

Himatsingka Seide Limited

Corporate Governance Report 2015-2016

CORPORATE GOVERNANCE

1. Company's Governance Philosophy

The Corporate Governance Code was introduced by the Securities and Exchange Board of India (SEBI) through the incorporation of new clause in the Listing Agreement of the Stock Exchanges and also through applicable provisions of the Companies Act, 2013. SEBI has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) on 2nd September, 2015 replacing the earlier Listing Agreement (w.e.f. December 1, 2015).

Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensure that a Company meets obligations to optimize shareholders value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. Some of the important best practices of corporate governance framework are timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company.

Over the years, your Company has complied with the principles of Corporate Governance emphasizing on transparency, empowerment, accountability and integrity. These have helped the Company enhance its stakeholder values.

Your Company will continue to focus its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and at the same time protect the interests of all its shareholders while upholding the core values of excellence, integrity, responsibility, unity and understanding which are imperative to the Himatsingka Group.

2. Board of Directors (Board)

As on March 31, 2016 the Board of the Company comprised of nine Directors. The Company has a Non-Executive Chairman. The number of Non-Executive Directors is five, four of them being independent directors. The composition of the Board is in accordance with the Clause 49 of Listing Agreement and Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and exceeds the percentages stipulated in the subject clause and Regulation, respectively.

The Non-Executive Directors are professionals with rich experience in management, finance, law and banking.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015), across all the companies in which he is a Director. All the directors have made the necessary disclosures regarding their Committee positions in other companies as on March 31, 2016.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:



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The Composition and category of Directors and relevant details relating to them are given below:

Name	Category	Board Meetings Attended /Held	Attendance at last AGM	No. of Directorships held in other companies @	No. of Memberships and Chairmanship in Committees of other companies*
D K Himatsingka	E	8/8	Yes	3	Nil
Shrikant Himatsingka	E	8/8	Yes	3	Nil
Aditya Himatsingka	E	8/8	Yes	5	1 & 0
Jayshree Poddar	E	6/8	Yes	Nil	Nil
Dilip J Thakkar	C,I	5/8	Yes	16	4 and 2
Dr. K R S Murthy	I	8/8	Yes	2	0 and 1
Berjis M Desai	I	2/8	No	16	5 and 3
A K Himatsingka	NE, NI	4/8	Yes	5	Nil
Rajiv Khaitan	I	7/8	Yes	6	1 and 1

Note:

@ For the purpose of considering the limit of directorship, private companies and companies under Section 8 of the Companies Act, 2013 have been included, but foreign companies have been excluded.

* For the purpose of considering limit of committee membership, private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 have been excluded. Chairmanship/Membership of only Audit Committee and Stakeholders' Relationship Committee is considered.

C = Chairman, E = Executive Director, I = Independent, NE = Non Executive, NI = Non Independent.

During the year 2015-16, the Board of Directors met eight times on the following dates: April 28, 2015, May 23, 2015, July 23, 2015, August 31, 2015, September 15, 2015, October 15, 2015, January 30, 2016 and March 11, 2016.

The Company has adopted the Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The Company has received confirmations from the Directors as well as Senior Management Personnel regarding compliance of the Code during the year under review. Both the Codes are posted on the website of the Company.



The following represent the details of pecuniary transactions entered by the Company where the non-executive Directors are interested:—

(Rs. Lakhs)

Name of the Director	Purpose	Amount
Dr. K R S Murthy	Listing fees paid to National Stock Exchange of India Limited	1.57
Rajiv Khaitan	Professional fees paid to Khaitan & Co. LLP	63.77

Apart from the above, none of the other non-executive directors have any pecuniary relationship or transaction with the Company, its promoters, its management or its subsidiaries.

During the year, information as required under Annexure X to Clause 49 of the Listing Agreement (upto 30th November, 2015) and Schedule II part A of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (from 1st December, 2015) has been placed to the Board for its consideration.

Re-appointment of directors

In accordance with the provisions of the Companies Act, 2013, and Articles of Association of the Company, Mr. Aditya Himatsingka retires by rotation and being eligible, offers himself for re-appointment. His re-appointment will be placed as one of the agenda in the ensuing Annual General Meeting.

3. Audit Committee

An independent Audit Committee in line with the Clause 49 of the listing agreement and Section 292A of the Companies Act, 1956 was set up on 13th January 2001. The constitution of the committee is in line with the requirements under section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No changes were required to be made to the committee structure during the year.

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations;
- safeguarding of assets and adequacy of provisions for all liabilities;
- reliability of financial and other management information and adequacy of disclosures;
- compliance with all relevant statutes.

The functions of the Committee include the following:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;



- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

The minutes of the Audit Committee meetings are placed before the Board of Directors in the subsequent Board Meeting.



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During the year 2015-16, the Audit Committee met on four occasions i.e. May 23, 2015, July 23, 2015, October 15, 2015 and January 30, 2016. The necessary quorum was present in all the meetings.

The Constitution of Audit Committee and attendance of the Members for the year 2015-16 is as under:

Name of Director	Position	No. of Meetings attended/ held
Dilip J Thakkar	Chairman	3/4
Rajiv Khaitan	Member	4/4
Dr. K.R.S. Murthy	Member	4/4

The Chairman of the Audit Committee was present at the last Annual General Meeting.

The Statutory Auditor, Internal Auditor, and the Chief Financial Officer are invited to attend and participate at meetings of the Committee.

The Company Secretary acts as the secretary to the Committee.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board comprises of three Independent Directors. During the year 2015-16, the Committee met on three occasions i.e., May 23, 2015, July 23, 2015 & January 30, 2016.

The annual compensation of the Executive Directors is approved by the Committee within the parameters set by the shareholders at their meetings.

The committee has devised a Nomination and Remuneration policy in line with the requirements under the Companies Act, 2013 and under the Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, which includes performance evaluation criteria for Independent Directors. The Policy is enclosed as an annexure to the Boards' Report.

The following Directors are the members of the Committee:

Name of Director	Position	No. of Meetings attended/ held
Rajiv Khaitan	Chairman	3/3
Dilip J Thakkar	Member	3/3
Dr. K.R.S. Murthy	Member	3/3

The Company Secretary acts as the secretary to the Committee.

5. Remuneration and Shareholding of Directors

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to the Managing and Executive Directors. Commission is calculated with reference to net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year, subject to overall ceiling stipulated in Sections 197 of the Companies Act, 2013 (Section 198 of the erstwhile Companies Act, 1956). The remuneration is closely linked to the performance of the Company.

Given below are the details of shareholding of Directors as on March 31, 2016 and remuneration during the financial year 2015-16 to the Directors.

(Rs. in Lakhs except for No. of Shares held)

Director	No. of shares held	Sitting fees	Salaries and perquisites	Commission	Total
Dilip J Thakkar	Nil	1.20	Nil	14.00	15.20
A K Himatsingka	25,61,007	0.40	Nil	12.00	12.40
Rajiv Khaitan (paid to Khaitan & Co., LLP)	4,200	1.50	Nil	7.00	8.50
Dr. K R S Murthy	1,000	1.60	Nil	7.00	8.60
Berjis M Desai	Nil	0.30	Nil	7.00	7.30
D K Himatsingka	1,11,35,944	Nil	112.62	206.25	318.87
Shrikant Himatsingka	66,80,964	Nil	72.82	206.25	279.07
Aditya Himatsingka	29,78,200	Nil	56.55	85.00	141.55
Jayshree Poddar	3,63,400	Nil	33.74	30.00	63.74

None of the Directors are related to each other, except A K Himatsingka and D K Himatsingka who are brothers and Aditya Himatsingka and Shrikant Himatsingka who are sons of A K Himatsingka and D K Himatsingka respectively.

Rajiv Khaitan is a senior partner of M/s Khaitan & Co., LLP, Solicitors and Advocates who have professional relationship with the Company.

The Contract tenures of the Executive Directors are as follows

D. K. Himatsingka	:	From April 1, 2014 to March 31, 2019
Aditya Himatsingka	:	From June 2, 2014 to June 1, 2019
Shrikant Himatsingka	:	From June 3, 2013 to June 2, 2018
Jayshree Poddar	:	From March 1, 2015 to February 29, 2020



Criteria for making payments to non-executive Directors:

The Non-Executive Directors (NEDs) are paid remuneration by way of Commission and Sitting Fees. In terms of the shareholders' approval obtained at the AGM held on September 23, 2014 for a period of five years commencing from April 1, 2014, the Commission is paid at a rate not exceeding 1% per annum of the profits of the Company computed in accordance with Section 197 of the Companies Act, 2013. The approval for payment of commission to NEDs is valid upto 31st March, 2019.

A sitting fee of Rs. 10,000/- for attendance at each meeting of the Board, Audit Committee, Remuneration Committee, Risk Management Committee and Independent Directors' meeting is paid to its Members (excluding Executive Directors).

The Company also reimburses out-of-pocket expenses to Directors for attending meetings.

6. Share Transfer Committee

The Company has a Share Transfer Committee. This comprises three directors. The Committee deals with various matters relating to share transfer, share transmission, issue of duplicate share certificates, the approval of split and consolidation requests, the de-materialisation and re-materialisation of shares as well as other matters that relate to the transfer and registration of shares. The members of this committee are D.K. Himatsingka, A.K. Himatsingka and Aditya Himatsingka.

7. Stakeholders Relationship Committee

The Company has a Stakeholders Relationship Committee comprising of three directors and the chairman is an independent, non executive director. The Committee looks into redressing of shareholder and investors complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend and related matters.

Four meetings of the committee were held during the year – on May 23, 2015, July 23, 2015, October 15, 2015 and January 30, 2016. The Chairman of the Committee was present in all the meetings.

The minutes of the Stakeholders Relationship Committee meetings are placed before the Board of Directors in the subsequent Board meeting.

Constitution of Stakeholders Relationship Committee as on March 31, 2016 and related information:

Name of the Director	Position	No. of Meetings Attended/ held
Rajiv Khaitan	Chairman	4/4
A K Himatsingka	Member	3/4
Dr K R S Murthy	Member	4/4

The Company Secretary acts as the secretary to the Committee.



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There were no pending investor complaints at the beginning of the year. During the year 2015-16, the Company received 114 investor complaints, which have been attended to and no complaints remain unresolved at the end of the year.

8. Risk Management Committee

The Board constituted a Risk Management Committee on July 28, 2009. The Committee's prime responsibility is to implement and monitor the risk management plans and policy of the Company.

Constitution of Risk Management Committee as on March 31, 2016 and related information:

Name of the Director	Position
Dr K R S Murthy	Chairman
Aditya Himatsingka	Member
Shrikant Himatsingka	Member

The Chief Financial Officer, Head of Marketing, Head of Treasury, and Vice President (Corporate Finance) are permanent invitees to the Committee.

9. Corporate Social Responsibility

The Board constituted a Corporate Social Responsibility Committee on May 15, 2014. During the year two meetings of the committee were held on June 25, 2015 and March 11, 2016. The minutes of the Corporate Social Responsibility Committee meetings are placed before the Board of Directors in the subsequent Board meeting.

Constitution of the Corporate Social Responsibility Committee as on March 31, 2016 and related information:

Name of the Director	Position	No. of meetings attended / held
Dr K R S Murthy	Chairman	2/2
A.K. Himatsingka	Member	0/2
D.K. Himatsingka	Member	2/2
Shrikant Himatsingka	Member	1/2

**10. General Body Meetings**

The last three Annual General Meetings of the Company were held on the following dates, time and venue:

Date	Year	Type	Time	Venue	No. of special Resolutions passed
September 15, 2015	2014-15	Annual General Meeting	2.00 p.m.	The LaLiT Ashok Kumara Krupa Road, High Grounds, Bangalore – 560 001	2
September 23, 2014	2013-14	Annual General Meeting	2.00 p.m.	The LaLiT Ashok Kumara Krupa Road, High Grounds, Bangalore – 560 001	3
August 12, 2013	2012-13	Annual General Meeting	4.00 p.m	The LaLiT Ashok Kumara Krupa Road, High Grounds, Bangalore – 560 001	Nil

Postal Ballot

The shareholders of the Company were provided an option to additionally cast their vote through postal ballot for all the resolutions proposed in the notice of the 30th Annual General Meeting held on September 15, 2015.

No postal Ballot was conducted during the year under review. Further, as on date of this report, no special resolutions are proposed to be passed through postal ballot.

The last Extraordinary General Meeting of the Company was held on the following date, time and venue:

Date	Year	Type	Time	Venue	No. of special Resolutions passed
December 8, 2010	2010-11	Extraordinary General Meeting	3.30 p.m.	The Capitol No.3, Rajbhavan Road, Bengaluru - 560001	5

11. Means of Communication

- a) The relevant information relating to the Directors who would be appointed/re-appointed at the ensuing Annual General Meeting is given in the Notice convening the Annual General Meeting.



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- b) The Quarterly and Annual Financial Results of the Company are forwarded to the Stock Exchanges and were published in Business Standard – English Newspaper, Business Line, Financial Express, Economic Times (all editions) and Vartha Bharati – Kannada newspaper, Bengaluru.
- c) The financial results and official news releases are also displayed on our website www.himatsingka.com and the website of the Company displays the Investor Updates and presentations made to the institutional investors and analysts from time to time.
- d) Reminders for unclaimed dividend are sent to the shareholders, as per records, before transferring the unclaimed dividend to Investor Education Protection Fund.
- e) The Company has designated investors@himatsingka.com as the Designated Exclusive email-id, for redressal of investor grievances.

12. Code for Prevention of Insider Trading

The Company has adopted a code of conduct for Prevention of Insider Trading in the shares of the Company. The code, *inter-alia*, prohibits purchase/sale of shares of the Company by employees while in possession of unpublished price sensitive information in relation to the Company.

13. CEO/CFO Certification

The CEO and CFO give quarterly and annual certification of the financial statements to the Board, as required under clause 41 and 49 of the Listing Agreement (upto 30th November, 2015) and Regulation 33 and Schedule II part B of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (from 1st December, 2015).

14. Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carries out quarterly Reconciliation of Share Capital audits to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

15. Compliance

The certificate regarding compliance of the conditions of corporate governance obtained from our statutory auditors M/s. Deloitte Haskins & Sells is given elsewhere in this Annual Report.



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16. Compliance Officer

The name and designation of the Compliance Officer of the Company is:–

Mr. Ashok Sharma
Vice President – Treasury, Taxation & Company Secretary
His contact details are –
Telephone: 080-22378000, Fax No. 080-4147 9384
e-mail ID: investors@himatsingka.com

17. Disclosures

a) Subsidiary Companies

- i) None of the Company's Indian Subsidiaries fall under the definition of "material non listed Indian subsidiary as defined under the listing agreement"
- ii) The Audit Committee of the Company reviews the financial statements and in particular the investments made by unlisted subsidiaries of the Company.
- iii) The minutes of the board meetings of unlisted subsidiaries are periodically placed before the Board of the Company. The Board is periodically informed about all significant transactions and arrangements entered into by the unlisted subsidiaries of the Company.

b) Related party transactions

The statutory disclosure requirements relating to related party transactions have been complied within the Annual Accounts (Note 28)

There were no material transactions during the year 2015-2016 that are prejudicial to the interest of the Company.

c) Disclosure of Accounting Treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements for the year 2015-16.

d) Whistle Blower Policy

A Whistle Blower Policy is adopted by the Company, the whistle blower mechanism is in vogue and no personnel has been denied access to the Audit Committee

e) Board Disclosures – Risk Management

The risk assessment and minimization procedures are in place and the Board is regularly informed about the business risks and the steps taken to mitigate the same. A report on Risk Management is included elsewhere in this Annual Report.



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f) Familiarization Programme and Training

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the company's procedures and practices. In addition, presentations made at the Board and Committee Meetings on the performance of the company along with subsidiaries and quarterly updates on relevant statutory changes. The details of familiarization programme for Independent Directors are posted on the website of the company at <http://www.himatsingka.com/corporate-governance.html>

g) Terms and Conditions of appointment of Independent Directors are posted on the website of the company at <http://www.himatsingka.com/corporate-governance.html>

h) The Management Discussion and Analysis report is included elsewhere in this Annual Report.

i) All the mandatory requirements have been duly complied with.

j) With regard to adoption of non-mandatory requirements as specified in Part E of Schedule II, the Company has a non-executive director as its Chairman, it has appointed separate persons as Chairman and CEO, and the Internal Auditors report directly to the Audit Committee.

k) Statutory Compliance, Penalties and Strictures

The Company complied with all the requirements of the Stock Exchanges/ SEBI/ and other statutory authorities on all matters related to the capital markets during the last three years. There were no penalties or strictures imposed on the Company by the Stock Exchanges, the SEBI or any statutory authority on matters relating to capital markets.

l) The web link for the policy for determining the material subsidiaries and policy on dealing with related party transactions is <http://www.himatsingka.com/corporate-governance/policies.html>

18. General Shareholders' Information

Corporate

Himatsingka Seide Limited was incorporated at Bengaluru, in the State of Karnataka, on January 23, 1985. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17112KA1985PLC006647. The address of our Registered office is 10/24, Kumara Krupa Road, High Grounds, Bengaluru 560 001.

Listing on Stock Exchanges

Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
Stock Exchange Code: 514043

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E), Mumbai 400 051
Stock Exchange Code: HIMATSEIDE



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Listing Fees

Paid to BSE and NSE for 2016-2017

Custodial Fees
The

Paid to Central Depository Services (India) Ltd for 2016-17.

Company has paid one time fees to National Securities Depository Limited.

Demat ISIN: INE049A01027

Unclaimed Dividends

Pursuant to Section 205C of the Companies Act, 1956, dividends that are unpaid/ unclaimed for a period of seven years from the date they became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF). Given below are the dates of declaration of dividend and corresponding dates when unpaid/unclaimed dividends are due for transfer to IEPF.

Year	Type of dividend	Dividend per share (Rs.)	Date of declaration of dividend	Due date for transfer to IEPF
2010	Final Dividend	0.25	September 8, 2010	October 15, 2017
2012	Final Dividend	0.50	August 25, 2012	October 2, 2019
2013	Final Dividend	1.00	August 12, 2013	September 18, 2020
2014	Final Dividend	1.50	September 23, 2014	October 30, 2021
2015	Final Dividend	2.00	September 15, 2015	October 22, 2022
2016	Interim Dividend	1.00	March 11, 2016	April 18, 2023

Members who have so far not encashed their dividend warrants are requested to write to the Company/Registrar to claim the same, to avoid transfer to iepf. Members are advised that no claims shall lie against the said fund or the Company for the amounts of dividend so transferred to the said Fund.

Investor Information

Annual General Meeting

September 17, 2016 at 2.00 pm
The LaLit Ashok Bengaluru
Kumara Krupa Road, High Grounds
Bengaluru-560 001

Financial year

1st April to 31st March



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Financial Calendar

Board Meetings for approval of

Financial Results for 1 st Quarter 2016-17	July- August 15, 2016
Financial Results for 2 nd Quarter 2016-17	October-November 15, 2016
Financial Results for 3 rd Quarter 2016-17	January- February 15, 2017
Annual Accounts 2016-17	April- May 30, 2017

Date of Book Closure 10.09.2016 to 17.09.2016
(both days inclusive)

Dividend payment date on or before October 16, 2016

Share Price

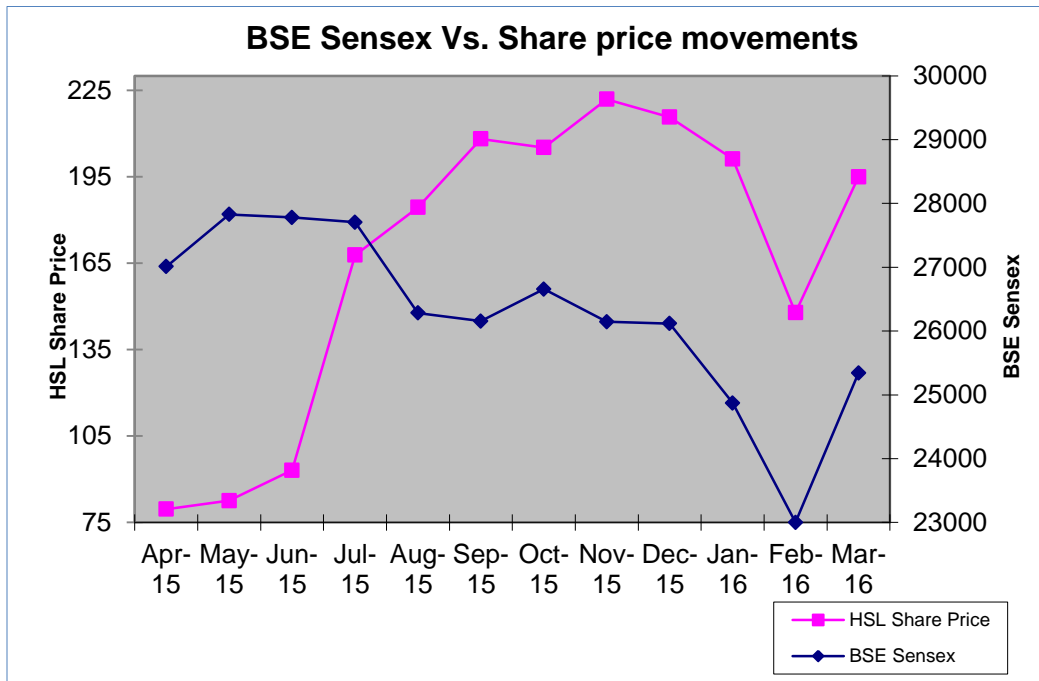
The monthly high and low quotations of the closing price and volume of shares traded at Bombay Stock Exchange and National Stock Exchange during the year were as follows:

Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs.)	Low(Rs.)	Volume (Nos.)	High (Rs.)	Low(Rs.)	Volume (Nos.)
Apr-15	88.20	77.05	463,893	88.30	77.00	1,215,843
May-15	89.00	76.05	585,826	93.00	76.25	1,280,563
Jun-15	94.65	74.35	2,914,851	94.60	74.10	6,035,643
Jul-15	180.95	88.65	13,605,648	180.80	88.00	55,555,819
Aug-15	216.00	158.00	8,176,323	215.80	157.20	29,467,535
Sep-15	218.40	158.10	4,605,173	218.50	158.35	17,413,562
Oct-15	237.00	202.00	4,225,365	236.90	202.40	15,656,550
Nov-15	223.90	186.00	2,152,772	224.00	186.00	7,827,562
Dec-15	232.00	197.90	3,179,027	231.95	197.00	7,257,878
Jan-16	248.00	180.00	2,717,287	248.4	180.10	9,481,078
Feb-16	209.80	144.95	1,392,842	209.5	144.60	4,682,183
Mar-16	203.75	148.30	1,223,727	203.85	147.05	6,341,185
Total			45,242,734			162,215,401

Stock Split 1 equity share of Rs.10/- each split into 2 equity shares of Rs. 5/- each in October 2005

Bonus History 1994 1:2
1999 1:1
2005 1:1

Share price movement



Share Transfers and other communication regarding share certificates, dividends, and change of address, etc., may be addressed to

Karvy Computershare Private Limited
 Karvy Selenium Tower B, Plot 31-32,
 Gachibowli, Financial District
 Nanakramguda, Hyderabad-500 032
 Phone: (040) 6716 1559 Fax: (040) 23001153
 E-mail: shobha.anand@karvy.com

Share Transfer System

Share transfers are registered and returned within a period of 10/15 days from the date of receipt if the documents are in order. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with stock exchange upto November 30, 2015 and Regulation 40(9) of SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 (with effect from 1st December, 2015) and files a copy of the certificate with the Stock Exchanges.

Transfer period in days	2015-2016	
	No. of shares	Percentage
1 – 10	3778	100.00
11 – 20	--	--
21 – 30	--	--
Total	3778	100.00



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Complaints received from Investors during the year

Nature of Complaints	Received	Cleared
1. Non-receipt of share certificates	3	3
2. Non-receipt of dividend warrants	54	54
3. Non-receipt of Annual Report	50	50
4. Complaints received through SEBI(SCORES)	7	7
TOTAL	114	114

The Company attended to most of the investors' grievances/ correspondence within seven days from the date of receipt of the same during the year 2015-16.

Distribution of shareholding as on March 31, 2016

No. of equity shares	No. of share holders	% of share holders	No. of shares held	% of shareholding
1 - 5000	18923	85.66	4457294	4.53
5001 - 10000	1487	6.73	2268094	2.30
10001 - 20000	748	3.39	2206820	2.24
20001 - 30000	310	1.40	1569057	1.59
30001 - 40000	133	0.60	939699	0.95
40001 - 50000	95	0.43	879780	0.89
50001 - 100000	190	0.86	2767562	2.81
100001 and above	206	0.93	83368854	84.68
Total	22092	100.00	98457160	100.00

Shareholding Pattern as on March 31, 2016

Particulars	Physical Holdings	Electronic Holdings	Total Holdings	%
Promoters	-	56,334,595	56,334,595	57.22
Banks	2,000	39,399	41,399	0.04
Trusts	-	4,000	4,000	0.00
Mutual Fund	400	6,513,562	6,513,962	6.62
FII	400	8,129,419	8,129,819	8.26
Non-Resident Indians	169,780	697,659	867,439	0.88
Indian Corporate Bodies	15,720	3,687,584	3,703,304	3.76
Individuals	1,129,968	21,642,905	22,772,373	23.13
Others	-	90,269	90,269	0.09
Total	1,318,268	97,138,892	98,457,160	100.00
Percentage	1.34	98.66	100.00	



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NOTE: Promoter Group has not pledged any of their shares as on March 31, 2016

Dematerialisation of shares and liquidity

The equity shares of the Company are available for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services of India Limited (CDSL). The equity shares of the Company have been notified by SEBI for settlement only in the demat form for all investors from 21st March 2000.

As on March 31, 2016, 98.66% of the Company's share capital is dematerialized and the rest is in Physical form. The Company's shares were regularly traded on the National Stock Exchange and Bombay Stock Exchange.

Shares held in demat and physical mode as on March 31, 2016

Category	Number of		% to total equity
	Shareholders	Shares	
Demat Mode			
NSDL	13,307	91,538,732	92.97
CDSL	7,943	5,600,160	5.69
Total	21,250	97,138,892	98.66
Physical Mode	842	13,18,268	1.34
Grand Total	22,092	98,457,160	100.00

Plant Locations: The Company's plants are situated at the following locations:

Drapery & Upholstery Unit: 23A KIADB Industrial Area, Veerapura Village, Doddaballapur Taluk PO – 561 203, Bengaluru Dist, Karnataka, India

Bed Linen Unit: Plot No. 1, KIADB Industrial Area, Gorur Road, Hanumanthapura PO, Hassan – 573 201, Karnataka, India

Service of documents through electronic mode

As a part of Green initiative, the members who wish to receive documents like the Notice convening the general meetings, Financial Statements, Director's Report, Auditors Report etc., through e-mail, may kindly intimate their e-mail address to Company/ Registrars (for shares held in physical form) and Depository Participants (for shares held in dematerialized form).

Commodity Price Risk / Foreign Exchange Risk and Hedging activity

A report on Risk Management is included elsewhere in this Annual Report.



Other useful information to shareholders

- Equity shares of the Company are under compulsory demat trading by all investors, with effect from March 21, 2000. Considering the advantages of scripless trading, shareholders are requested in their own interest to consider de-materialisation of their shareholding so as to avoid inconvenience in future.
- Shareholders/Beneficial Owners are requested to quote their Registered Folio No./DP & Client ID Nos. as the case may be, in all correspondence with the RTA/ Company. Company has also designated an exclusive E-mail ID: investors@himatsingka.com for effective investors' services where they can complain/ raise query and request for speedy and prompt redressal.
- Shareholders holding shares in physical form are requested to notify to the RTA/ Company, change in their address/ Pin Code number with proof of address and Bank Account details promptly by written request under the signatures of sole/ first joint holder. Shareholders may Note that for transfer of shares held in physical form, as per circular issued by SEBI, the transferee is required to furnish copy of their PAN card to the Company/RTAs for registration of transfer of shares.
- Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, bank details, nomination, power of attorney, etc., directly to their Depository Participants only.
- Non-resident members are requested to immediately notify the following to the Company in respect of shares held in physical form and to their Depository Participants in respect of shares held in dematerialized form:
 - Indian address for sending all communications, if not provided so far;
 - Change in their residential status on return to India for permanent settlement;
 - Particulars of the Bank Account maintained with a bank in India, if not furnished earlier; and
 - E-mail ID and Fax No(s), if any.
- In case of loss/ misplacement of shares, investors should immediately lodge FIR/Complaint with the Police and inform to the Company along with original or certified copy of FIR/ Acknowledged copy of the Police complaint.
- For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed at the appropriate place.
- Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate the possibility of difference in signature at a later date.
- Shareholders of the Company, who have multiple accounts in identical names(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s), are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.



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- Section 72 of the Companies Act, 2013 extends nomination facility to individuals holding shares in physical form in Companies. Shareholders, in particular those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Nomination Form.
- Shareholders are requested to give their valuable suggestions for improvement of the Company's investor services. Investors' correspondence may be addressed to Ashok Sharma, Vice President – Treasury, Taxation & Company Secretary, Himatsingka Seide Limited, 10/24, Kumara Krupa Road, High Grounds, Bengaluru 560 001. Phone (080) 2237 8000 Fax (080) 4147 9384, e-mail: investors@himatsingka.com

Mandatory/Non Mandatory Requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement (upto 30th November, 2015) and Schedule V of Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (from 1st December, 2015) relating to Corporate Governance. With regard to the non-mandatory requirements the Company has a nonexecutive director as its Chairman, it has appointed separate persons as Chairman and CEO, and the Internal Auditors report directly to the Audit Committee.

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges (upto 30th November, 2015) and Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (from 1st December, 2015), all Board members and Senior Management Personnel have affirmed compliance with Himatsingka Seide Limited Code of Business Conduct and Ethics for the year ended March 31, 2016.

Bengaluru
August 10, 2016

Dinesh Himatsingka
Executive Chairman