



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing organizational wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values while meeting the stakeholder's expectations. It is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our shareholders.

Your company is committed to the philosophy of good corporate governance. The Company's policy on Corporate Governance envisages the assignments of high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, stakeholders, creditors, clients, bankers and other business places with due emphasis on regulatory compliance.

The Company believes that transparency, fairness, accountability and social responsibilities are central to the Company and its board of Directors. Company believes that from the above principle of the Corporate Governance, the Company is protecting the interest of the Shareholders.

The Company has followed all the mandatory requirement of clause 49 of Listing Agreement with spirit of corporate governance and is looking forward positively to follow non mandatory provisions. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

2. CODE OF CONDUCT & ETHICS

As per clause 49 of listing agreement the Company's Board has laid down a code of conduct for all the Board members and senior management of the company. All Board members and senior personnel have affirmed compliances with the code of conduct. A declaration, to this effect, duly signed by Managing Director of the company is attached at the end of this report.

1. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors



individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. The Board of Directors comprises of the following Directors:

The Board of Directors of the company comprises of following Directors:

Name	Category/Designation	No. of outside Directorship and Committee membership/Chairmanship			
		Public Company	Private Company	Committee Membership	Committee Chairmanship
Mr. Lalit Kumar Gandhi	Promoter & Managing Director	Nil	Nil	Nil	Nil
Mr. Sandeep M Shah	Non Executive Independent Director	Nil	Nil	Nil	Nil
Ms. Nisha Makwana	Additional Director	Nil	1	Nil	Nil
Mr. Harsh Gandhi	Executive Director	Nil	2	Nil	Nil
Ms. Nirzari Shah	Independent Director	Nil	1	Nil	Nil

Mr. Mohib Khericha and Mr. Ajay Shah had resigned and Ms. Nisha Makwana and Ms. Nirzari Shah was appointed

As required under Section 149(3) of Companies Act 2013 and listing agreement Ms. Nisha Makwana has been appointed as a woman director on the Board with effect from September 16, 2014 as an additional director.

Pursuant to good corporate governance and as per clause 49 of listing agreement the independent directors on the Board:

Apart from receiving sitting fees if any, directors do not have any material pecuniary relationship with the company, its promoters, directors, senior management and associates which may affect the independence of director.

Are not related to promoter or person occupying management position at the Board level or at one level below the Board.

Have not been an executive of the company in the immediately preceding 3 financial years. Are

not partners or executives or were not partners during the preceding 3 years of the

Statutory audit firm or the internal audit firm that is associated with the company.

Legal firms and consulting firms that may have a material association with the company.

Are not the substantial shareholders of the company i.e. do not own 2% or more of the shares of the company.



Disclosures:

- (a) Materially Significant related party transactions

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

- (b) Details of non compliance by the company, penalties, and strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years.

There was no instance of levy of any penalties during the last three years.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and the National Stock Exchange of India Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.



S. No.	Nature of Queries/Compliant	Pending as on April 1, 2014	Received during the year	Redressed during the year	Pending as on March 31, 2015
1	Transfer/Transmission of Duplicate Share Certificate	nil	nil	nil	nil
2	Non-receipt of Dividend	nil	nil	nil	nil
3	Dematerialisation/ Rematerialisation of Shares	nil	nil	nil	nil
4	Complaints received from:				
	SEBI	nil	nil	nil	nil
	Stock Exchanges/NSDL/CDSL	nil	nil	nil	nil
	ROC/MCA/Others	nil	nil	nil	nil
	Advocates	nil	nil	nil	nil
	Consumer Forum/Court Case	nil	nil	nil	nil
5	Others	nil	nil	nil	nil
	Grand Total	nil	nil	nil	nil

Board compensation and performance appraisal policy

The nomination and remuneration committee determines and recommends to the Board the compensation payable to directors. All Board level compensation is approved by the shareholders and disclosed separately in the financial statements. The nomination and remuneration committee makes yearly appraisal of the performance of the executive directors the annual compensation of the executive directors is approved by the nomination and remuneration committee within the parameter set by the shareholders at the shareholder’s meetings.

The compensation payable to the independent directors is limited to the sitting fees. The performance of the independent directors is reviewed by the Board on annual basis.

Information supplied to the Board

The Board has complete access to all the information with the company inter-alia the following information are regularly provided to the Board as a part of the agenda papers well in advance of the Board meeting.

Quarterly results of the company.

Quarterly reports on receivables and recovery efforts made.

Minutes of the meetings of the audit committee of the Board.

Any significant development in human resources.



Compliance status of various regulatory, statutory or listing requirements and shareholders service such as payment of dividend, share transfer etc.

Information on recruitment and remuneration of senior officers below the Board level

Annual operating plans and budgets and updates.

General notices of interest received from directors

Discussion with independent directors

The Board’s policy is to regularly have separate meetings with independent directors, to update them on all business related issues and new initiatives. In addition, our independent director’s meet periodically and does not have any of the executive directors or members of the management in attendance.

Materially significant related party transactions

There have been no materially significant related party transactions, monetary transactions or relationships between the Company and directors, the Management or relatives except for those disclosed in the financial statements for the year ended March 31, 2015.

B)Meetings of the Board

The Board of Directors met 5 times during the financial year 2014-15 during the year ended March 31,2015.These were held on 30th May 2014,14th August 2014,16th September 2014,14th November 2014 and 14th February 2015.

The maximum gap between 2 meetings was not more than 3 months. The attendances of the directors of the company at the Board Meeting are as follows:

Director	No. of Meetings		Attended Last AGM
	Held	Attended	
Mr. Lalit Kumar Gandhi	5	5	Yes
Mr. Mohib N. Khericha	5	3	Yes
Mr. Harsh Gandhi4	5	5	Yes
Mr. Ajay C Shah	5	4	Yes
Mr. Sandeep M Shah	5	5	Yes
Ms. Nisha Makwana	5	2	Yes

COMMITTEES OF BOARD

Currently, the Board has 3 committees: the **audit committee, nomination and remuneration committee and stakeholder relationship committee**. All committees consists majority of independent directors.



Normally all the committees meet four times a year. Recommendations of the committees are submitted to the Board for approval.

The quorum for meetings is either two members or one third of the members of the committee, whichever is higher.

(i) Audit Committee

Reconstitution of Audit Committee

Due to resignation of Mr. Ajay Shah from the directorship of the company it is necessary to reconstitute the Audit committee of the Directors of the company. After due discussion Ms. Nisha Makwana was appointed as the member of the Audit Committee on 14th day of February 2015

Due to resignation of Mr. Ajay Shah from the directorship of the company it is necessary to reconstitute the Audit committee of the Directors of the company. After due discussion Ms. Nisha Makwana was appointed as the member of the Audit Committee on 14th day of February 2015 and Ms. Nirzari Shah is appointed as he member of the Audit committee and Ms. Nirzari Shah was appointed as member on 16th July 2015

Composition of Audit Committee

The Audit Committee comprises of following directors

1. Mr. Sandeep M Shah - Chairman
2. Ms. Nisha Makwana - Member
3. Mr. Lalitkumar Gandhi - Member
4. Ms. Nirzari Shah - Member

The Committee met 4 times during the year from 1/4/2014 to 31/03/2015 and the attendances of members of the committee were as follow:

Director	No. of Meetings	
	Held	Attended
Mr. Sandeep M Shah	4	4
Mr. Ajay C Shah	4	2
Mr. Lalit Kumar Gandhi	4	4
Ms. Nisha Makwana	4	2

Audit Committee report for the year ended March 31, 2015

The committee has reviewed the internal control over financial reporting put in place to ensure that the accounts of the company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the committee found no material discrepancy or weakness in the Company's internal control over financial reporting.

The committee also reviewed the financial policies of the Company and expressed its satisfaction with the same.



Based on the committee's discussion with the Management and the auditors the committee has recommended the followings to the Board.

The audited financial statements prepared as per Indian Accounting standards for the year ended March 31, 2015 is accepted by the Board as a true and fair statement of the financial status of the Company.

The committee has recommended to the Board the re-appointment M/S Vidya & Co. Chartered Accountants, Ahmedabad as the Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting, and the necessary resolutions for appointing them as auditors be placed before the shareholders.

In conclusion, the committee is sufficiently satisfied that it has complied with its responsibilities as outlined in the audit committee charter.

(i) Stakeholders relationship committee:

As per section 178 of the Companies Act, 2013 and as a measure of Good Corporate Governance and to focus on the shareholders' grievances and towards strengthening investor relations, a Stakeholders relationship Committee has been constituted as a committee of the Board, to redress / minimize the grievance of shareholders/ Investors.

The functions of the committee include:

To specifically look into redressing investors' grievances pertaining to:

- a) Transfer of shares
- b) Dividends
- c) Dematerialization of shares
- d) Replacement of lost/stolen/mutilated share certificates
- e) Any other related issues

Reconstitution of committee: Due to resignation of Mr. Ajay Shah from the directorship of the company it is necessary to reconstitute the Stakeholders relationship committee, committee of the Directors of the company. After due discussion Ms. Nisha Makwana was appointed as the Chairman of the Stakeholders Committee on 14th day of February 2015.

The committee comprises of the following Directors namely:

1. Ms. Nisha Makwana - Chairman
2. Mr. Sandeep M Shah - Member
3. Mr. Lalit Kumar Gandhi - Member

The committee met 2 times during the year and all members of the committee were present in all meetings.

Stakeholder's relationship committee report for the year ended March 31, 2015

During the year under review, no complaint was received from Shareholders/ investors or Stock Exchanges or SEBI.

The committee expresses satisfaction with the Company's performance in dealing with investor grievances, and in its share transfer system.



(ii) **Nomination and Remuneration Committee:**

As per section 178(4) of the Companies Act, 2013 the Board of Directors of the Company constituted the "Nomination and Remuneration Committee".

Nomination Policy

The nomination policy of the committee is to oversee the company's nomination process for the top level management and specifically to identify, screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM.

Remuneration Policy

The remuneration policy of the committee determines and recommends to the Board, the compensation of the company's executive Directors and senior management including pension rights and any compensation packages, annual increments, incentives, additional perquisites etc.

The key components of the Company's Remuneration policy are:

- Compensation will be a major driver of performance.
- Compensation will be competitive.
- Compensation will be transparent, fair and simple to administer.
- Compensation will be fully legal and tax compliant

Establishing and reviewing on appropriate performance criteria.

Reconstitution of the committee: Due to resignation of Mr. Ajay Shah from the directorship of the company it is necessary to reconstitute the Nomination & Remuneration committee of the Directors of the company. After due discussion Ms. Nisha Makwana was appointed as the Nomination & Remuneration Committee on 14th day of February 2015.

The committee met **twice** during the year 2014-15 and the attendance of the members during the meeting was as follows:

Name of member	Status	No of meetings attended
Mr. Sandeep M. Shah	Chairman,	2
Mr. Ajay Shah (Till 14 th February 2015)	Member	1
Mr. Harsh Gandhi	Member	2
Ms. Nisha Makwana	Member	1



Remuneration of Executive Directors

Details of Remuneration paid to Executive and Non Executive Directors during the year 2014-15 are as under:

Sr. No	Name of Director/ Designation	Salary Remuneration	Perquisites (Amount in Rs.)	Total (Amount in Rs.)
1	Mr. Lalit Kumar Gandhi (Managing Director)	12,00,000/-	Nil	12,00,000/-
2.	Ms. Nisha Makwana (Additional Director)	3,25,000/-	Nil	3,25,000/-

Remuneration of Non -Executive Independent Directors

No any remuneration has been given to the non-executive independent director during the year 2014-15

Nomination and Remuneration committee report for the year ended March 31, 2015

During the year, the committee reviewed the performance of all directors and senior level management .The committee also reviewed the compensation policy and believes that the compensation and benefits are adequate to motivate and retain the senior officers of the Company.

3. GENERAL BODY MEETING:

The location and time of the Annual General Meetings held during the last three years is as follows:

Date	Venue	Time
August 20, 2014	C-1, Jay Tower, 4 th Floor, Ankur Commercial Center, Naranpura, Ahmedabad -380013	11.30 A.M.
August 22,2013	C-1, Jay Tower, 4 th Floor, Ankur Commercial Center, Naranpura, Ahmedabad -380013	11.30 A.M.
September 28, 2012	C-1, Jay Tower, 4 th Floor, Ankur Commercial Center, Naranpura, Ahmedabad -380013	4.30 P.M.

4. DISCLOSURES:

There were no transactions of a materially significant nature with the promoters, the directors or the management, their subsidiaries or relatives that may have potential conflict with the interest of the company at large.

Transactions with related parties during the year are disclosed in the notes forming part of accounts in the Annual Report.

There has been no instance of non- compliance, penalties on any matter relating to the capital market and listing.



5. MEANS OF COMMUNICATION:

Half-yearly report sent to each household of shareholders: No

Quarterly Results-

Which newspapers normally published in :(1) Indian Express (2). Financial Express

Any website, where displayed: www.chartered.co.in

Presentation made to Institutional Investors or to Analyst: No

6. GENERAL INFORMATION FOR SHAREHOLDERS

- a) **AGM -** Date: 18th August 2015
Time: 11:30 A.M.
Place: C-1, Jay Tower, 4th Floor, Ankur Road, Naranpura, Ahmedabad-380013

The financial year of the company is from April 1, 2014 to March31, 2015

b) Tentative Financial calendar for the financial year 2015-16:

Un-audited financial results for June, 2015 Un-	By August 14, 2015
audited financial results for September, 2015	By November 14, 2015
Un-audited financial results for December,2015	By February 14, 2016
Un-audited financial results for March, 2016 along with Audited financial results for the year ended on March 31, 2016	By end of May, 2016

- c) **Date of book closure:** August 16,2015To August 18,2015(both days inclusive) (In connection with the Annual General Meeting)

- d) **Listing of Shares:** The shares of the company are listed on Bombay Stock Exchange. The listing fees for the year 2014-2015 have been paid to the Stock Exchange where the shares of the company are listed.

- e) **Stock Code:** Bombay Stock Exchange: 531977

- f) **Demat ISIN Number for NSDL and CDSL:** INE558F01026

- g) **Market Price Data:** High, low during each month in the last financial year.i.e.1st April 2014 to 31st March 2015 .The data is as follows:
-

**Chartered Logistics Limited.**

Month	High	Low	Volume
April 2014	10.90	7.22	279379
May 2014	8.61	6.16	150199
June 2014	12.43	9.00	415332
July 2014	9.05	7.79	99577
August 2014	13.23	7.89	4020225
September 2014	12.89	9.20	2249504
October 2014	12.70	10.10	408697
November 2014	17.60	-11.70	14504495
December 2014	16.85	12.55	1238022
January 2015	20.95	12.10	22455088
February 2015	19.10	13.00	2241173
March 2015	14.80	7.40	2294813

h) Registrar and Transfer Agents for demat and Physical mode:

Sharepro Services (India) Pvt. Ltd. Mumbai

- i) Share transfer system:** Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in respects.

j) Distribution of Shareholding as on March 31, 2015

Distribution of Shareholding as on March 31, 2015	No. of Shares	% of No. of shares	No. of Shareholders
1-500	114306	0.12	614
501 - 1000	154673	0.16	174
1001- 2000	186989	0.19	110
2001- 3000	166796	0.17	65
3001- 4000	215005	0.22	58
4000- 5000	192537	0.19	40
5001- 10000	861997	0.87	100
10001 -20000	871118	0.87	52
Above 20000	96576579	97.22	126
Total	99340000	100.01	1339



k) Category of shareholders as on March 31, 2015

Category	No. of Shares held	% of Shareholding
Promoters	41279789	41.55%
Clearing members	8542	0.008%
Directors	15828000	15.93%
Domestic Companies	19360106	19.49%
Individuals	22813260	22.96%
NRI NON REP	1001	0.001%
NRI REP	49302	0.049%
Total	99340000	99.988

l) **Dematerialization of shares and liquidity:** 96.12% of the paid up capital has been dematerialized as on March 31, 2015

m) The company has not issued any GDRs /ADRs /Warrants or any convertible instruments.

n) **Secretarial audit:** As a measure of good corporate governance practice, the Board of Directors of the Company appointed Ms. Anamika Jajoo, practicing company secretary, to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit report confirms that the company has complied with all the applicable provisions of the Companies Act, 2013, Depository Act, 1996, Listing Agreements with the stock exchanges and all the Regulations and guidelines of SEBI as applicable to the Company. The audit also covers the reconciliation on a quarterly basis, the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit has confirmed that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Further the Company adheres to the various secretarial standard issued by the Institute of Company Secretaries Of India.

Address for correspondence: Shareholders correspondence should be addressed at Registered Office of the Company at: Compliance Officer, Chartered Logistics Limited, C-1, Jay Tower, 4th Floor, Ankur Road, Naranpura, and Ahmedabad – 380013.

For and on behalf of Board of Directors

Sd/-

Lalit Kumar Gandhi
(Managing Director)

Place: Ahmedabad
Date: May 30th, 2015

Declaration

I, Lalit Kumar Gandhi, Managing Director of M/S Chartered Logistics Limited do hereby declare that as per the clause 49 of listing agreement the Board members and the senior management of company have duly complied with the code of conduct and ethics as laid down by Board of Directors of the company for the year ending March 31, 2015.

For and on behalf of Board of Directors

Sd/-

Lalit Kumar Gandhi
(Managing Director)

Place: Ahmedabad
Date: May 30th, 2015