2015	60.00
Jan-16	04-Jan-2016	78.20	20-Jan-2016	53.90	04-Jan-2016	78.10	20-Jan-2016	53.65
Feb-16	01-Feb-2016	66.30	17-Feb-2016	47.00	01-Feb-2016	66.35	17-Feb-2016	46.80
Mar-16	31-Mar-2016	60.85	01-Mar-2016	54.40	31-Mar-2016	60.90	01-Mar-2016	54.40

b) DVR Shares Quotations

Months	Mumbai Stock Exchange				National Stock Exchange			
	Date	High	Date	Low	Date	High	Date	Low
Apr-15	16-Apr-2015	44.80	28-Apr-2015	35.15	16-Apr-2015	44.90	28-Apr-2015	35.10
May-15	18-May-2015	43.55	07-May-2015	34.30	18-May-2015	43.60	14-May-2015	34.70
Jun-15	23-Jun-2015	39.65	15-Jun-2015	33.20	23-Jun-2015	39.80	12-Jun-2015	33.30
Jul-15	15-Jul-2015	43.75	06-Jul-2015	38.15	21-Jul-2015	44.00	01-Jul-2015	37.50
Aug-15	19-Aug-2015	50.80	25-Aug-2015	39.75	19-Aug-2015	50.80	25-Aug-2015	40.00
Sep-15	15-Sep-2015	47.90	08-Sep-2015	38.50	24-Sep-2015	43.85	08-Sep-2015	38.55
Oct-15	12-Oct-2015	47.20	30-Oct-2015	39.50	06-Oct-2015	46.00	23-Oct-2015	40.00
Nov-15	09-Nov-2015	47.80	09-Nov-2015	38.50	09-Nov-2015	48.00	02-Nov-2015	39.40
Dec-15	04-Dec-2015	46.10	09-Dec-2015	41.55	04-Dec-2015	46.10	09-Dec-2015	41.55
Jan-16	04-Jan-2016	51.85	20-Jan-2016	37.00	04-Jan-2016	51.90	20-Jan-2016	36.75
Feb-16	01-Feb-2016	44.00	18-Feb-2016	35.20	01-Feb-2016	44.00	18-Feb-2016	35.45
Mar-16	02-Mar-2016	41.20	16-Mar-2016	37.20	02-Mar-2016	41.45	16-Mar-2016	37.05

iii) Sensex and Nifty

Months	Sensex		Nifty	
	High	Low	High	Low
Apr-15	29,094.61	26,897.54	8,844.80	8,144.75
May-15	28,071.16	26,423.99	8,489.55	7,997.15
Jun-15	27,968.75	26,307.07	8,467.15	7,940.30
Jul-15	28,578.33	27,416.39	8,654.75	8,315.40
Aug-15	28,417.59	25,298.42	8,621.55	7,667.25
Sep-15	26,471.82	24,833.54	8,055.00	7,539.50
Oct-15	27,618.14	26,168.71	8,336.30	7,930.65
Nov-15	26,824.30	25,451.42	8,116.10	7,714.15
Dec-15	26,256.42	24,867.73	7,979.30	7,551.05
Jan-16	26,197.27	23,839.76	7,972.55	7,241.50
Feb-16	25,002.32	22,494.61	7,600.45	6,825.80
Mar-16	25,479.62	23,133.18	7,777.60	7,035.10

iv) Registrar and Transfer Agents

The contact details of new RTA are as follows:

Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078  
Phone: 022-25946970 Fax: 02225946969, Mail Id: rnt.helpdesk@linkintime.co.in, Web: www.linkintime.co.in

The Stakeholders are requested to send queries or enquire about shares, dividend, annual report or any other related matters to Link Intime India Private Limited at above address quoting folio number(s).

You are also requested to update your e-mail address/bank mandate with your Depository Participant

### v) Share Transfer System:

- a) Electronic Transfer of Shares: Through National Securities Depository Ltd and Central Depository Services (India) Ltd  
 b) Physical: Through R&T Agent i.e. Link Intime India Private Limited.

Share Transfer/ Demat data as on 31<sup>st</sup> March, 2016.

#### Ordinary Equity Shares

Month	Physical		Demat (NSDL)		Demat (CDSL)	
	No. of Transfer	No. of Shares	No. of Requests	No. of Shares	No. of Requests	No. of Shares
April-15	6	1,440	17	4,915	13	13,830
May-15	8	2,030	8	1,885	13	3,545
June-15	9	675	15	3,255	11	1,795
July-15	2	255	13	3,965	10	1,765
Aug-15	6	1,125	15	8,290	11	3,020
Sep-15	NIL	NIL	12	3,330	9	3,310
Oct-15	10	1,160	15	4,515	4	1,005
Nov-15	1	175	4	410	4	1,550
Dec-15	3	67,750	12	3,430	6	1,775
Jan-16	5	365	16	3,770	12	71,105
Feb-16	4	1,125	24	7,750	5	610
Mar-16	3	1,355	11	4,590	9	900
<b>Total</b>	<b>57</b>	<b>77,455</b>	<b>162</b>	<b>50,105</b>	<b>107</b>	<b>104,210</b>

#### DVR Equity Shares

Month	Physical		Demat (NSDL)		Demat (CDSL)	
	No. of Transfer	No. of Shares	No. of Requests	No. of Shares	No. of Requests	No. of Shares
April-15	NIL	52	12	151	8	112
May-15	3	41	9	120	7	200
June-15	5	44	7	131	9	86
July-15	NIL	NIL	6	100	7	122
Aug-15	5	74	13	461	5	27
Sep-15	1	7	4	44	6	98
Oct-15	4	40	13	172	5	87
Nov-15	1	8	4	39	7	145
Dec-15	3	3,386	11	120	4	57
Jan-16	1	8	9	184	3	3,378
Feb-16	1	8	19	268	2	20
Mar-16	1	8	7	176	1	8
<b>Total</b>	<b>25</b>	<b>3,676</b>	<b>114</b>	<b>1,966</b>	<b>64</b>	<b>4,340</b>

### vi) Distribution of Shareholding: As at 31<sup>st</sup> March, 2016

#### a) Ordinary Equity Shares

Shareholding of Shares Nominal Value (₹)	No of Shares holders	% of Total Share holders	Number of Shares	Value in ₹	% of Total Share Capital
Upto 500	125,384	83.78	18,859,259	37,718,518	4.13
501 - 1000	12,783	8.54	10,395,068	20,790,136	2.27
1001 - 2000	5,906	3.95	9,071,898	18,143,796	1.98
2001 - 3000	1,960	1.31	5,090,869	10,181,738	1.11
3001 - 4000	844	0.56	3,071,465	6,142,930	0.67
4001 - 5000	734	0.49	3,489,761	6,979,522	0.76
5001 - 10000	1,013	0.68	7,543,478	15,086,956	1.65
10001 & Above	1,036	0.69	399,698,180	799,396,360	87.43
<b>Total</b>	<b>149,660</b>	<b>100.00</b>	<b>457,219,978</b>	<b>914,439,956</b>	<b>100.00</b>

## b) DVR Equity Shares

Shareholding of Nominal Value (₹)	No of Shareholders	% to Total Numbers	Number of Shares	Value in ₹	% of Total
Upto 500	51,385	94.88	2,186,798	4,373,596	11.33
501 - 1000	1344	2.48	1,122,361	2,244,722	5.82
1001 - 2000	659	1.22	1,005,605	2,011,210	5.21
2001 - 3000	231	0.43	587,053	1,174,106	3.04
3001 - 4000	120	0.22	440,104	880,208	2.28
4001 - 5000	95	0.17	452,014	904,028	2.34
5001 - 10000	147	0.27	1,088,144	2,176,288	5.64
10001 & Above	177	0.33	12,412,225	24,824,450	64.34
<b>Total</b>	<b>54,158</b>	<b>100.00</b>	<b>19,294,304</b>	<b>38,588,608</b>	<b>100.00</b>

## vii) Physical &amp; Dematerialisation Shares as on 31st March, 2016

Particulars	No. of Ordinary Equity Shares	%	No. of DVR Equity Shares	%
Physical	16,672,565	3.65	130,296	0.68
Demat				
NSDL	386,041,401	84.43	13,977,336	72.44
CDSL	54,506,012	11.92	5,186,672	26.88
<b>Total Demat</b>	<b>440,547,413</b>	<b>96.35</b>	<b>19,164,008</b>	<b>99.32</b>
<b>Total Equity</b>	<b>457,219,978</b>	<b>100.00</b>	<b>19,294,304</b>	<b>100.00</b>

## viii) Trading of Shares (₹ in Lacs)

## i) Ordinary Equity shares

Months	Stock Exchange, Mumbai			National Stock Exchange		
	No. of Transactions	No. of Shares	Turn Over (₹ in Lacs)	No. of Transactions	No. of Shares	Turnover (₹ in Lacs)
Apr-15	54,053	4,955,649	3,131.05	176,082	43,088,427	26,950.30
May-15	59,612	11,939,263	7,613.58	292,852	86,137,858	54,341.69
Jun-15	37,524	7,227,318	4,717.55	234,741	66,540,842	43,545.71
Jul-15	75,228	14,313,676	10,484.59	456,597	127,740,509	93,493.34
Aug-15	56,173	11,265,236	7,405.20	299,111	89,278,380	57,740.69
Sep-15	34,252	6,043,738	3,537.59	181,856	50,688,872	29,658.05
Oct-15	33,746	7,076,872	4,645.47	214,387	61,334,584	40,293.49
Nov-15	35,113	9,016,147	5,998.70	225,018	66,391,793	44,115.81
Dec-15	40,178	7,847,633	5,153.43	216,861	53,636,595	35,157.01
Jan-16	55,066	11,718,499	7,933.95	306,125	93,851,530	63,280.12
Feb-16	64,566	17,867,408	10,032.80	328,694	108,526,157	60,417.36
Mar-16	43,593	14,992,823	8,536.49	216,316	87,063,810	50,066.98

## ii) DVR Equity Shares

Month	Stock Exchange, Mumbai			National Stock Exchange	
	No. of Transactions	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Apr-15	2,828	180,442	70.80	635,224	256.08
May-15	4,888	579,545	236.23	1,876,619	756.56
Jun-15	2,562	306,533	111.94	1,285,042	469.09
Jul-15	6,581	753,902	306.83	2,822,833	1,158.85
Aug-15	7,017	926,685	425.76	3,347,846	1,536.82
Sep-15	1,770	164,986	68.71	746,744	308.67
Oct-15	1,598	195,502	84.35	1,175,504	506.68
Nov-15	2,065	270,625	117.92	1,360,278	601.17
Dec-15	1,936	279,032	122.00	1,324,622	581.63
Jan-16	3,536	494,109	224.26	2,560,079	1,165.71
Feb-16	3,668	524,291	203.43	2,379,335	931.78
Mar-16	2,096	276,692	108.12	1,117,663	437.63

**ix) Outstanding GDRs/ADRs/Convertible Instruments, Conversion Date and Impact on Equity**

- a) Out of a total of 13,48,300 (post-Split 67,42,500) European Depository Receipts (EDR's) issued by the Company in 1994, represented by underlying Equity Shares all except 714641 EDR's, represented by underlying Equity Shares have been cancelled and converted into underlying Equity Shares of ₹ 2 each as on 31<sup>st</sup> March, 2016. However, the conversion into underlying Equity Shares does not impact the Share capital in any manner whatsoever.

The ratio is 2 EDRs = 1 Equity Share - This has changed post split.

- b) In terms of EGM resolution dated 1<sup>st</sup> October, 2012 u/s 81(1A) of the Companies Act, 1956 the Company has issued US\$ 55 million Zero Coupon Convertible Bonds due on October 2017 and May 2018. The Bonds are convertible at any time and after 16<sup>th</sup> October, 2012 up to the close of business on 16<sup>th</sup> September, 2017/30<sup>th</sup> March, 2018 by holders into fully paid Equity Shares at value of ₹ 2 each at an initial conversion price of ₹ 115 per Share.
- c) In terms of the AGM resolution dated 30<sup>th</sup> September, 2005, the Company has issued 1,53,56,000 (pre-Split 30,71,200) ESOP's entitling the ESOP holders upon vesting to exercise the right to convert ESOP into Equity Share of ₹ 2 each on payment of the exercise price. The Company has issued and allotted Shares as per details given below out of 1,53,56,000 (pre-split 31,71,200) ESOP's as at 31<sup>st</sup> March, 2016.

Particulars	ESOP 1	ESOP 2	ESOP 3	ESOP 4	Total
No. of ESOPs	2,500,000	2,500,000	2,500,000	2,500,000	10,000,000
Allotted on 23.01.2010	2,188,350	0	0	0	2,188,350
Allotted on 31.03.2010	95,600	0	0	0	95,600
Allotted on 10.09.2010	70,350	0	0	0	70,350
Allotted on 25.03.2011	2,250	1,752,400	2,110,850	0	3,865,500
Allotted on 31.03.2011	0	338,025	334,475	0	672,500
Allotted on 22.07.2011	1,500	134,200	25,925	0	161,625
<b>Total Allotment</b>	<b>2,358,050</b>	<b>2,224,625</b>	<b>24,71,250</b>	<b>0</b>	<b>70,53,925</b>
<b>Balance</b>	<b>141,950</b>	<b>275,375</b>	<b>28,750</b>	<b>2,500,000</b>	<b>2,946,075</b>

- d) The Shareholders of the Company approved in the 24<sup>th</sup> AGM held on 30<sup>th</sup> September, 2011 a new Employees Stock Option Plan as per the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the 'SEBI Guidelines'), the Companies Act, 1956 (the 'Act') and other applicable law and in order to issue options and Ordinary Equity Shares to whole-time Directors and permanent employees of the Company and its subsidiaries (in India and abroad) 'Eligible Employees' so as to ensure commitment, retain and attract good talent through ownership and financial motivation.
- i) The total number of options that may in the aggregate be granted to the Eligible Employees of the Company shall be 4,356,000 Ordinary Equity Shares of face value ₹ 2 each.
- ii) The total number of options that may in the aggregate be granted to the Eligible Employees of the subsidiaries of the Company shall be 1,000,000 Ordinary Equity Shares of face value ₹ 2 each.
- e) In terms of EGM resolution dated 3<sup>rd</sup> December, 2015 u/s 62 of the Companies Act, 2013, the Company has issued 36,200,000 Compulsorily Convertible Debentures (CCDs) of ₹ 80 each on 11.03.2016 on preferential basis to Mandala Rose Co-Investment Limited. The CCDs shall be convertible into one Equity Share of nominal value of ₹ 2/- each at a premium of ₹ 78 per Share. The CCD's shall be exercisable at the option of the holder, in such number of options, in one or more tranches at any time within the Exercise Period, which shall not exceed beyond 18 months from the date of allotment of the CCDs.

**x) Additional Information****a) Nomination facility**

The Shareholder of the Company who wants to make a nomination may do so by submitting duly filled form No.2B for nomination. The nomination can be made by individuals only applying/holding Shares on their own behalf singly or jointly. A holder of Shares can nominate a minor and in that event the name and address of the guardian shall be given by the holder. The nomination stand cancelled upon transfer of shares.

The intimation regarding nomination/nomination form shall be filed with Company or R & T Agent of the Company:  
Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078  
Phone: 022-25946970 Fax: 02225946969, Mail Id: rnt.helpdesk@linkintime.co.in,  
Web: www.linkintime.co.in

**b) Unclaimed Dividend: The details of unclaimed dividend are as follows as on 31<sup>st</sup> March, 2016**

Sr. No.	Financial Year (on or before)	Date of declaration	Last day for claiming unpaid Dividend	Unclaimed amount as on 31.03.2016 (₹)	Due date for transfer to IE&PF
1	2008-09	30.09.2009	29.09.2016	623,015.00	28.10.2016
2	2009-10	29.09.2010	28.09.2017	1,155,645.00	27.10.2017
3	2010-11	30.09.2011	29.09.2018	1,806,742.00	28.10.2018
4	2011-12	21.09.2012	20.09.2019	2,170,526.00	19.10.2019
5	2012-13	27.09.2013	26.09.2020	1,213,071.00	25.10.2020
6	2013-14	26.09.2014	25.09.2021	1,486,842.50	24.10.2021
7	2014-15	30.09.2015	29.09.2022	1,605,143.00	27.10.2022

Members who have not yet encashed their dividend warrant(s) are requested to lodge their claims to the Company immediately. The unclaimed/unpaid dividend data are also uploaded on the Company's web site.

The IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) were notified by the Ministry of Corporate Affairs (MCA) on May 10, 2012, which are applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends for the financial years from 2008-09, as on the date of the 28th Annual General Meeting held on 30.09.2015 on the website of the IEPF viz. www.iepf.gov.in in an under 'Investors Section' on the Company's website viz. www.jains.com.

- c) Designated Exclusive email-id : The Company has designated the following email-ids exclusively for investor servicing:  
 For queries on Annual Report : investor.corr@jains.com  
 For queries in respect of shares in physical mode : investor.corr@jains.com

**10. Non Mandatory Requirements: The Company is also currently meeting the non mandatory requirements as under**

- The Company had Non-Executive Chairman up to 25.02.2016 entitled to maintain Chairman's office
- The half yearly declaration of financial performance including summary of the significant events mailed to Shareholders.
- The financial statements of the Company are unqualified.
- The Company has separate post of Chairman and Managing Director/Chief Executive Officer.
- The internal auditor reported directly to the Audit Committee.

**11) Auditors' Certificate on Corporate Governance**

As required by Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' Certificate is given as an annexure to this Report.

**12) Plant Locations in India**

**Jalgaon Jain Plastic Park**, N.H.No. 6, P.O. Box: 72, Village – Bambhori, Taluka – Dharangaon, District – Jalgaon - 425001. Maharashtra.

**Jain Agri Park Jain Hills**, Jain Agri Park, Jain Hills, Shirsoli Road, District- Jalgaon- 425001, Maharashtra.

**Jain Food Park, Jain Valley**, Jain Food Park, Jain Valley, Shirsoli Road, District- Jalgaon 425001, Maharashtra.

**Jain Energy Park**, Jain Energy Park, Jain Hills, Shirsoli Road, Jalgaon, Dist. Jalgaon - 425001, Maharashtra.

**Bhavnagar**, Survey No. 215, JIDC4, At Post Ghangali, Taluka Sihor, Dist. Bhavnagar - 364 240.

**Chittoor Food Plant** - Unit No. 01, 100, Gollapali, Gangadhara Village, Nellore (Mandal), Dist. Chittoor- 517 125.

**Food Plant Unit No. 02**, Avalkonda Road, Gangadhara Village, Nellore (Mandal), Dist. Chittoor- 517 125.

**Kondamadgu**, S.No.587 & 588, Kondamadgu (Village), Bibi Nagar (Mandal), Nalgonda Dist. (A.P)- 508 126.

**Udumalpet**, S.F. No 248/2, 3, Ellayamuthur village, Udumalpet, Tirupur district, Tamilnadu – 642154 India

**Vadodara**, Jain Food Park, Village - Dhobikuva, Post: Muvad, Tal. Padra, Dist. Vadodra.

**Alwar**, Plot No. SP-1, Matsya Industrial Area Alwar- 301001 (Rajasthan)

## Demo and Research & Development Farms

**Jain Agri Park**, Jain Hills, P.O.Box: 72, Jalgaon-425 001

**Jain Tissue Park**, At. Takarkheda, Post. Kadholi, Tal. Erandol, Dist.Jalgaon- 425001

**Kulu Angora Breeding Farm**, Village Pirdi, Tal. Mahol, Dist. Kulu (H.P.)

**Udumalpet**, Site No. 258-90, Ellaymuthur Village, Udumalpet-642 154, Dist. Coimbatore, Tamilnadu

**Wardha**, 'Aarogyadham' Kasturba Nisarga Upchar Kendra, Varud Road, Kasturba Health Society, Sevagram, Wardha

## 13) Plants Location - Overseas

### **Jain Irrigation Inc. [Drip Irrigation System]**

- 2851, East, Florence Avenue, Fresno, California CA.93721, USA
- 3777, State Road, 544, East Haines City, Florida 33844, USA
- 2060, East Francis Street, Ontario, CA 91761, USA

### **Chapin Watermatics, Inc. [Drip Irrigation System]**

740, Water street, Water town, NY 13601

### **Cascade Specialities Inc. [Onion Dehydration]**

P.O. Box 583, 1 Cascade Way, Boardman, Oregon 97818, USA

### **White Oaks Frozen Foods [Food Processing]**

2525 Cooper Ave, Merced, CA 95348, USA

### **NuCedar Mills, Inc. – [Plastic Building Products]**

1000 Sheridan St. Chicopee, MA 01022.

### **Sleaford Quality Foods Ltd. [UK] [Canned & Dehydrated Food]**

Woodbridge Road, East Road Industrial Estate, Sleaford, Lincolnshire NG3471X - UK

### **Jain Sulama Sistemleri Sanayi Ve Ticaret [Turkey – Adana Plant] [Drip & Sprinkler Irrigation]**

Sabancı organize sanayi bolgesi, Ataturk, Bulvari, No. 48, Adana

### **THE Machines SA [Switzerland] - [Driptube and Pipe Manufacturing Equipment]**

Rue de l'industries 5, CH-1462 YVONAND, Switzerland

### **Pro Tool AG [Switzerland] [HiTec Injection Molds & Hortunner Systems]**

Bernstrasse 52CH-4923 Wynau, Switzerland

### **Excel Plastics Ltd.**

Derrylavin, Kingscourt Road, (R-179), Carrickmacross, County Monaghan, Ireland

### **NaanDanJain Irrigation System Ltd. [Israel] [Drip & Sprinkler Irrigation]**

- Post Naan 7682900, Israel
- Post Dan, 1224500 Israel

### **NaanDan Do Brasil Participacoes Ltd. [Brazil] [Drip & Sprinkler Irrigation]**

NaanDanJain Brasil Industria E Comercio DE Equipamentos Para Irrigacao Ltda  
CNPJ 60.991.965/0001-15, Av.Ferdinando Marchi,1000-Distrito Industrial, LEME-SP, CEP-1 - 410 Brazil

### **NaanDanJain Iberrica S.C. [Spain] [Drip & Sprinkler Irrigation]**

Naandan Jain Iberrica S.L.U - P.I LA Redonda, C/XIV, NO. 26, SANTA MARIA DEL AGUILA, EL EDIJO – ALMERIA 04710, Spain. TEL - 950-582121 FAX - 950-582099,

### **Gavish Control System**

Givat Brenner, 60948, Israel

Tel: +972-8-9443961 Fax: +972-8-9443357 E-mail: info@gavish.org.il

### **Dansystems S.A. [Chile]**

Carretera Gral San Martin 16.500 Sitio 31, Loteo Los Libertadores Colina, Santiago Chile

# Declaration from the Managing Director

(Under Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of Jain Irrigation Systems Ltd.,  
As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the senior management personnel of the Company have affirmed compliance with the Company's code of conduct for the year ended March 31, 2016.

For **Jain Irrigation Systems Ltd.**

Sd/-

Anil B. Jain

**Managing Director**

Date : **28<sup>th</sup> August, 2016**

Place : **Jalgaon**

## Auditor's Certificate Regarding Compliance of Conditions of Corporate Governance

To  
The Members of  
Jain Irrigation Systems Limited  
We have examined the compliance of conditions of corporate governance by Jain Irrigation Systems Limited ('the Company'), for the year ended on March 31, 2016, as stipulated in:

- Clause 49 (excluding clause 49 (VII) (E) of the Listing Agreement(s) of the Company with stock exchange(s)) for the period April 1, 2015 to November 30, 2015;
- Clause 49 (VII) (E) of the Listing Agreement(s) of the Company with stock exchange(s) for the period April 1, 2015 to September 1, 2015;
- Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period September 2, 2015 to March 31, 2016 and
- Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified above, during the year ended March 31, 2016.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified above, during the year ended March 31, 2016.

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 and on behalf of

**Haribhakti & Co.LLP**

Chartered Accountants

ICAI Firm Registration No 103523W/W100048

**Snehal Shah**

Partner

Membership No.: 48539

Date : **28<sup>th</sup> August, 2016**

Place : **Mumbai**