

# Report on Corporate Governance

Your Company has always practiced Corporate Governance of the highest standards and follows a culture that is built on core values and professionalism which over the past sixty years of the Company's existence has become its integral part.

Accordingly, in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the report containing the details of Corporate Governance systems and processes is as follows:

## I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. It is an ethically driven business process that is committed to values aimed at enhancing an organisation's brand and reputation. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. Your Company firmly believes in being transparent in all the areas of its operations and also to all the stakeholders and which has been embodied in its culture. This is practiced through open working methods, emphasis on continuous communication, timely and complete disclosures and being transparent about its entire gamut of activities.

Your Company reviews its Corporate Governance practices periodically against the backdrop of the latest developments in the corporate arena, thereby endeavoring to confirm to the highest standards of Corporate Governance practices. Your Company is committed to the pursuit of excellence in all its activities and to maximize shareholders' confidence and wealth.

The Company's Code of Conduct is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity.

## II. BOARD OF DIRECTORS

The Board of Directors ("Board") is responsible for and is committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

The Management of the Company is headed by Mr. Brij Raj Punj who is the Promoter Director and is designated as "Chairman and Managing Director". The Chairman being an Executive Director, therefore, half of the Board of your Company comprises of Independent Directors.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 9<sup>th</sup> February, 2017 appointed Mr. Akhter Aziz Siddiqi, Chief Financial Officer ("CFO") of the Company as an Additional Director and Whole-time Director to be designated as "Whole-time Director & Chief Financial Officer" of the Company, for a period of 2 (two) years w.e.f. 9<sup>th</sup> February, 2017 subject to the approval of Members of the Company at the ensuing Annual General Meeting.

### A. Composition and Category of Board of Directors

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

As on the date of this Report, the Board consists of 6 (six) Directors comprising an Executive Chairman, 2 (two) Whole-time Directors and 3 (three) Independent Directors. Out of 3 (three) Independent Directors 2 (two) are women.

None of the Director is a Director in more than 10 (ten) public limited companies (as specified in section 165 of the Companies Act, 2013) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 25 of the Listing Regulations).

During the financial year under review, none of the Non-Executive Directors had any material pecuniary relationship or transactions with the Company apart from receiving sitting fees for attending meetings of Board of Directors and Committees thereof. None of the Directors of your Company are inter-se related to each other.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with section 149 of the Companies Act, 2013 ("Act") and the details of which are provided herein below:

Name of Directors	DIN	Designation	Category	No. of Equity Shares held in the Company
Mr. Brij Raj Punj	00080956	Chairman & Managing Director	Promoter Executive Director	16,32,667
Mr. Sham Sunder Dhawan	00528056	Whole-time Director	Executive Director	-
Mr. Akhter Aziz Siddiqi*	07726807	Whole-time Director & CFO	Executive Director	-
Mr. Arun Kumar Joshi	06747753	Director	Independent Non-Executive Director	100
Mrs. Bindu Dogra	06580704	Director	Independent Non-Executive Director	-
Mrs. Ritushri Sharma	06747745	Director	Independent Non-Executive Director	-

\*Appointed as Additional & Whole-time Director w.e.f 9<sup>th</sup> February, 2017

## B. Board Procedures

The Board of Directors meet at least once in each quarter to, inter alia, review annual operating and capital expenditure plans, financial statements of business segments, compliance report(s) of all laws applicable to the Company, minutes of the Board Meetings of Subsidiary Companies, short-term borrowings, any other proposal from the management regarding any restructuring of investments etc.

The Board Members make presentations on matters including but not limited to the Company's performance, operations, plans, quarterly and annual financial results, compliance reports etc. The Board has complete access to any information within the Company including but not limited to information as specified in Regulation 17 and Part A of Schedule II of the Listing Regulations.

## C. Number of Board Meetings

The Company adheres to the provisions of the Act read with the Rules issued thereunder, the Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees.

Minimum 4 (four) Board Meetings are held in every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs of the Company. All material information is circulated to the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Regulation 17 (7) of the Listing Regulations to enable them for making value addition as well as exercising their judgment to take informed decisions.

During the period under review, the following 5 (five) meetings of the Board of Directors were held on:

- I. 30<sup>th</sup> May, 2016;
- II. 28<sup>th</sup> July, 2016;
- III. 11<sup>th</sup> November, 2016;
- IV. 09<sup>th</sup> February, 2017; and
- V. 18<sup>th</sup> February, 2017

Requisite quorum was present in all the meetings. The intervening period between two Board Meetings was well within the maximum time gap as stipulated under Regulation 17 of the Listing Regulations read with the Act.

Mr. Pulkit Bhasin, Company Secretary of the Company attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of the meetings of the Board and its Committees.

#### D. Director's Attendance Record and their other Directorships/Committee Memberships:

As mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than 10 (ten) Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairperson of more than 5 (five) Committees across all public limited companies (listed or unlisted) in which he/she is a Director.

Further, all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any change in their positions.

Relevant details in accordance with the requirements of the Listing Regulations are given below:

S. No	Name of the Directors	Attendance at		No. of Directorships in other Public Companies	No. of Committees Positions held in other Public Companies	
		Board Meetings	Last AGM		Chairperson	Member
1.	Mr. Brij Raj Punj	5	Yes	2	Nil	Nil
2.	Mr. Sham Sunder Dhawan	5	Yes	Nil	Nil	Nil
3.	Mr. Akhter Aziz Siddiqi <sup>1</sup>	2	Yes <sup>2</sup>	Nil	Nil	Nil
4.	Mrs. Bindu Dogra	5	No	Nil	Nil	Nil
5.	Mrs. Ritushri Sharma	5	No	Nil	Nil	Nil
6.	Mr. Arun Kumar Joshi	2	Yes	Nil	Nil	Nil

<sup>1</sup> Appointed as Additional & Whole-time Director w.e.f 9<sup>th</sup> February, 2017. The attendance details of Mr. Akhter Aziz Siddiqi mentioned above is of the proportionate period.

<sup>2</sup> Attended AGM as the CFO of the Company.

#### Notes:

- A. Private Limited Companies, Foreign Companies and Companies under section 8 of the Act are excluded for the above purposes.
- B. Only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies are considered for the purpose of reckoning committee positions.

#### E. Meeting of Independent Directors

In compliance with the provisions of section 149 read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, the Independent Directors meet without the presence of Non-Independent Directors. This meeting is informal and enables Independent Directors to interact and discuss matters including review of the performance of the Non-Independent Directors and the Board as a whole, review of the performance of the Chairman of the Company, taking into account views of Executive/Non-Executive Directors and assessing the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors met on 9<sup>th</sup> February, 2017 during the financial year 2016-17.

#### F. Familiarisation Programme

Your Company has put in place a structured induction and Familiarization Programme for all of its Directors including the Independent Directors. The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

During the year under review, a Familiarization Programme for Independent Directors was conducted to apprise the Directors on relevant changes in the Act and Listing Regulations. The Familiarization Programme along with the details of the training imparted to Independent Directors during the year are available on the website of the Company and the weblink thereto is <http://fedderselectric.com/Familiarisation%20Programme.pdf>.

### III. BOARD COMMITTEES

In compliance with the statutory requirements and to focus effectively on the issues and to ensure expedient resolution of the diverse matters, the Board has constituted various committees with specific terms of reference and scope. The Committees are the Board's empowered agents and operate as per their charter/terms of reference.

The Board has currently established the following statutory and non-statutory committees:



#### 1. AUDIT COMMITTEE

The Audit Committee is, inter alia, entrusted with the responsibilities to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Statutory Auditors.

The composition of the Audit Committee is in alignment with the provisions of section 177 of the Act and Rules framed thereunder and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the Managing Director, CFO and Statutory Auditor to attend the meetings of the Committee.

##### (a) Terms of reference of the Audit Committee:

The Audit Committee is, inter alia, empowered with the following pursuant to its terms of reference and its roles:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management the quarterly, half-yearly and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis Report of the financial condition and results of operations;
4. Reviewing with the management, the auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report as per Section 134 (3) (c) of the Act;
  - b) Changes, if any, in the accounting policies and practices and the reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings;
  - c) Compliance with listing and other legal requirements relating to financial statements;
  - d) Disclosure of any Related Party Transactions (RPTs); and
  - e) Qualifications in the draft Audit Report, if any.

5. Reviewing the financial statements of unlisted subsidiary companies (including joint ventures) and investments made by the unlisted subsidiary companies (including joint ventures);
6. Reviewing and considering the following w.r.t. appointment of auditors before recommending to the Board:
  - a) qualifications and experience of the individual/firm proposed to be considered for appointment as Auditor; and
  - b) whether such qualifications and experience are commensurate with the size and requirements of the Company.
7. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
8. Discussion with the 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;
9. Reviewing and approving quarterly and yearly management representation letters to the statutory auditor;
10. Reviewing management letters/letters of internal control weaknesses issued, if any, by the statutory auditors and ensuring suitable follow-up thereon;
11. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
12. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
13. Evaluating the internal financial controls and risk management policies/system of the Company;
14. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;
15. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
16. Review and comment upon the report made by the statutory auditors (before submission to the Central Government) with regard to any offence involving fraud committed against the Company by its officers/employees;
17. Approval or subsequent modification of transactions of the Company with related parties including appointment and revision in remuneration of related parties to an office or place of profit in the Company, its subsidiary company or associate company;
18. Reviewing the statements of significant related party transactions submitted by the management;
19. Reviewing and Scrutinizing the inter-corporate loans and investments;
20. Review of the Whistle Blower Mechanism of the Company as per the Whistle Blower Policy. Overseeing the functioning of the same;
21. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate;
22. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
23. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
24. Review and approve policy formulated for determination of material subsidiaries;

25. Review and approve policy on materiality of related party transactions and also dealing with related party transactions;
26. Review of statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32 (1) of the Listing Regulations.
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of regulation 32 (7) of the Listing Regulations.
27. Valuation of undertakings or assets of the Company, wherever it is necessary; and
28. Reviewing such other functions as envisaged under the provisions of section 177 of the Act read with the Rules made thereunder and the Listing Regulations.

## (b) Composition, Meeting And Attendance

During the financial year under review, 5 (five) Audit Committee meetings were held on 30<sup>th</sup> May, 2016, 28<sup>th</sup> July, 2016, 11<sup>th</sup> November, 2016, 9<sup>th</sup> February, 2017 and 18<sup>th</sup> February, 2017 respectively.

Subsequent upon appointment of Mr. Akhter Aziz Siddiqi as Additional & Whole-time Director on the Board of the Company, the Committee was reconstituted by induction of Mr. Akhter Aziz Siddiqi as the member of the Committee which was duly approved by the Board of Directors at its meeting held on 30<sup>th</sup> May 2017.

The composition and attendance of the Members at the meetings are as follows:

Name of Directors	Designation	Category of Director	No of meetings held	No. of meetings attended
Mr. Arun Kumar Joshi	Chairperson	Non-Executive Independent Director	5	3
Mrs. Ritushri Sharma	Member	Non-Executive Independent Director	5	5
Mrs. Bindu Dogra	Member	Non-Executive Independent Director	5	5
Mr. Akhter Aziz Siddiqi <sup>1</sup>	Member	Executive Director	Not Applicable	

<sup>1</sup> Since Mr. Akhter Aziz Siddiqi was inducted as a member of the Audit Committee on 30<sup>th</sup> May, 2017, he did not attend any Committee Meeting during the financial year 2016-17 i.e. from 1<sup>st</sup> April, 2016 till 31<sup>st</sup> March, 2017.

Requisite quorum was present in all the meetings.

Mr. Pulkit Bhasin, Company Secretary acts as Secretary to the Committee. The Chairman of the Audit Committee was present at the last AGM held on 27<sup>th</sup> August, 2016 to answer the shareholders' queries.

## 2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in compliance with the provisions of section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

The Nomination and Remuneration Committee broadly plays a dual role for determining the composition of the Board based on need and requirements of the Company from time to time and determines the overall compensation framework and policy for Directors, Senior Management and Employees. The Committee further reviews that the human resource practices of the Company are effective in maintaining and retaining a competent workforce.

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of applicable laws and the Remuneration Policy:

Terms of reference of the Nomination and Remuneration Committee:

- Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal, formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- To lay out remuneration principles for Directors, Key Managerial Personnel and Senior Management Personnel linked to their effort, performance and achievement relating to the Company's goals trends and practices that prevail in peer companies across the industry;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- To ensure the Board Diversity by constituting the structure of Board of Directors.

#### (a) Composition, Meeting and Attendance

The Committee met twice during the period under review on 30<sup>th</sup> May, 2016 and 9<sup>th</sup> February, 2017 respectively. The composition of the Nomination and Remuneration Committee along with the details of the meetings held and attended by the members of the Committee during the during the year under review is detailed below:

Name of Directors	Designation	Category of Director	No of meetings held	No. of meetings attended
Mrs. Bindu Dogra	Chairperson	Non-Executive Independent Director	2	2
Mrs. Ritushri Sharma	Member	Non-Executive Independent Director	2	2
Mr. Arun Kumar Joshi	Member	Non-Executive Independent Director	2	2

Requisite quorum was present in all the meetings.

Mr. Pulkit Bhasin, Company Secretary acts as the Secretary to the Committee.

#### (b) Performance Evaluation Criteria for Independent Directors

The criteria for performance evaluation covers the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation; the Directors who were subject to evaluation had not participated.

#### (c) Remuneration Policy

The Remuneration Policy is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The Remuneration Policy of your Company applies to the Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel and other employees of the Company.

With a view to determine the remuneration of the Directors, KMP and other employees of the Company, a Remuneration Policy has been framed by the Nomination and Remuneration Committee and approved by the Board with the following broad objectives:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Motivate KMP and Senior Management to achieve excellence in their performance;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Ensuring that the remuneration to Directors, KMP and Senior Management involves a balance between fixed & incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. This policy is uploaded on the website of the company i.e. at [www.fedderselectric.com](http://www.fedderselectric.com).

**DETAILS OF THE REMUNERATION PAID DURING THE FINANCIAL YEAR 2016-17 IS AS MENTIONED BELOW:****EXECUTIVE DIRECTORS**

S. No.	Name of the Director	Salary (₹ p.a.)	Perquisites, Provident Fund and other benefits (₹)	Total (₹ p.a.)
1.	Mr. Brij Raj Punj	77,83,008	6,22,080	84,05,088
2.	Mr. Sham Sunder Dhawan	92,36,250	6,41,830	98,78,080
3.	Mr. Akhter Aziz Siddiqi <sup>1</sup>	4,46,354	22,986	4,69,340

<sup>1</sup> Mr. Akhter Aziz Siddiqi was appointed as Whole-time Director on 9<sup>th</sup> February, 2017. Henceforth, his remuneration details are of proportionate period.

**NON-EXECUTIVE INDEPENDENT DIRECTORS**

During the financial year 2016-17, the Company paid sitting fees of ₹ 15,000 per meeting to its Non-Executive Independent Directors for attending meetings of the Board of Directors of the Company. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

Name of Director	Sitting Fees (₹)
Mr. Arun Kumar Joshi	30,000
Mrs. Bindu Dogra	75,000
Mrs. Ritushri Sharma	75,000

The Company has increased the sitting fees from ₹ 15,000 to ₹ 20,000 per meeting payable to its Non-executive Independent Directors.

**The Company does not have any Employee Stock Option Scheme.**

**3. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee oversees, inter-alia, redressal of shareholders' and investors' grievances, non-receipt of Annual Report, transfer/transmission of shares, issue of duplicate shares, exchange of new design share certificates, recording dematerialisation/rematerialization of shares and related matters.

**(a) Terms of reference of the Committee**

The terms of reference of the Committee include enquiring into and redressing complaints of shareholders and investors. The composition of the Stakeholders' Relationship Committee is in compliance with the provisions of the Act read with Rules made thereunder and Regulation 20 read with Part D of Schedule II of the Listing Regulations.

**(b) Composition, Meeting and Attendance**

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name of Directors	Designation	Category of Directors	No. of meetings held	No. of meetings attended
Mrs. Ritushri Sharma	Chairperson	Non-Executive Independent Director	22	22
Mrs. Bindu Dogra	Member	Non-Executive Independent Director	22	17
Mr. Sham Sunder Dhawan	Member	Executive Director	22	20

Requisite quorum was present in all the meetings.

Mr. Pulkit Bhasin, Company Secretary being the Compliance Officer takes all necessary and immediate steps for investors' grievances.



**Details of Investors' complaints\requests received & redressed during the year:**

Opening Balance	Received During the year	Resolved During the year	Closing Balance
0	4	4	0

**4. COMMITTEE OF BOARD OF DIRECTORS**

In line with the provisions of section 179 of the Act, the Company has constituted a Committee of Board of Directors which is entrusted with substantial powers and responsibilities. The Committee is authorized to transact all the businesses which the Board of Directors is empowered to transact except for the transactions that are mandated to be dealt in at the Board Meeting pursuant to the provisions of the Act.

The Committee meets at regular intervals to decide upon the matters of routine nature and the minutes of the Committee meetings held during the quarter are placed before the Board for its consideration and ratification.

**(a) Terms of reference of the Committee**

In accordance with the provisions of the Act, the Committee of Board of Directors has been authorized to grant powers in connection with day to day routine matters such as authorization for various tender purposes, banking matters or any other matters for day to day business operations of the Company for its smooth functioning.

**(b) Composition, Meeting and Attendance**

The composition of the Committee of Board of Directors and the details of meetings attended by its members are given below:

Name of Directors	Designation	Category of Directors	No. of meetings held	No. of meetings attended
Mr. Brij Raj Punj	Chairperson	Executive Director	15	12
Mr. Sham Sunder Dhawan	Member	Executive Director	15	14
Mr. Akhter Aziz Siddiqi <sup>1</sup>	Member	Executive Director	NIL	NIL
Mr. Arun Kumar Joshi	Member	Non-Executive Independent Director	15	13
Mrs. Ritushri Sharma <sup>2</sup>	Member	Non-Executive Independent Director	15	9
Mrs. Bindu Dogra <sup>3</sup>	Member	Non-Executive Independent Director	15	5

<sup>1</sup>Subsequent upon appointment of Mr. Akhter Aziz Siddiqi as Whole-time Director on the Board of Directors of the Company, Mr. Siddiqi was inducted as a member of the Committee of Board ("COD") of Directors by the Board of Directors in its meeting held on 30<sup>th</sup> May, 2017. Henceforth, he did not attend any Committee Meeting during the financial year 2016-17 i.e. from 1<sup>st</sup> April, 2016 till 31<sup>st</sup> March, 2017.

<sup>2</sup>Mrs. Ritushri Sharma ceased to be a member of the Committee of Board of Directors w.e.f. 30<sup>th</sup> May, 2017.

<sup>3</sup>Mrs. Bindu Dogra ceased to be a member of the Committee of Board of Directors w.e.f. 30<sup>th</sup> May, 2017.

Requisite quorum was present in all the meetings.

Mr. Pulkit Bhasin, Company Secretary acts as the Secretary to the Committee.

**5. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The Company, as a responsible corporate citizen, strives to enhance value creation in the society and in the community in which it operates. In alignment with the mandatory provisions under section 135 of the Act, a Committee has been constituted to guide the Company in undertaking CSR activities in a focused and structured manner and review CSR Policy from time to time. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of "Corporate Social Responsibility Policy", observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.

**(a) Terms of reference of the Committee**

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Act and rules framed thereunder;
- Recommend the amount of expenditure to be incurred on the activities as above; and
- Monitor the CSR Policy of the Company from time to time.

**(b) Composition, Meeting and Attendance**

The composition of the CSR Committee and the details of meetings attended by its members are given below:

Name of Directors	Designation	Category of Directors	No. of meetings held	No. of meetings attended
Mr. Sham Sunder Dhawan	Member	Executive Director	2	2
Mrs. Ritushri Sharma	Member	Non-Executive Independent Director	2	2
Mrs. Bindu Dogra	Member	Non-Executive Independent Director	2	2
Mr. Akhter Aziz Siddiqi <sup>1</sup>	Member	Executive Director	NIL	NIL

<sup>1</sup> Since Mr. Akhter Aziz Siddiqi was inducted as a member of the Committee on 30<sup>th</sup> May, 2017, he did not attend any Committee Meeting for the financial year 2016-17 i.e. from 1<sup>st</sup> April, 2017 till 31<sup>st</sup> March, 2017.

**IV. GENERAL BODY MEETINGS****• DETAILS OF THE LAST 3 ANNUAL GENERAL MEETINGS OF THE COMPANY**

FINANCIAL YEAR	LOCATION(S)	MEETING DATE	TIME
2015-2016	Regd. Office: 6 and 6/1, UPSIDC Industrial Area, Sikandrabad, District Bulandshahr, Uttar Pradesh-203205.	27 <sup>th</sup> August, 2016	09.30 A.M.
2014-2015	Regd. Office: 6 and 6/1, UPSIDC Industrial Area, Sikandrabad, District Bulandshahr, Uttar Pradesh-203205.	25 <sup>th</sup> September, 2015	09.30 A.M.
2013-2014	Regd. Office: C – 4, Phase – II, Noida, Distt. Gautam Budh Nagar, Uttar Pradesh- 201305.	30 <sup>th</sup> October, 2014	09.00 A.M.

**• DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING PREVIOUS THREE ANNUAL GENERAL MEETINGS**

There were no special resolutions passed by the Company in the previous three Annual General Meetings of the Company.

**• DETAILS OF THE SPECIAL RESOLUTIONS PASSED DURING THE FINANCIAL YEAR 2016-17 THROUGH POSTAL BALLOT**

During the year under review, pursuant to section 110 of the Act read with the Companies (Management and Administration) Rules, 2014 the Company passed the following resolutions through the Postal Ballot process:

**Resolution No. 1: Sale of Brand Name, Logo, Trade Mark or any other Intellectual Property Rights associated with “LLOYD” and/or “Lloyd” by the Company**

Category	No. of Shares	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
Promoter and Promoter Group	17661682	17651682	99.94	17651682	-	100	-
Public Institutional Investor	40747	-	-	-	-	-	-
Public Others	16267271	3128385	19.23	3109122	19263	99.38	0.62
<b>Total</b>	<b>33969700</b>	<b>20780267</b>	<b>61.17</b>	<b>20780267</b>	<b>19263</b>	<b>99.91</b>	<b>0.09</b>

## Resolution No. 2: Ceasing of Usage of the Brand “LLOYD” and/or “Lloyd” and Change of Name of the Company

Category	No. of Shares	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
<b>Promoter and Promoter Group</b>	17661682	17651682	99.94	17651682	-	100	-
<b>Public Institutional Investor</b>	40747	-	-	-	-	-	-
<b>Public Others</b>	16267271	3128487	19.23	3109092	19595	99.37	0.63
<b>Total</b>	<b>33969700</b>	<b>20780369</b>	<b>61.17</b>	<b>20760774</b>	<b>19595</b>	<b>99.91</b>	<b>0.09</b>

The Company successfully completed the process of obtaining approval from its shareholders on 23<sup>rd</sup> March, 2017 for Special Resolutions on the items detailed above, vide Postal Ballot.

Mr. Sanjay Chugh, Practicing Company Secretary was appointed as the Scrutinizer for carrying out the Postal Ballot process in a fair and transparent manner.

### • PROCEDURE FOR POSTAL BALLOT

In compliance with the provisions of sections 108, 110 and other applicable provisions of the Act read with the Rules made thereunder, the Company provided remote electronic voting (e-voting) facility to all its members.

The Company engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing remote e-voting facility to all its members. The members have the option to vote either by physical ballot or through remote e-voting. The Company dispatches the Postal Ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the Register of Members/List of Beneficiaries as on cut-off date. The Postal Ballot notice is sent to members in electronic form to the email addresses registered with the Depository Participants/Company’s Registrar & Share Transfer Agents. The Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements under the Act and the Rules issued thereunder.

Voting rights are reckoned on the paid-up value of shares of the Company in the names of the shareholders as on the cut-off date. Members desiring to vote through physical ballot are requested to return the forms, duly completed and signed so as to reach the Scrutinizer before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before the close of business hours on the last date of remote e-voting.

The Scrutinizer submits his report to the Chairman or in his absence to any other Director as authorized by the Chairman after completion of scrutiny of votes cast through Postal Ballot Forms and remote e-voting, after the completion of scrutiny and the consolidated results of the voting by Postal Ballot are then announced by the Chairman/authorized officials of the Company. The results of the Postal Ballot along with the Scrutinizer’s Report will be displayed on the website of the Company [www.fedderselectric.com](http://www.fedderselectric.com), at the Registered and the Corporate Offices of the Company respectively, communicated to the Stock Exchanges and uploaded on the NSDL’s website-[www.evoting.nsdl.com](http://www.evoting.nsdl.com).

The date of declaration of results of Postal Ballot shall be date on which the resolution would be deemed to have been passed, if approved by requisite majority.

### V. MEANS OF COMMUNICATION

Timely disclosure of the information on corporate financial performance and the corporate developments is a sign of good governance practice which the Company follows:

#### • Publication of quarterly results

Quarterly, half-yearly and annual financial results of the Company were published in leading English and vernacular language newspaper, viz., The Pioneer (English) and Rashtriya Sahara (Hindi).

#### • Website and News Releases

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under ‘Investors Relations’ on the Company’s website [www.fedderselectric.com](http://www.fedderselectric.com) gives information on various announcements made by the

Company, status of unclaimed dividend, stock quotes, Annual Report, Quarterly/Half-yearly/ and Annual financial results along with the applicable policies of the Company. Your Company's official news releases and presentations made to the institutional investors and analysts are also available on the Company's website.

- **Stock Exchanges**

Your Company makes timely disclosures of necessary information to BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") in terms of the Listing Regulations and other rules and regulations issued by the Securities and Exchange Board of India ("SEBI").

- **NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & the Listing Centre**

NEAPS is a web-based application designed by NSE for corporates. BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically.

- **SCORES (SEBI Complaints Redressal System)**

SEBI processes investors' complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his/her grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

- **Exclusive e-mail ID for investors**

The Company has designated the email id [investor.relations@feddersselectric.com](mailto:investor.relations@feddersselectric.com) exclusively for investor servicing and the same is prominently displayed on the Company's website.

## VI. CODE OF CONDUCT

Code of Conduct is a comprehensive document that serves as the ethical road map for the employees and the Company. It also, inter alia, governs the conduct of business in consonance with national interest, fair and accurate presentation of financial statements, being an employer providing equal opportunities to its employees, prohibition on acceptance of gifts and donations that can be intended or perceived to obtain business or uncompetitive favors, practicing political non-alignment, safe and healthy environment for its people, maintaining quality of products and services, being a good corporate citizen, ethical conduct and commitment for enhancement of stakeholder's value.

The Company has a Code of Conduct for its Board Members and Senior Management Personnel pursuant to the provisions of the Act and as per Regulation 17 of the Listing Regulations. The Code of Conduct been placed on the Company's website [www.feddersselectric.com](http://www.feddersselectric.com). All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2017. A declaration to this effect signed by the Managing Director forms part of this Annual Report.

## VII. DISCLOSURES

### a) Related Party Transactions

There were no materially significant related party transactions i.e. transactions of the Company of material nature with the related parties which could conflict with the interests of the Company. All transactions entered into by the Company with related parties, during the financial year 2016-17, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by your Company were in compliance with the provisions set out in the Act and Regulation 23 of the Listing Regulations.

The Policy on Related Party Transactions has been placed on the Company's website [www.feddersselectric.com](http://www.feddersselectric.com) and can be accessed through the following link: <http://feddersselectric.com/Related%20Party%20Transaction%20Policy.pdf>.

The Company has adopted policy for determination of 'material subsidiaries' and the same has been posted on the Company's website: [www.feddersselectric.com](http://www.feddersselectric.com) and can be accessed through the following link: <http://feddersselectric.com/Policy%20for%20Material%20Subsidiaries.pdf>.

**b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years**

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**c) Whistle Blower Policy/Vigil Mechanism**

Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted against an employee. In accordance with the Listing Regulations and provisions of the Act, your Company has adopted a Whistle Blower Policy with an objective to provide its employees a Vigil Mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication.

During the financial year ended 31<sup>st</sup> March, 2017, no personnel have been denied access to the Chairman of the Audit Committee of the Company.

**d) Disclosure of Accounting Treatment**

During the year under review, the Company has adopted Accounting Standards as notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 (as amended from time to time) and/or by the Institute of Chartered Accountants of India in the preparation of financial statements and has not adopted a treatment different from that prescribed in any Accounting Standard.

**e) Reconciliation of share capital audit**

Mr. Sanjay Chugh, a qualified Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**f) Compliance with mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Corporate Governance Report of the Company for the financial ended 31<sup>st</sup> March, 2017 is in compliance with the requirements of the Listing Regulations.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**DISCRETIONARY REQUIREMENTS**

**A. The Board**

The Company has an Executive Chairman, henceforth no office for the Chairman is required to be maintained at the Company's expense. There was no reimbursement of expenses to the Chairman in performance of his duties.

**B. Shareholders' Rights**

As the Company's quarterly results are published in an English newspaper having a circulation all over India and in a Hindi newspaper having a circulation in the region of National Capital Territory of Delhi and also uploaded on the Company's website [www.fedderselectric.com](http://www.fedderselectric.com), the half-yearly declaration of financial performance is not sent separately to each household of shareholders of the Company.

**C. Modified Opinion in audit report**

The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

**D. Separate posts of Chairman and CEO**

Mr. Brij Raj Punj, the Executive Chairman is also appointed as the Managing Director of the Company.

**E. Reporting of Internal Auditors**

The Report of the Internal Auditors is periodically placed before the Audit Committee.

## VIII. GENERAL SHAREHOLDERS INFORMATION

1.	Annual General Meeting	
	Date	22 <sup>nd</sup> September, 2017
	Time	09:30 A.M.
	Venue	At the Registered Office of the Company situated at 6 and 6/1, UPSIDC Industrial Area, Sikandrabad, District Bulandshahr-203205, Uttar Pradesh
2.	Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
3.	Date of Book Closure	Saturday, 16 <sup>th</sup> September, 2017 to Friday, 22 <sup>nd</sup> September, 2017
4.	Date of Dividend Payment	Within 30 days from the date of declaration.
5.	Name and address of Stock Exchanges at which Company's securities are listed;	<b>BSE Limited ("BSE")</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 <b>National Stock Exchange of India Limited ("NSE")</b> Exchange Plaza", Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051
6.	Stock Code/Symbol	BSE : 500139 NSE : FEDDERELEC ISIN No. : INE249C01011  Note: The Company has changed its name from "Fedders Lloyd Corporation Limited" to "Fedders Electric and Engineering Limited" upon receipt of approval from the Registrar of Companies, Uttar Pradesh on 23 <sup>rd</sup> May, 2017. Subsequent upon the change in name of the Company, the Company's scrip symbol has been changed from "FEDDERLOYD" to "FEDDERELEC" w.e.f. the date of approvals received from NSE and BSE respectively.
7.	Listing Fees to Stock exchanges	The Company has paid the annual listing fees for the financial year 2017-18 to the above Stock Exchanges.
8.	Custodial Fees to Depositories	The Company has paid custodial fees for the financial year 2017-18 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

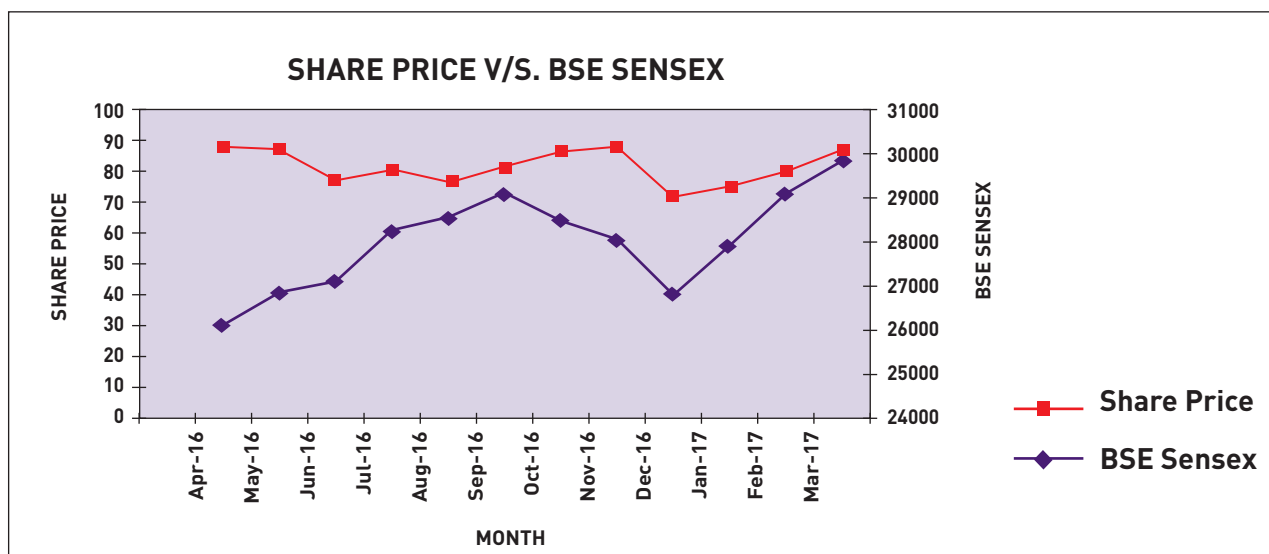
## IX. MARKET PRICE DATA

Monthly high and low of the Equity Shares of the Company at BSE and NSE during the year ended 31<sup>st</sup> March, 2017 are as follows:

Months during the financial year ended 31 <sup>st</sup> March, 2017	BSE		NSE	
	High (₹/share)	Low (₹/share)	High (₹/share)	Low (₹/share)
April, 2016	87.80	71.25	87.80	71.25
May, 2016	86.80	71.85	86.60	71.75
June, 2016	77.20	68.65	77.20	67.55
July, 2016	80.45	73.00	80.80	71.45
August, 2016	76.60	66.70	76.30	66.50
September, 2016	81.35	69.90	81.35	69.60
October, 2016	86.00	74.10	86.00	73.85
November, 2016	87.75	64.50	87.85	64.15
December, 2016	71.85	57.20	70.85	57.00
January, 2017	74.90	64.10	75.00	64.00
February, 2017	79.65	70.50	79.85	70.55
March, 2017	86.90	70.50	87.00	70.50

Source: BSE and NSE website.

**The performance comparison of the Company's Share Price with BSE Sensex.**



**X. SHARE TRANSFER SYSTEM**

The Company has appointed Skyline Financial Services Private Limited as the Registrar and Share Transfer Agent ("RTA") of the Company. The work related to share transfer in terms of both physical and electronic mode is being dealt at single point by the RTA. After the completion of preliminary formalities of transfer/transmission by the RTA, the approval of transfer of shares in the physical form is given by the Stakeholders' Relationship Committee ("SRC") of the Board of Directors.

The SRC meets periodically to inter alia approve the Share Transfer(s) etc. The Company has complied with the provisions of the requisite guidelines issued by the regulatory authorities in respect of the transfer of shares and other related matters. The share transfers, which are received in physical form, are processed and the share certificates are duly returned within 15 days of lodgment, subject to the documents being valid and complete in all respects.

The Company obtains a half-yearly Compliance Certificate from a Company Secretary in Practice to the effect that all certificates have been issued within 30 (thirty) days of the date of valid lodgment of transfer, sub-division, consolidation and renewal as required under Regulation 40 (9) of the Listing Regulations and files a copy of the said certificate with BSE & NSE.

**XI. UNCLAIMED/UNPAID DIVIDEND**

As per the provisions of section 124 of the Act, dividends unclaimed for a period of 7 (seven) years statutorily gets transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government and thereafter cannot be claimed by the investors. The unclaimed dividend up to the financial year 2008-09 had been transferred to the IEPF and hence there is no claim on the Company in respect of the same.

The dividend for the subsequent years remaining unclaimed for 7 (seven) years will be transferred by the Company to the IEPF according to the schedule given below. Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to make an application to the Company for issuance of demand draft(s). Once the unclaimed dividend is transferred to the IEPF, no claim shall lie in respect of the same.

Financial Year	Date of declaration	Due date for transfer to IEPF
2009-2010	29 <sup>th</sup> December, 2010	29 <sup>th</sup> January, 2018
2010-2011	29 <sup>th</sup> December, 2011	29 <sup>th</sup> January, 2019
2011-2012	27 <sup>th</sup> December, 2012	27 <sup>th</sup> January, 2020
2012-2013	11 <sup>th</sup> December, 2013	11 <sup>th</sup> January, 2021
2013-2014	30 <sup>th</sup> October, 2014	30 <sup>th</sup> November, 2021
2014-2015	25 <sup>th</sup> September, 2015	25 <sup>th</sup> October, 2022
2015-2016	27 <sup>th</sup> August, 2016	27 <sup>th</sup> September, 2023

## MANDATORY TRANSFER OF SHARES TO DEMAT ACCOUNT OF INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY ("IEPFA") IN CASE OF UNPAID/UNCLAIMED DIVIDEND ON SHARES FOR A CONSECUTIVE PERIOD OF 7 (SEVEN) YEARS

In terms of section 124(6) of the Act read with rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), shares on which dividend has not been paid or claimed by a shareholder for a period of 7 (seven) consecutive years or more shall be credited to the Demat Account of the IEPFA within a period of 30 (thirty) days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which will be transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

## XII. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2017

No. of Shares held of Nominal Value of ₹ 10/- each	Shareholders		Total Shares	
	Number	% to Total	No. of Shares Held	% to Total
(1)	(2)	(3)	(4)	(5)
Upto 5000	23727	87.28	33700840	9.92
5001 10,000	1782	6.55	14996830	4.41
10,001 20,000	821	3.02	12886820	3.79
20,001 30,000	294	1.08	7665370	2.26
30,001 40,000	117	0.43	4286850	1.26
40,001 50,000	120	0.44	5695890	1.68
50,001 1,00,000	186	0.68	13914010	4.1
1,00,001 and Above	139	0.52	246550390	72.58
<b>TOTAL</b>	<b>27186</b>	<b>100</b>	<b>339697000</b>	<b>100</b>

## XIII. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar & Share Transfer Agent- Skyline Financial Services (P) Ltd. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. As on 31<sup>st</sup> March, 2017, 3,30,44,186 equity shares of the Company, forming 97.58% of the shareholding stand dematerialized.

## XIV. OUTSTANDING WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

### Warrants:

The Company had, pursuant to the requisite approvals and subsequent upon receipt of 25% of the issue price from the Promoters' and Promoters' Group, allotted 50,00,000 warrants convertible into equivalent number of equity shares on preferential basis to its Promoters and Promoters' Group on 3<sup>rd</sup> August, 2015 at the issue price of ₹ 75 per warrant.

During the year under review, out of the aforesaid 50,00,000 convertible warrants, 32,00,000 (20,60,000 in Tranche-I and 11,40,000 in Tranche-II) equity shares were allotted to the aforesaid warrant holders upon the exercise of their right of conversion of said warrants into equivalent number of equity shares on 30<sup>th</sup> December, 2016 and 13<sup>th</sup> January, 2017 respectively. Subsequent to the aforesaid allotment, the paid-up share capital of the Company is ₹ 33,96,97,000/- comprising of 3,39,69,700 equity shares of the face value of ₹ 10/- each.

The conversion rights with respect to the remaining 18,00,000 warrants were not exercised by the warrant holders. Accordingly, remaining warrants allotted to the warrant holders had been forfeited in accordance with the SEBI, (Issue of Capital Disclosure Requirements) Regulations, 2009.



A brief summary of the allotments of convertible warrants are as under:

No. of warrants issued	5,000,000
No. of warrants converted into equity shares	3,200,000
No. of warrants forfeited	1,800,000

#### **XV. GREEN INITIATIVE IN CORPORATE GOVERNANCE**

As a continuing endeavor towards the 'Go Green' initiative, the Company proposes to send future correspondence and documents such as notice of the general meetings, audited financial statements, directors' report, auditors' report etc. in electronic form, to the email address provided by the Members and made available to us by the Depositories. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

In compliance with the provisions of section 108 of the Act read with the Rules framed thereunder and as per the provisions of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all the resolutions set forth in the Notice.

#### **XVI. COMMODITY PRICE RISK**

During the year under review, the Company has managed the foreign exchange risk and hedging risk to the extent considered necessary.

#### **XVII. PLANT LOCATIONS**

- a. Plot No. 6 and 6/1, UPSIDC Industrial Area, Sikandrabad, Uttar Pradesh
- b. C-4, Phase- II, Noida, Dist. Gautam Budhh Nagar, Uttar Pradesh 201305
- c. 836, 837, Jambusar-Bharuch Road, Village-Magnad, Distt- Bharuch, Gujarat 392150.
- d. Saketi Road, Induatrial Area, Kala Amb, Tehsil Nahan, Distt. Simor, Himanchal Pradesh
- e. S-23 & 24, Phase-III, SIPCOT Industrial Complex, Mukundarayapuram, Ranipet 632405, Tamil Nadu
- f. Plant No. 24, Sector 2, IIE Pantnagar, Distt. Udham Singh Nagar, Uttarakhand

#### **OVERSEAS SUBSIDIARY:**

Fedders Lloyd Trading FZE  
P.O. Box No 331007, Ras Al Khaimah,  
United Arab Emirates

Fedders Lloyd Nigeria Limited  
Plot No. 1392, Cadastral Zone B2,  
Katampe District, Abuja, Nigeria

#### **XVIII. ADDRESS FOR CORRESPONDENCE**

##### **CORPORATE OFFICE**

##### **INVESTOR RELATIONS DEPARTMENT**

159, Okhla Industrial Estate,  
Phase-III, New Delhi-110020  
Tel No. 91-11-40627200, 40627300  
Fax: 91-11-41609909  
E-mail id: [investor.relations@fedderselectric.com](mailto:investor.relations@fedderselectric.com)  
Website: [www.fedderselectric.com](http://www.fedderselectric.com)

##### **COMPLIANCE OFFICER**

Mr. Pulkit Bhasin  
Company Secretary  
ICSI Membership No.: A27686

##### **REGISTRAR & SHARE TRANSFER AGENT**

##### **SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

D-153 A, First Floor,  
Okhla Industrial Area, Phase-I  
New Delhi- 110020  
Tel No. : 91-11-26812682, 26812683, 84  
Fax : 91-11-26812684  
E-mail id: [admin@skylinerta.com](mailto:admin@skylinerta.com)  
Website: [www.skylinerta.com](http://www.skylinerta.com)

## AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To

**The Members of Fedders Electric and Engineering Limited**

(Formerly Fedders Lloyd Corporation Limited)

We have examined the compliance of conditions of Corporate Governance by Fedders Electric and Engineering Limited (Formerly Fedders Lloyd Corporation Limited) ("the Company") for the financial year ended on 31<sup>st</sup> March, 2017, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), ("Listing Regulations").

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

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 the provisions specified in Chapter IV of the Listing Regulations.

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

**For Suresh C. Mathur & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 000891N**

**Place: New Delhi**  
**Dated: 10<sup>th</sup> August, 2017**

**Brijesh C. Mathur**  
**Partner**  
**M. No. 083540**

## Declaration of Compliance with the Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the year ended 31<sup>st</sup> March, 2017.

**For Fedders Electric and Engineering Limited**

**Date: 30<sup>th</sup> May, 2017**  
**Place: New Delhi**

**Sham Sundar Dhawan**  
**Whole-time Director**  
**DIN: 00528056**

## COMPLIANCE CERTIFICATE

### **The Board of Directors of Fedders Electric and Engineering Limited**

(Formerly known as Fedders Lloyd Corporation Limited)

Dear Sirs,

(Issued in accordance with the provisions of Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We have reviewed the financial statements together with the cash flow statement of Fedders Electric and Engineering Limited for the nine months period ended 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief, we state that;

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2017 which is fraudulent, illegal or violative of the Company's Code of Conduct.
4. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there had been no deficiency in design or operation of such internal controls during the year under review.

We further certify that the following information has been indicated to the Auditors and the Audit committee:

- a. There have been no significant changes in internal control over financial reporting during the year under review;
- b. There have been no significant changes in accounting policies during the year under review; and
- c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Yours Sincerely**

**For Fedders Electric and Engineering Limited**

**Place: New Delhi**  
**Dated: 30<sup>th</sup> May, 2017**

**Sham Sundar Dhawan**  
**Whole-time Director**  
**DIN: 00528056**

**Akhter Aziz Siddiqi**  
**Whole-time Director & CFO**  
**DIN: 07726807**