

CORPORATE GOVERNANCE REPORT

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In accordance with the Listing Agreement under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with BSE Limited, the Report containing the details of Corporate Governance systems and process at Hindoostan Mills Limited are as under:

1. Company’s Philosophy on Code of Governance:

Your Company is committed towards compliance with the requirements of high standards of Corporate Governance Code. Your Company believes in conducting its business in fair and equitable manner in all respects with its Stakeholder’s viz. Shareholders, Government Departments, Banks, Consumers and Employees and in its accounting practices and procedures.

Your Company has laid down a Code of Conduct, which binds all the Board Members and Senior Management of the Company. A declaration by the Executive Directors of the Company to this effect is appended to this Report.

2. Board of Directors:

- (i) The Company’s Board of Directors comprises of 10 Directors including 5 Independent Directors as on March 31, 2018. All the Independent Directors on the Board are eminent professionals, having wide range of skills and experience in business, industry, finance, law and public enterprises. The Non-Executive Chairman of the Company is the Promoter and the number of Non Executive Directors is more than half of the total number of Directors. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- (ii) The composition of Board of Directors during the year, their names and the category of position held, number of Directorships and Committee positions held by them and the details of attendance of each Director at the Board Meetings and Annual General Meeting (AGM) are as under:

Name of Directors	Whether Promoter, Executive Director or Non-Executive Director / Independent Director	No. of Board Meetings attended	Attendance of last AGM	*No. of Outside Directorship held	No. of Board Committees of other Companies in which a Member#
Mr. Chandrahas Thackersey	Chairman - Non-Executive Director – Promoter	4	No	3	--
Mr. Khushaal Thackersey	Executive Director – Promoter	4	Yes	--	--
Mr. Raoul Thackersey	Non-Executive Director - Promoter	4	No	2	--
Mr. Rajiv Ranjan (appointed on 11.12.2017)	Executive Director - Non-Independent	1	No	--	--
Mr. Hrishikesh Thackersey (Upto 06.09.2017)	Executive Director – Promoter	1	Yes	--	--
Mr. Abhimanyu Thackersey (Upto 06.09.2017)	Executive Director – Promoter	1	Yes	--	--
Mr. K. D. Vora	Non-Executive Director - Independent	4	Yes	2	--
Mr. Sujal A. Shah	Non-Executive Director - Independent	4	Yes	7	5
Mr. Bhavesh V. Panjuani	Non-Executive Director - Independent	4	Yes	2	1
Ms. Vishwadhara Dahanukar	Non-Executive Director - Independent	3	Yes	--	--
Dr. Ashok N. Desai	Non-Executive Director - Independent	4	No	--	--
Mr. Prem S. Malik (appointed on 07.09.2017)	Non-Executive Director - Non-Independent	3	No	6	7 (Chairman of 2)

* Excludes Private Limited Companies.

Excludes 1) Committees other than Audit Committee and Stakeholders Relationship / Shareholders’/Investors’ Grievance Committee and 2) Committee Membership/Chairmanship in Companies other than Public Limited Companies.

(iii) Board Meetings and Annual General Meeting:

During the year under review, four Board Meetings were held, the dates being May 09, 2017, September 07, 2017, December 11, 2017 and February 07, 2018. The gap between two consecutive Meetings did not exceeded one hundred and twenty days.

The last Annual General Meeting was held on August 08, 2017.

(iv) Shareholding of Non-Executive Directors in the Company:

The Shareholding of the Non-Executive Directors in the Company as on 31.3.2018:

Name of Directors	Category	No. of Shares held
Mr. Chandrahas Thackersey	Promoter	63,171
Mr. Raoul Thackersey	Promoter	96,692
Mr. K.D. Vora	Independent	100
Mr. Sujal A. Shah	Independent	Nil
Mr. Bhavesh V. Panjuani	Independent	Nil
Ms. Vishwadhara Dahanukar	Independent	Nil
Dr. Ashok N. Desai	Independent	Nil
Mr. Prem S. Malik (appointed on 07.09.2017)	Non-Independent	Nil

(v) Disclosure of relationships between Director inter-se:

Table given below shows the relationship between the Directors:

Name of the Directors	Designation	*Relationship between Directors Inter-se
Mr. Chandrahas Thackersey	Chairman	Father of Mr. Khushaal Thackersey
Mr. Hrishikesh Thackersey (Upto 06.09.2017)	Executive Director	Brother of Mr. Abhimanyu Thackersey
Mr. Abhimanyu Thackersey (Upto 06.09.2017)	Executive Director	Brother of Mr. Hrishikesh Thackersey
Mr. Khushaal Thackersey	Executive Director	Son of Mr. Chandrahas Thackersey
Mr. Raoul Thackersey	Director	Not related to any other Director
Mr. Rajiv Ranjan (appointed on 11.12.2017)	Executive Director	Not related to any other Director

Name of the Directors	Designation	*Relationship between Directors Inter-se
Mr. K.D. Vora	Director	Not related to any other Director
Mr. Sujal A. Shah	Director	Not related to any other Director
Mr. Bhavesh V. Panjuani	Director	Not related to any other Director
Ms. Vishwadhara Dahanukar	Director	Not related to any other Director
Dr. Ashok N. Desai	Director	Not related to any other Director
Mr. Prem S. Malik (appointed on 07.09.2017)	Director	Not related to any other Director

* As per definition of Relative under Section 2(77) read with Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014 of the Companies Act, 2013.

(vi) Familiarisation programmes for Independent Directors:

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board Meetings on the business and performance updates of the Company, business strategy and risks involved.

The details of the Policy for the familiarisation programmes for Independent Directors are hosted on the Website of the Company can be accessed at the link: <http://www.hindoostan.com>.

3. Board Committees:

The Board has constituted the following Committees of Directors:

A) Audit Committee:**(i) Terms of Reference of the Audit Committee:**

The terms of reference of Audit Committee are in accordance with the requirements as per Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The brief description of the terms of reference of the Audit Committee is as under:

The scope and role of the Audit Committee is to review Internal Audit Reports, Statutory Auditor's Report on financial statements, to generally interact with Internal Auditors to review their finding, suggestions and other related matter and with Statutory Auditors, to review Quarterly Financial Statements before submission

to the Board for approval, discuss the financial performance, transactions with related parties etc.

At a special invitation, Statutory Auditors, Internal Auditors, Chief Financial Officer and Executive Directors attend the Audit Committee Meetings to clarify points raised by the Committee.

The Chairman of the Audit Committee Mr. Sujal A. Shah was present at the last Annual General Meeting of the Company held on August 08, 2017, to address the shareholders' queries, pertaining to the Annual Accounts of the Company.

- (ii) The Audit Committee comprised of 3 Independent Directors and 1 Non-Executive Promoter Director. The Independent Directors are eminent professionals having experience in Industry, Corporate Finance, Accounts and Corporate Law. Composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Rules made there under alongwith the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Four Meetings of the Audit Committee were held during the year ended March 31, 2018 on the following dates: May 09, 2017, September 07, 2017, December 11, 2017 and February 07, 2018. The attendance of each Member at the Meetings was as under:

Name of Members	Designation / Category	Number of Meetings attended
Mr. Sujal A. Shah	Chairman	4
Mr. K.D. Vora	Member	4
Mr. Bhavesh Panjuani	Member	4
Mr. Chandrahas Thackersey	Member	4

B) Nomination and Remuneration Committee:

- (i) Terms of Reference of the Nomination and Remuneration Committee:

The terms of reference of Nomination and Remuneration Committee are in accordance with the requirements of Section 178 of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The brief description of the terms of reference of the Nomination and Remuneration Committee is as under:

The Committee is vested with the responsibility to function as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and recommends to the Board the specific compensation package for the Executive Directors and fees payable to Non-Executive Directors

besides framing guidelines for overall compensation packages of Directors / Key Managerial Personnel (KMP).

- (ii) The Nomination and Remuneration Committee comprised of 3 Independent Directors. Composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Rules made there under alongwith the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Three Meetings of the Nomination and Remuneration Committee were held during the year ended March 31, 2018 on May 09, 2017, September 07, 2017 and December 11, 2017. The attendance of each Member at the Meetings was as under:

Name of Members	Designation / Category	Number of Meetings attended
Mr. Bhavesh V. Panjuani	Chairman	3
Mr. K.D. Vora	Member	3
Mr. Sujal A. Shah	Member	3

- (iii) Remuneration Policy:

The Non-executive Directors draw remuneration from the Company i.e. sitting fees. During the year the Nomination and Remuneration Committee also decides to pay the consultancy charges to Mr. Prem Malik, Non-executive Director within the ceilings prescribed under the Companies Act, 2013 for utilizing his services with additional responsibility which require his extra time and attention. Presently, the Company does not have any Stock Option Scheme.

- (iv) Details of remuneration paid to Executive Directors during the year ended March 31, 2018:

(₹ in lakhs)

Name	Salary	Benefits*	Contribution to P.F. & S.A.	Total
Mr. Hrishikesh Thackersey (upto 06.09.2017)	12.47	1.84	1.28	15.59
Mr. Abhimanyu Thackersey (upto 06.09.2017)	24.30	2.00	2.15	28.45
Mr. Khushaal Thackersey	9.60	2.40	2.60	14.60
Mr. Rajiv Ranjan (appointed on 11.12.2017)	13.95	--	--	13.95

* Benefits include House Rent Allowance, Gas & Electricity, Furnishings, Reimbursement of Medical Expenses and Leave Travel Expenses, Subscription to Club Fees, Personal Accident Insurance Premium, if any.

- (v) Details of Sitting fees paid to Non-Executive Directors during the year ended March 31, 2018 are given below:

Name of Directors	Sitting Fees in ₹		Total
	Board Meeting	Committee Meetings	
Mr. Chandrahas Thackersey	1,00,000	50,000	1,50,000
Mr. Raoul Thackersey	1,00,000	--	1,00,000
Mr. K.D. Vora	1,00,000	90,000	1,90,000
Mr. Sujal A. Shah	1,00,000	80,000	1,80,000
Mr. Bhavesh V. Panjuani	1,00,000	80,000	1,80,000
Ms. Vishwadhara Dahanukar	75,000	10,000	85,000
Dr. Ashok N. Desai	1,00,000	10,000	1,10,000
Mr. Prem S. Malik (appointed on 07.09.2017)	75,000	--	75,000

C) Stakeholders Relationship Committee:

- (i) The terms of reference of Stakeholders Relationship Committee are in accordance with requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The brief description of the terms of reference of the Stakeholders Relationship Committee is as under:

The scope and role of the Committee is to consider and resolve the grievances of Shareholders of the Company.

The main object of the Committee is the satisfactory redressal of investors' complaints and providing quality services to the shareholders of the Company.

- (ii) The Stakeholders Relationship Committee comprised of 2 Non-Executive Directors and 1 Executive Director.

Name of Members	Designation / Category	Number of Meetings attended
Mr. K.D. Vora	Chairman	1
Mr. Chandrahas Thackersey	Member	1
Mr. Khushaal Thackersey	Member	1

One Meeting of the Stakeholders Relationship Committee was held on April 05, 2018. There were two queries / complaints during the year and no shareholder / investor complaint is pending as on March 31, 2018.

Share Transfer system:

In order to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfers, split, transposition, transmission etc., to Share Transfer Committee.

Shares lodged for transfer in the physical form either at the Registered Office of the Company or at the Registrar's office are normally processed at the earliest and within 15 days from the date of its receipt provided the documents are complete in all respects. There were no share transfers pending for more than 15 days as on March 31, 2018.

The Company has designated an exclusive e-mail ID viz., complaint@hindoostan.com for redressal of shareholders' complaints / grievances.

D) Corporate Social Responsibility (CSR) Committee:

- (i) The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To frame CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

- (ii) The CSR Committee comprised of 2 Independent Directors and 1 Non-Executive Director.

In view of the average loss for the three immediately preceding financial years, the Company was not required to spent any amount on CSR activities and no CSR Committee Meeting was held in FY 2017-18.

E) Independent Directors Meeting:

The terms of reference of the Independent Directors Meeting broadly comprises:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole.
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

One Meeting of the Independent Directors was held during the year ended March 31, 2018 on March 21, 2018. All the Independent Directors were present at the Meeting.

F) (i) **General Body Meetings held in last three years:**

Year	Date	Time	Venue
2014-15	August 11, 2015	11.00 a.m.	Sir Vithaldas Chambers, Mumbai
2015-16	August 09, 2016		
2016-17	August 08, 2017		

(ii) **Special Resolution passed in previous three AGMs:**

AGM Date	Special Resolutions passed
August 11, 2015	- NIL
August 09, 2016	- Mr. K.D. Vora re-appointed as an Independent Director of the Company for second consecutive term of 2 Years from 112 th AGM till conclusion of 114 th AGM.
August 08, 2017	- NIL

(iii) Whether Special Resolution were put through postal ballot last year : No

(iv) Any special resolution proposed to be conducted through postal ballot this year : No

4. **Means of Communication:**

All important information relating to the Company, its financial performance, shareholding pattern, business, quarterly results, press releases are published in Free Press Journal (English) and Navshakti (Marathi). The financial results of the Company are also available on the website of the Company and BSE Limited. A Management Discussion and Analysis Report is a part of the Company's Annual Report.

5. **General Shareholder information:**

(i) **Annual General Meeting for financial year 2017-18**

Date : August 08, 2018
 Time : 11.00 a.m.
 Venue : Sir Vithaldas Chambers, 6th Floor, 16, Mumbai Samachar Marg, Fort, Mumbai- 400 001.

(ii) **Financial Calendar 2018-19 (Tentative):**

First Quarterly Results : July/August, 2018
 Second Quarterly Results : October/November, 2018
 Third Quarterly Results : January/February, 2019
 Fourth Quarterly Results : May, 2019

(iii) **Date of Book Closure** : August 02, 2018 to August 08, 2018 (both days inclusive)

(iv) **Dividend payment date** : Dividend is not proposed

(v) **Listing on** : BSE Limited

Stock Exchange : P J Towers, Dalal Street, Mumbai – 400 001

Listing Fee for the financial year 2018-19 has been paid

(vi) **Stock Code**

Scrip ID : HINDMILLS

Scrip Code : 509895

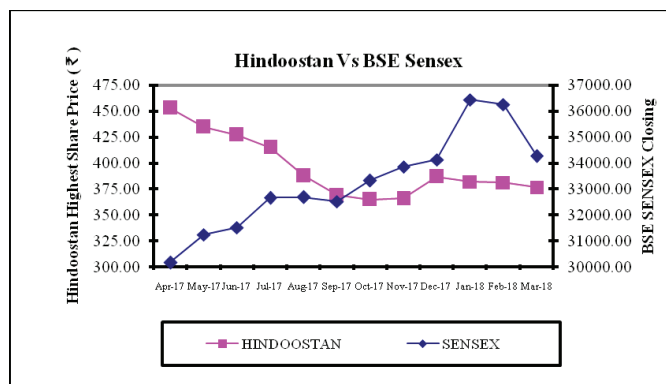
ISIN No. : INE 832D01020

CIN : L17121MH1904PLC000195

(vii) **Stock Market Price Data:**

Month	Quotation at BSE Ltd.	
	High (₹)	Low (₹)
April, 2017	453.00	322.05
May, 2017	434.95	356.00
June, 2017	427.00	342.00
July, 2017	415.00	374.10
August, 2017	388.00	355.00
September, 2017	369.00	331.05
October, 2017	365.00	327.00
November, 2017	366.00	311.10
December, 2017	386.80	324.00
January, 2018	382.00	324.00
February, 2018	381.45	262.00
March, 2018	376.70	290.00

(viii) **Performance of the share price of the Company in comparison to the BSE SENSEX:**



(ix) Registrar and Transfer Agent:

The Company has engaged the services of M/s. Computech Sharecap Ltd., SEBI registered Category-I Registrar as its Share Transfer Agent for both physical and demat segments of Equity Shares of the Company. Members are advised to approach M/s. Computech Sharecap Ltd., for processing the transfers, sub-division, consolidation, splitting of securities, demat and remat request directly to Registrar and Transfer Agent. Members have the option to open their accounts with either National Securities Depository Ltd. (NSDL) or Central Depository Services (India) Ltd. (CDSL) as the Company has entered into agreements with both these depositories.

Name and Address : Computech Sharecap Limited,
147, Mahatma Gandhi Road,
Opp. Jehangir Art Gallery,
Mumbai - 400 023.

Telephone : 022 – 22635000/1/2/3/4
Fax : 022 - 22635005
E-mail : helpdesk@computechsharecap.com
Website : www.computechsharecap.com

(x) Dematerialisation of Equity Shares:

Trading in Equity Shares of the Company is permitted only in dematerialised form as per Notification No.CIR/MRD/DP/14/2011 dated December 20, 2011, issued by the Securities & Exchange Board of India (SEBI). Nearly 95.88% shares are held under dematerialised mode as on March 31, 2018.

(xi) Outstanding GDRs/Warrants, Convertible Bonds, Conversion date & likely impact on equity: N.A.**(xii) Distribution of Shareholding as on March 31, 2018:**

Group of Shares	No. of Shareholders	No. of shares held	% to Total Shares
1 to 50	7,517	97,902	5.88
51 to 100	634	47,225	2.84
101 to 250	413	65,777	3.95
251 to 500	120	43,071	2.59
501 to 1000	63	43,480	2.61
1001 to 5000	45	80,753	4.85
5001 and above	43	12,86,340	77.28
TOTAL	8,835	16,64,548	100.00

(xiii) Shareholding Pattern as on March 31, 2018:

	No. of Shares held	%
Promoters and Persons Acting in Concert	10,09,511	60.65
Banks, Financial institutions, Mutual Funds, Insurance companies	2,292	0.14
Private Corporate Bodies	11,661	0.70
Indian Public	6,21,965	37.36
NRIs / OCBs	19,119	1.15
TOTAL	16,64,548	100.00

(xiv) Plant Location:**a) Textiles Unit**

Plot No.D-1, MIDC Industrial Area,
Village - Taswade, Tal - Karad,
Dist. - Satara - 415 109, Maharashtra

b) Engineering Unit

Plot No.D-1, MIDC Industrial Area,
Village - Taswade, Tal - Karad,
Dist. - Satara - 415 109, Maharashtra

c) Composite Unit

- i) Plot No.D-1, MIDC Industrial Area,
Village - Taswade, Tal - Karad,
Dist. - Satara - 415 109, Maharashtra
- ii) Plot No.B-24 (Additional Ambarnath MIDC Industrial Area),
Village – Anandnagar,
Dist.- Thane – 421506, Maharashtra

d) The Loomshed Unit

C Block,
The Bombay Textile Research Association,
LBS Road, Ghatkopar West,
Mumbai - 400086

(xv) Address for correspondence:**Registered Office & Head Office:**

Hindoostan Mills Limited
Sir Vithaldas Chambers,
16, Mumbai Samachar Marg,
Mumbai - 400 001.
Tel. No.: 022 - 2204 0846
Fax No.: 022 - 2283 3841
Email:complaint@hindoostan.com

6. Other Disclosures:

- (i) There is no materially significant related party transaction that may have potential conflict with the interest of the Company at large;
- (ii) There was no non-compliance by the Company. There was no penalty, stricture imposed on the Company by Stock Exchange or the Board or any statutory authority, on any matter related to capital markets, during the last three years;
- (iii) The Company has established vigil mechanism/whistle blower policy, and also affirm that no personnel has been denied access to the Audit Committee;
- (iv) The Company has also adopted policies on Preservation of Documents and Archival of Documents and Determination of Materiality of Events.

Details of compliance with the non-mandatory requirements:-

- (a) The Chairman is a Non-executive Director. The Company has not reimbursed any expenses incurred for maintenance of his office or in the performance of his duties.
- (b) The Company has an open-door policy where employees have access to their Head of Departments who participate in monthly forum Meetings with the Management and any concern or instances of unethical behaviour or non-adherence to the Code of Conduct or any issue concerning the business of the Company, is brought up to the notice of Management and resolved from time to time while adequately safeguarding the employee who has availed this mechanism.
- (v) Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary / Chartered Accountant carries out Secretarial Audit to reconcile the total admitted Capital with NSDL and CDSL and total issued and listed capital of the Company as per books. The Secretarial Audit report confirms that the total issued / paid-up capital is in accordance with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- (vi) Transfer of Unclaimed / Unpaid Dividend to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), all Unclaimed / Unpaid Dividend remaining Unclaimed / Unpaid for a period of Seven years from the date they became due for payment in relation to the Company and erstwhile The

Sirdar Carbonic Gas Company Limited have been transferred to the Investor Education and Protection Fund (“IEPF”). No claim shall lie against the IEPF or the Company for the amount so transferred prior to March 31, 2018 nor shall any payment be made in respect of such claims.

Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

Members who have not yet encashed their dividend warrants pertaining to the dividend for the financial year 2010-11 and onwards are requested to make their claims without any delay to the Company.

The following table gives the information relating to outstanding dividend accounts and the dates by which they can be claimed by the Members:

Sr. No	Financial Year	Dividend Per Share (₹)	Date of Declaration	Due Date for Transfer to IEPF
1	2010-11	10.00	September 15, 2011	November 18, 2018
2	2011-12	5.00	August 09, 2012	October 02, 2019
3	2012-13	7.50	July 26, 2013	September 28, 2020
4	2013-14	10.00	December 12, 2014	February 13, 2022
5	2014-15	4.00	August 11, 2015	October 12, 2022
6	2015-16	4.50	August 09, 2016	October 14, 2023

*The Company has not declared any dividend for Financial Year 2016-17.

- (vii) The Company has no subsidiary.
- (viii) Web link for policy on dealing with related party transactions is <http://www.hindoostan.com>.
- (ix) Disclosure of commodity price risks and commodity hedging activities: - N.A.

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

We hereby declare that all the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company.

KHUSHAAL THACKERSEY
Executive Director

RAJIV RANJAN
Executive Director & CEO

Mumbai, May 16, 2018

CEO / CFO CERTIFICATION

We, Khushaal Thackersey, Executive Director, Rajiv Ranjan, Executive Director & CEO and Ms. Shraddha Shettigar, Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the Cash flow statement for the year and that to the best of our knowledge and belief:
- (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 Companys' affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Companys' Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) that there are no significant changes in internal control over financial reporting during the year;
 - (2) that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

KHUSHAAL THACKERSEY
Executive Director

RAJIV RANJAN
Executive Director & CEO

SHRADDHA SHETTIGAR
Chief Financial Officer

Mumbai, May 16, 2018



AUDITOR'S CERTIFICATE

To the Members

Hindustan Mills Limited

We have examined the compliance of conditions of Corporate Governance by **Hindustan Mills Limited ("the Company")**, for the year ended on March 31, 2018, as stipulated in Regulation 17 to 27, clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the designing, Implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditors' Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of the Corporate Governance as stated above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the condition of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2018.

We 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.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For M. A. Parikh & Co.
Chartered Accountants
(Firm Reg. No. 107556W)

Mukul Patel
Partner
Membership No. 032489

Place: Mumbai
Date: 16th May, 2018