

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of maximizing stakeholder's value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization. The Company has adopted the requirement of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure requirements of which are given below:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

The governance practices followed by your company have played a vital role in its journey of continued success. All the procedures, policies and practices followed by your company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers and commitment in compliance with regulations and statutes in latter as well as sprit have enabled your company to enhance shareholder value.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

### 2. BOARD OF DIRECTORS

#### (i) Composition and Category of Board of Directors as on 31st March, 2019.

Name of Directors	Category
Mr. Rupesh Roongta	Executive
Mr. Ram Swaroop Mahadev Joshi	Executive
Mr. Rajesh Babulal Sodani	*Non-Executive
Mr. Avinash Kumar Ardawatia	*Non-Executive
Mrs. Khyati Girishkumar Bhatt	*Non-Executive

\* Also Independent

Independent Director is defined as one who apart from receiving sitting fee as a Director, does not have any other material pecuniary relationship or transactions in his personal capacity with the Company, its promoters & management.

**(ii) Meetings and Attendance of Directors during the financial year 2018-2019:**

During the financial year 2018-19, the Board met 5 times. The meetings were held on 30.05.2018, 14.08.2018, 03.09.2018, 14.11.2018 and on 14.02.2019.

Attendance of Directors in meetings held during the financial year 2018-2019:

<b>Name of Directors</b>	<b>No. of Board Meeting attended in F.Y. 2018-19</b>	<b>Attendance of Last AGM (29-09-2018)</b>
Mr. Rupesh Roongta	5	Yes
Mr. Ram Swaroop Mahadev Joshi	5	Yes
Mr. Rajesh Babulal Sodani	5	Yes
Mr. Avinash Kumar Ardawatia	5	Yes
Mrs. Khyati Girishkumar Bhatt	5	Yes

**(iii) Directorships and Committees position held in other Companies as on 31st March 2019:**

<b>Name of Directors</b>	<b>No. of outside Directorship held</b>	<b>No. of committee positions</b>		<b>Directorship in other listed entities</b>
		<b>As Chairman</b>	<b>As Member</b>	<b>Name and Category</b>
Mr. Rupesh Roongta	2	None	None	None
Mr. Ram Swaroop Mahadev Joshi	1	None	None	None
Mr. Rajesh Babulal Sodani	1	None	None	None
Mr. Avinash Kumar Ardawatia	0	None	None	None
Mrs. Khyati Girishkumar Bhatt	2	None	None	None

# Only three Committees i.e. Audit Committee, Nomination and Remuneration Committee and Shareholders' Relationship Committee are considered for this purpose

**(iv) Disclosure of relationships between Director inter-se:**

Table given below shows the relationship between the Directors:

<b>Name of Directors</b>	<b>Category</b>	<b>Relationship between Directors Inter-se</b>
Mr. Rupesh Roongta	Executive	None
Mr. Ram Swaroop Mahadev Joshi	Executive	None
Mr. Rajesh Babulal Sodani	Independent	None
Mr. Avinash Kumar Ardawatia	Independent	None
Mrs. Khyati Girishkumar Bhatt	Independent	None

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

The Shareholding of the Non- Executive Directors in the Company as on 31.03.2019:

<b>Name of Directors</b>	<b>Category</b>	<b>No. of shares held</b>
Mr. Rajesh Babulal Sodani	Non-Executive Independent	NIL
Mr. Avinash Kumar Ardawatia	Non-Executive Independent	NIL
Mrs. Khyati Girishkumar Bhatt	Non-Executive Independent	NIL

**(vi) Familiarization programmes for Independent Directors:**

Every Independent Director of the Company is provided with ongoing information about the industry and the Company so as to familiarize them with the latest developments. The questionnaires are prepared considering the business of the Company.

The details of the Policy for the familiarization programmes for the Independent Directors are hosted on the website of the Company which can be accessed at the website: [www.nexuscomtech.com](http://www.nexuscomtech.com).

The Board of Directors confirm that the Independent Directors fulfill the conditions specified in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 and are independent of management.

**(vii) Skills, Expertise and Competencies of the Board:**

<b>Skill / Expertise/ Competence</b>	<b>Whether available with the Board</b>
Industry Knowledge and Experience	Yes
Leadership	Yes
Team Management	Yes
Information Technology	Yes
Accounting and Finance	Yes
Business Development	Yes
Compliance and Risk	Yes
Business Strategy	Yes
Personal Values	Yes

**3. AUDIT COMMITTEE****(i) Terms of Reference**

The Audit Committee has been mandated with the terms of reference as specified in Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & enumerated in Section 177 of the Companies Act, 2013 and covers all the aspects stipulated by the Securities and Exchange Board of India Guidelines.

**(ii) Composition of the Committee:**

The Audit Committee is comprised of two independent directors and one executive director. During the financial year ended 31.03.2019, four Audit Committee Meetings were held on 30-05-2018, 14-08-2018, 14-11-2018 and on 14-02-2019.

The composition of the Audit Committee and the attendance of each Director at their meetings are as follows:-

<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meetings attended during the year 2018-19</b>
Mr. Rajesh Babulal Sodani	Chairman	Non-Executive Independent Director	4
Mr. Avinash Kumar Ardawatia	Member	Non-Executive Independent Director	4
Mr. Ram Swaroop Mahadev Joshi	Member	Executive Director	4

Ms. Monika Choudhary, Company Secretary of the Company, acts as Secretary to the Audit Committee.

(iii) Invitee: (being entitled to attend as per relevant provisions of applicable laws / rules and/or as and when felt necessary)

(a) The Statutory Auditors viz. M/s. Satya Prakash Natani.

(iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 29th September, 2018 and provided clarifications to the members of the Company on the matters relating to Accounts and finance.

(v) An Audit Committee meeting was held on 30th May, 2018 where the Annual Financial Statements for the year ended 31st March, 2018 were reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly/ Half Yearly Unaudited Financial Results on the following dates before recommending the same to the Board.

<b>Financial Reporting</b>	<b>Date of Approval by Audit Committee</b>
Quarter/Year ended 31st March, 2018	30th May, 2018
Quarter ended 30th June, 2018	14th August, 2018
Quarter/Half Year ended 30th Sept. 2018	14th November, 2018
Quarter ended 31st December, 2018	14th February, 2019

#### 4. NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of Companies Act, 2013 and requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has proper constitution of Nomination and Remuneration Committee and the terms of reference before the Committee are as under:

##### (i) Terms of Reference

- (a) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

##### Remuneration Policy:

The Company's remuneration policy aims to attract and retain talent and is in accordance with the industries practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance against earmarked objectives.

The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him.

##### (ii) Composition, Name of Members and Chairman

The Nomination and Remuneration Committee of the Company is comprised of three Non-executive Independent Directors. During the financial year 2018-19, two Committee Meetings were held on 14-08-2018 and on 14-02-2019.

The composition of the Nomination and Remuneration Committee and the attendance of each Director at their meetings are as follows:-

Name	Designation	Category	No. of Meetings attended during the year 2018-19
Mr. Avinash Kumar Ardawatia	Chairman	Non-Executive Independent Director	2
Mr. Rajesh Babulal Sodani	Member	Non-Executive Independent Director	2
Mrs. Khyati Girishkumar Bhatt	Member	Executive Director	2

**iii) Performance Evaluation Criteria for Independent Directors:**

Pursuant to the Companies Act, 2013 and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performances of each Independent Director. The Evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- a) Attendance of Board and Committee Meetings;
- b) Quality of contribution to Board deliberations;
- c) Strategic perspectives or inputs regarding future growth of the Company and its performances;
- d) Providing perspectives and feedback going beyond information provided by the management.

**5. REMUNERATION OF DIRECTORS:**

- a) Pecuniary relationship or transactions of the non-executive directors:

The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the year 2018-19.

- b) Criteria of making payments to non-executive directors:

None of the Non - Executive Directors is being paid any remuneration.

- c) Details of remuneration/sitting fees paid to Directors during the year ended 31st March, 2019 and shares held by them as on date are as follows :

<b>Name</b>	<b>Remuneration</b>	<b>Share held</b>
Mr. Rupesh Roongta	Rs. 1,20,000/-	NIL
Mr. Ram Swaroop Mahadev Joshi	Rs. 4,80,000/-	NIL

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 and requirements of Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference before the Stakeholders Relationship Committee of the Board are as under:

- (i) The Company has a 'Stakeholders Relationship Committee' to review transfer and transmission of securities, issue of duplicate certificates, review of share dematerialization and rematerialization, monitoring the performance of company's Registrar and Transfer Agent and deals with other Shareholder related issues.

- (ii) The Committee is headed by Mr. Rajesh Sodani, Non-executive Independent Director. The Committee met twice during the year 2018-19 on 30-05-2018 and 14-11-2018. The Committee comprises of two non-executive independent directors and one executive director.

Details of composition are as under:

Name	Designation	Category	No. of Meetings attended during the year 2018-19
Mr. Rajesh Babulal Sodani	Chairman	Non-Executive Independent Director	2
Mr. Avinash Kumar Ardawatia	Member	Non-Executive Independent Director	2
Mr. Rupesh Roongta	Member	Executive Director	2

- (iii) Ms. Monika Choudhary has been designated by the Board as the 'Compliance Officer' of the Company for complying with the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, Mumbai.
- (iv) Number of Shareholders' complaints received during the year : Nil
- Number not solved to the satisfaction of the Shareholders : Nil
- Number of pending share Transfers : Nil

## 7. GENERAL BODY MEETINGS:

- (i) Details of the last three Annual General Meetings:

AGM	Date of meetings	Location	Time
25th	30-09-2016	1, Annai Avenue Main Road, (Agraharam), 1st Floor, Nr. Seetharaman Kalyana Mandapam, Koratur North, Chennai- 600 076.	11.00 a.m.
26th	30-09-2017	1, Annai Avenue Main Road, (Agraharam), 1st Floor, Nr. Seetharaman Kalyana Mandapam, Koratur North, Chennai- 600 076.	11.00 a.m.
27th	29-09-2018	1, Annai Avenue Main Road, (Agraharam), 1st Floor, Nr. Seetharaman Kalyana Mandapam, Koratur North, Chennai- 600 076.	11.00 a.m.

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

AGM Date	Special Resolutions passed
30-09-2016	No Special Resolution was passed
30-09-2017	No Special Resolution was passed
29-09-2018	<ol style="list-style-type: none"> <li>1. Shifting of registered office of the Company from State of Tamil Nadu to State of Maharashtra;</li> <li>2. Amendment of Title of Main Object Clause of the Memorandum of Association;</li> <li>3. Amendment of Title of Incidental Object Clause of the Memorandum of Association;</li> <li>4. Deletion of Other Object Clause of the Memorandum of Association;</li> <li>5. Amendment of Liability Clause of the Memorandum of Association;</li> <li>6. Adoption of New Set of Articles of Association of the Company.</li> </ol>

**(iii) Postal Ballot:**

During the year 2018-19, there was no special resolution passed through postal ballot process. None of the business is proposed to be transacted through Postal Ballot.

**8. MEANS OF COMMUNICATION**

Quarterly Results	The quarterly results as approved and taken on record by the Board of Directors of the Company generally within one and half month of the close of each quarters are sent forthwith to the BSE Limited and published in the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Which newspaper normally published in	Business Standard (English Newspaper) Malai Subhar (Regional Language Newspaper)
Any website where displayed	www.nexuscomtech.com
Whether it also displays official news release	No
Whether presentations made to institutional investors or to analyst	No request as such was received

**9. GENERAL SHAREHOLDERS INFORMATION**

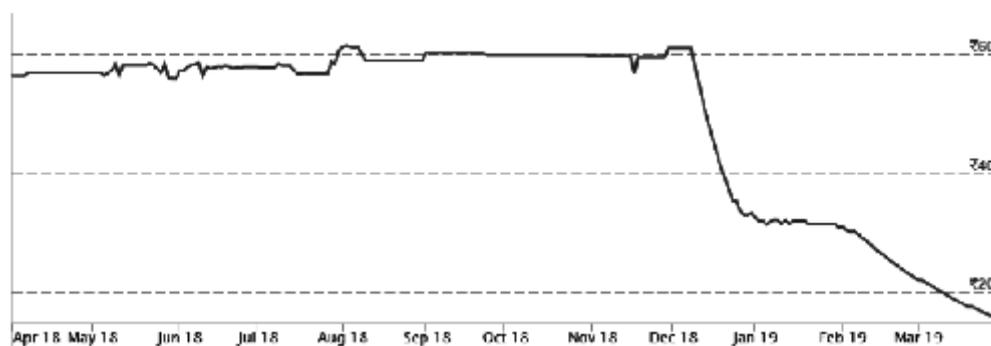
<b>(i)</b>	<b>Next AGM:</b>		
	<b>Date</b>	<b>Time</b>	<b>Venue</b>
	30.09.2019	09:30 a.m.	111, B/2, Ostwal Ornate, Jesal Park, Bhayander (East), Thane – 401 105.
(ii)	Financial Year		1st April to 31st March
(iii)	Dividend Payment Date		Not Applicable
(iv)	Listing on Stock Exchanges		The Shares of the Company are listed at BSE Limited, Mumbai

(v) Listing Fees	The Company has paid the listing fees to the BSE Limited for the financial year ended 31st March, 2019.
(vi) <b>Stock Code</b> BSE ISIN	538874 INE370Q01015
(vii) Depository Connectivity	National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)

(viii) Stock Market Data:

Month	High	Low	Month Close
April, 2018	56.95	56.30	56.95
May, 2018	58.70	56.00	56.00
June, 2018	59.00	55.00	58.00
July, 2018	60.75	56.00	60.75
August, 2018	62.00	59.00	60.25
September, 2018	59.95	59.95	59.95
October, 2018	59.95	59.75	59.75
November, 2018	61.15	56.80	61.15
December, 2018	58.10	32.20	33.10
January, 2019	32.45	30.65	30.70
February, 2019	30.90	22.25	22.25
March, 2019	21.85	15.60	15.60

(ix) Performance of the share price of the Company in comparison to the BSE Sensex:



(x) Registrar & Transfer Agents:

The Company has appointed Purva Shareregistry (India) Pvt. Ltd. as a common agency for share registry work (both physical & electronic) for all matters connected with transfers and transmission of shares and also dematerialization of shares and other related functions.

**PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED**

Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel (East), Mumbai - 400 011.

**(xi) Share Transfer System:** With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to Shareholders Relationship Committee of the Board. The shares for transfer received in physical mode by the Company, are transferred expeditiously and thereafter, option letter is sent to the transferee(s) for dematerialization, Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories, i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited within 7 days.

**(xii) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2019:**

**(a) According to Category holdings**

Category	No. of shareholders	% of shareholders	No. of shares	% of shares
<b>Promoters</b>				
Individual	4	0.58	353125	6.45
Corporate Bodies	1	0.14	1015000	18.55
<b>Public</b>				
Individual / HUF	664	96.94	3512741	64.20
Corporate Bodies	10	1.46	518201	9.47
Clearing Members	6	0.88	72833	1.33
<b>Total</b>	<b>685</b>	<b>100.00</b>	<b>5471900</b>	<b>100.00</b>

**(b) According to Number of Equity Shares :**

No. of Equity Shares held	No. of shareholders	% of shareholders	No. of shares	% of shares
1-5000	460	67.15	3511	0.06
5001-10000	22	3.21	20166	0.37
10001-20000	9	1.31	13736	0.25
20001-30000	12	1.75	35096	0.64
30001-40000	3	0.44	11813	0.22
40001-50000	29	4.23	144186	2.64
50001-100000	62	9.05	539520	9.86
100000 & above	88	12.85	4703872	85.96
<b>Total</b>	<b>685</b>	<b>100.00</b>	<b>5471900</b>	<b>100.00</b>

(xiii) Dematerialization of Shares and liquidity

91.13% Company's Equity shares are Dematerialized as on 31.03.2019

(xiv) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

Not applicable

(xv) Commodity Price risk or foreign exchange risk and hedging activities	The Company did not engage in Commodity & hedging activities during the year.
(xvi) Plant Locations	The Company is not engaged in any manufacturing activities hence do not have any plant.
(xvii) Address for Correspondence	The shareholders may address their communications/suggestions/grievances/queries to our share transfer agent: <b>PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED</b> Unit No. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel, Mumbai – 400 011.
(xviii) Credit Rating	Nil

**10. DISCLOSURES:**

Disclosure on materially significant related party transactions i.e. transactions of the Company of Material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.	There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management or relatives etc. during the year, that may have potential conflict with the interests of the Company at large.
Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or Securities and Exchange Board of India or any Statutory Authority or any matter related to Capital Market during last three years.	None
Details of establishment of vigil mechanism / whistle blower policy	The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy.
Details of compliance with mandatory requirements and adoption of non-mandatory requirements	The Company has complied with all mandatory requirements of Regulation 27 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant section of this report.

Material Subsidiary	The Company has no material Subsidiary
Web link for policy on dealing with related party transactions	www.nexuscomtech.com
Utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)	The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)
Certificate regarding no-disqualification of Directors	A certificate from Mr. Nitesh Chaudhary, Practicing Company Secretary, Mumbai has been obtained stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed to this Report on Corporate Governance.
Fees paid to Statutory Auditors	Total fees of Rs. 40,000/- (Rupees Forty Thousand only) for Financial Year 2018-19, for all the services was paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

**11. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

- (a). number of complaints filed during the financial year : Nil
- (b). number of complaints disposed of during the financial year : Nil
- (c). number of complaints pending as on end of the financial year : Nil

**12. COMPLIANCE OF THE REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

During the year 2018-19, the Company has complied with the requirements of Corporate Governance Report as mentioned in sub-paras (2) to (10) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**13. DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a) Reporting of Internal Auditor – The Internal Auditor directly reports to the Audit Committee.

**14. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE:**

The Company has complied with the Regulations 17 to 27 and Clauses (b) to (i) sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year 2018-19, wherever applicable.

**15. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/ bonus/ right issues as at 31st March, 2019. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**DECLARATION - CODE OF CONDUCT**

I, Ram Swaroop Mahadev Joshi, Director of the Company, do hereby declare that all the Board members and Senior management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to requirements of para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Place: Thane  
Dated: 30th May, 2019

**Ram Swaroop Joshi**  
DIN: 07184085  
Director

**CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION:**

*[Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.]*

I, **Ram Swaroop Joshi**, Chief Financial Officer and Director of the Company, to the best of my knowledge and belief, certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2019 and that to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I have reviewed the internal controls and procedures, and to the best of my knowledge and information, I affirm that the Company has adequate internal controls and procedures.
- (d) I have indicated to the auditors and the Audit Committee that:
  - (i) There have not been any significant changes in internal control over financial reporting during the financial year ended 31<sup>st</sup> March, 2019;
  - (ii) There have not been significant changes in the accounting policies during the financial year ended 31<sup>st</sup> March, 2019;
  - (iii) I have not become aware of any significant fraud or involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place: Thane**  
**Dated: 30th May, 2019**

**Ram Swaroop Joshi**  
**DIN: 07184085**  
**Chief Financial Officer**

**AUDITORS COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE****To the members of Nexus Commodities and Technologies Limited**

We have reviewed the compliance of conditions of Corporate Governance by Nexus Commodities and Technologies Limited for the year ended 31st March, 2019 as stipulated in para E of Schedule V the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange:

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 and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance in all material respect as stipulated in the above mentioned listing agreement.

We state that there are no investor grievance(s) pending for a period exceeding one month against the company as per the report given by the Registrars of the Company and placed before the Investor Grievance Committee.

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

For **Satya Prakash Natani**  
Chartered Accountants  
Firm Registration No. 115438W

**Satya Prakash Natani**  
Partner  
Membership No. 048091

**Place: Thane**  
**Dated: 30th May, 2019**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members,**  
**M/s Nexus Commodities and Technologies Limited,**  
 1, Annai Avenue Main Road,  
 (Agraharam), 1<sup>st</sup> Floor,  
 Nr. Seetharaman Lakyana Mandapam,  
 Koratur North, Chennai - 600 076.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Nexus Commodities and Technologies Limited**, having CIN **L52599TN1992PLC021979** and having registered office at **1, Annai Avenue Main Road, (Agraharam), 1st Floor, Nr. Seetharaman Lakyana Mandapam, Koratur North, Chennai - 600 076** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), BSE as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTORS	DIN	DATE OF APPOINTMENT
1	AVINASH KUMAR ARDAWATIA	02108302	29/04/2014
2	RUPESH ROONGTA	02576510	15/03/2014
3	RAJESH BABULAL SODANI	05010096	29/04/2014
4	KHYATI GIRISHKUMAR BHATT	05317955	30/06/2015
5	RAM SWAROOP MAHADEV JOSHI	07184085	14/11/2016

I further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Nitesh Chaudhary**  
**Practicing Company Secretary**  
 CP No.: 16275

**Nitesh Chaudhary**  
**Proprietor**  
 FCS No. 10010

**Place: Mumbai**  
**Date: 30/05/2019**

## MANAGEMENT DISCUSSION AND ANALYSIS (MD&A):

### Overall Review

The demand situation in both the Indian Market as well as in the Global Market has been uninspiring. Global growth remains subdued. Global growth is forecast at 3.2 percent in 2019. The GDP growth estimate of India was lowered at 6.6%. India's economy grew slower than expected to a 20-quarter low in the January-March period, dragging overall growth to a five-year low in FY2018-19. In India consumer sentiments remained quite subdued. However the positive moves by the Central Government may bring back the cheers in the market in times to come.

### Industry Structure and Development

The global economic conditions remained subdued during the previous year. There was volatile movement of prices in the commodity market. Even in India there were contraction in demand, high interest rate and uncertain commodity market as well as agriculture-commodity market. However the Government at Centre is doing reasonably well to bring back the economy back on path of progress. The fruits of steps taken by the Government will be shown in the coming year. Doing away with entry permits for sales within the country is a dire need. Forex volatility is something that Industry has to be geared to face, using the tool of hedging most judiciously and conservatively for both export and import.

### Opportunities and Threats

Introduction of GST in India is giving a boost to economy and appears to be a boon for Indian market subject to operational hurdles being faced. As regards threat it could be from ill effects of demonetization. Also forex volatility could be a major threat.

### Segment-wise/Product-wise Performance

Your Company has only one reporting segment. The revenue for the year was Rs. 213.89 lakhs.

### Outlook

The markets presently are subdued and how sooner it will revive is not easy to predict. However, with the industry's increasing preparedness, the evolving opportunities can be better harvested.

### Risk and Concern

Economic downturn in recent month, which could pose a risk, should it not be tamed quickly. The entry permit regime for trade within country should end immediately. The Government should continue its initiative of Ease of Doing Business. During the year your Company under its well planned and defined risk management policy gave attention to all the risk areas. The Board of Directors is apprised of the development in risk management in periodical meetings where the quarterly results are approved.

### Internal Control System

Your Company has a planned internal control system through internal checks and reviews it periodically to strengthen it and safeguard Company's assets. Management Information System is given utmost importance.

**Financial Performance w.r.t. Operational Performance**

During the year under review, the Company has earned Total Revenue of Rs. 221.50 lakhs in comparison to Rs. 104.17 lakhs during the previous year. The Company has incurred net loss of Rs. 11.14 lakhs in comparison to Rs. 32.61 lakhs during the previous year. The profitability was adversely affected due to lower revenue. Your Company have done trading in commodities during the year.

**Safety, Health and Environment**

Your Company as a matter of policy gives greater importance to safety, health and environment and also ensures compliance with applicable legislative requirements.

**Human Resources**

Your Company recognizes the importance of Human Resource in achieving its objectives and strategies as human resource plays an important role in the success and growth of Company. Your company gives priority in honing and utilizing their skills through in house training programs.

**Key Financial Ratios:**

In accordance with the Securities and Exchange Board of India (Listing Obligations and disclosures Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in Key sector-specific financial ratios.

The Company has identified the following ratios as key financial ratios: (in %)

<b>Particulars</b>	<b>F.Y. 2018- 2019</b>	<b>F.Y. 2017- 2018</b>
Debtors Turnover Ratio <sup>1</sup>	30%	6%
Inventory Turnover Ratio <sup>2</sup>	97%	13%
Interest Coverage Ratio <sup>3</sup>	Not Applicable	
Current Ratio <sup>4</sup>	0.23%	0.42%
Debt Equity Ratio <sup>5</sup>	Not Applicable	
Operating Profit Margin (%) <sup>6</sup>	4%	8%
Net Profit Margin (%) <sup>7</sup>	-5%	-31%
Return On Net-worth (%) <sup>8</sup>	-2%	-6%

1. Debtors Turnover Ratio increased due to speedy recovery of trade receivables by the Company.
2. Inventory Turnover Ratio increased due to better inventory management of the Company.
3. The Company does not have any long term debt; therefore this ratio is not applicable to the company.
4. Current Ratio decreased mainly due to the decrease in average debtors.
5. The Company does not have any long term debt; therefore this ratio is not applicable to the company.
6. Operating Profit Margin decreased due to change in the business structure of the company.