

Report On Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is an important component in enhancing stakeholders' value and it emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function. The Company place strong emphasis on Corporate Governance and believes in adopting and adhering to the best practices and is committed to do things in the right way. Tarsons firmly believes that Corporate Governance is critical to success of its business and its governance practices are reflected in its strategy, plan, culture, policies and relationship with stakeholders.

The Company is committed in its responsibility towards the community and environment in which it operates, towards its employees and business partners and towards society in general. The Company has in place, processes and systems whereby the Company complies with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and has comprehensively adopted practices mandated in the Listing Regulations.

2. BOARD OF DIRECTORS

The Company recognizes the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of the stakeholders. Accordingly, to oversee the same, competent, experienced and eminent personalities from diverse spheres, possessing varied skills, qualifications, expertise and experience have been selected as members of the Board.

(a) COMPOSITION OF BOARD OF DIRECTORS

The Board of your Company has an optimum combination of Executive and Non-Executive Directors in compliance with the requirements of SEBI Listing Regulations, and the Companies Act, 2013 as amended from time to time. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements. As on 31st March, 2022, the Board consists of six (6) Directors comprising three (3) Independent Directors including a woman director, one (1) Nominee Director and two (2) Executive Directors. The Company believes that the Independent Directors bring with them the rich experience, knowledge and practices followed in other companies resulting in imbibing the best practices followed in the industry. None of the Independent Directors are more than 75 years of age. The day-to-day management of affairs of the Company is managed by the Senior Management which includes Managing Director, Whole-Time Directors and functional heads, who function under overall supervision and guidance of Board. Board plays the primary role as the trustees to safeguard and enhance stakeholders' value through their effective decisions and supervision. The profile of the Directors can be accessed on the Company's website at <https://tarsons.com/directors-officers/>.

The Board's composition is in accordance with the provisions of Section 149 of the Companies Act, 2013 (hereinafter referred to as 'Act') and Regulation 17 of Listing Regulations.

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(b) DIRECTORSHIP(S), COMMITTEE MEMBERSHIP(S)/CHAIRMANSHIP(S) AND SHAREHOLDING

The number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and the Listing Regulations.

The details of each member of the Board as on 31st March, 2022 are given below:

Sl. No.	Name & Designation/ Category	DIN	Initial Date of Joining the Board	Running Term of Independent Director	Number and percentage of equity shares held in the Company	Number of Directorship in other Companies ^a			Number of Membership/ Chairmanship of Committees of other Companies ^b		Names of the other Listed entities & category of directorship
						Private Companies	Unlisted Public Companies	Listed Public Companies	As Chairman	As Member (including chairmanship)	
1.	Mr. Sanjive Sehgal (Chairman & Managing Director-Promoter)	00787232	25.07.1983	NA	1,43,54,248 (26.98%)	-	-	-	-	-	None
2.	Mr. Rohan Sehgal (Executive Director-Promoter)	06963013	01.09.2014	NA	1,08,00,347 (20.30%)	-	-	-	-	-	None
3.	Mr. Viresh Oberai (Non-Executive Independent Director)	00524892	20.11.2018	1 st term	4,700 (0.0088%)	2	-	-	-	-	None
4.	Mr. Girish Paman Vanvari ^c (Non-Executive Independent Director)	07376482	10.05.2021	1 st Term	-	1 ^d	1	4	5	7	Himadri Speciality Chemical Limited (Non-Executive Independent Director) Aurobindo Pharma Limited (Non-Executive Independent Director) Rategain Travel Technologies Limited (Non-Executive Independent Director) Kolte-Patil Developers Limited (Non-Executive Independent Director)
5.	Ms. Sucharita Basu De ^e (Non-Executive Independent Woman Director)	06921540	10.05.2021	1 st Term	-	-	-	2	-	1	Himadri Speciality Chemical Limited (Non-Executive Independent Director) Himadri Credit and Finance Limited (Non-Executive Independent Director)
6.	Mr. Gaurav Pawan Kumar Podar (Non-Executive Nominee Director)	08387951	10.06.2019	NA	-	3	-	-	-	-	None

- Excludes foreign companies, guarantee companies and companies registered under Section 8 of the Act.
- Represents only membership/chairmanship of Audit Committee & Stakeholders Relationship Committee of Public Companies whether listed or not.
- Appointed as Independent Director for a term of five years w.e.f. 10th May, 2021.
- Mr. Girish Paman Vanvari has been appointed as Independent Director in Blue Jet Healthcare Private Limited w.e.f. 13th April, 2022.
- Appointed as Independent Director for a term of five years w.e.f. 10th May, 2021.
- Apart from as stated above, the directors do not hold any other shares/convertible instruments.
- Number of Directorship, Committee Membership(s)/Chairmanship(s) of all the Directors as on 31st March, 2022 is within the prescribed limits.

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(c) MEETING OF THE BOARD OF DIRECTORS

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

During the FY 2021-22, fourteen (14) Board Meetings were held in compliance with the various provisions of the Act/ Listing Regulations and the interval between two meetings was well within the maximum period mentioned under Section 173 of the Act and the Listing Regulations. Board Meetings are generally held at the registered office of the Company either through video conference or through physical presence. The necessary quorum was present for all the meetings.

Attendance of Directors at the Board Meetings and at the 38th Annual General Meeting held on 6th August, 2021:

Sl. No.	Attendance at Board Meetings held during the year	Name of the Directors							
		Mr. Sanjive Sehgal	Mr. Rohan Sehgal	Mr. Gaurav Pawan Kumar Podar	Mr. Viresh Oberai	Mr. Girish Paman Vanvari	Ms. Sucharita Basu De	Mr. Suresh Eshwara Prabhala	Mr. Ashok Kumar Duggar
1	28.04.21	✓	✓	✓	✓	NA	NA	LOA	✓
2	10.05.21	✓	✓	✓	✓	NA	NA	✓	✓
3	22.05.21	✓	✓	✓	✓	LOA	✓	✓	✓
4	14.06.21	✓	✓	✓	✓	✓	✓	✓	✓
5	26.06.21	✓	✓	✓	✓	✓	✓	✓	✓
6	26.07.21	✓	✓	✓	✓	✓	✓	✓	✓
7	06.08.21	✓	✓	✓	✓	✓	✓	NA	NA
8	04.09.21	✓	✓	✓	✓	✓	LOA	NA	NA
9	25.10.21	LOA	✓	✓	✓	✓	✓	NA	NA
10	05.11.21	✓	✓	✓	✓	✓	✓	NA	NA
11	18.11.21	✓	✓	✓	✓	✓	LOA	NA	NA
12	23.12.21	✓	✓	✓	✓	✓	LOA	NA	NA
13	07.02.22	✓	✓	✓	✓	✓	✓	NA	NA
14	29.03.22	✓	LOA	✓	✓	✓	LOA	NA	NA
Number of meetings held		14	14	14	14	12	12	6	6
Number of meetings attended		13	13	14	14	11	8	5	6
Attendance at last AGM held on 6th August, 2021		✓	✓	✓	✓	✓	✓	NA	NA

* LOA stands for Leave of Absence

* Mr. Girish Paman Vanvari and Ms. Sucharita Basu De were appointed as Independent Directors of the Company w.e.f. 10th May, 2021 and Mr. Suresh Eshwara Prabhala and Mr. Ashok Kumar Duggar ceased to be the Directors of the Company w.e.f. 26th July, 2021.

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(d) CORE SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES OF THE DIRECTORS

The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The Board of the Company comprises of qualified members who possess the required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The Board of Directors have based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills, expertise and competencies for effective functioning of the Board which are currently available with all the Directors of the Company.

Sr. No.	Broad Parameters	Name of Directors (✓) the appropriate column					
		Sanjive Sehgal	Rohan Sehgal	Gaurav Pawan Kumar Podar	Viresh Oberai	Sucharita Basu De	Girish Paman Vanvari
1.	Experience of laws, rules, regulation policies applicable to the organization/ industry/ sector and level/ status of compliances thereof by the organization	✓	✓	✓	✓	✓	✓
2.	Experience of the best corporate governance practices, relevant governance codes,	✓	✓	✓	✓	✓	✓
3.	Experience of business ethics, ethical policies, codes and practices of the organization	✓	✓	✓	✓	✓	✓
4.	Understanding of the structures and systems which enable the organization to effectively identify, asses and manage risks and crisis	✓	✓	✓	✓	✓	✓
5.	Experience in overseeing large and complex Supply Chain	✓	✓	✓	✓	✓	✓
6.	Leadership experience of running large enterprise	✓	✓	✓	✓	✓	✓
7.	Finance and Accounting experience	✓	✓	✓	✓	✓	✓

(e) INTER-SE RELATIONSHIP BETWEEN DIRECTORS

Mr. Rohan Sehgal, Whole-Time Director of the Company, is the son of Mr. Sanjive Sehgal who is the Managing Director and Chairman of the Company. None of the other Directors of the Company are related to each other in accordance with Section 2(77) of the Act, including the rules made thereunder.

(f) INDEPENDENT DIRECTORS

The Board of Directors of the Company consists of three (3) Independent Directors and the Board confirms that the Independent Directors of the Company meet the criteria of independence as laid down under Section 149(6) of the Act and the Listing Regulations and are independent of the management. None of the independent directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

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All the Independent Directors of the Company have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

(g) MEETING OF THE INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors of the Company was held on 29th March, 2022 without the presence of Non-Independent Directors and members of management. Mr. Girish Paman Vanvari chaired the Independent Director's meeting. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company.
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(h) FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

All the new Directors inducted on the Board are provided a formal orientation programme to acquaint them with the Company's background history, nature of industry, product offerings, businesses, policies of the Company, structure of the board and committees. Towards familiarization of the Independent Directors with the Company, periodic presentations are also made at the Board and Committee meetings on business and performance updates of the Company, business strategy and risk involved including their roles, rights, responsibility in the Company and related matters.

The details of familiarization program imparted to the Independent Directors are available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Familiarization-Programme-imparted-to-Independent-Directors-FY-2021-22.pdf>.

(i) APPOINTMENT AND RESIGNATION OF INDEPENDENT DIRECTORS

Mr. Girish Paman Vanvari (DIN: 07376482) and Ms. Sucharita Basu De (DIN: 06921540), were appointed as Independent Directors of the Company for a consecutive term of five years with effect from 10th May, 2021. The terms and conditions of the appointment of Independent Directors are available on Company's website at <https://tarsons.com/wp-content/uploads/2022/04/Letter-of-Appointment-of-Independent-Director.pdf>. Further, none of the Independent Directors have tendered their resignation during the financial year 2021-22.

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to focus on those aspects of business that require special attention. Each Committee is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees administered by their respective Chairman meet at regular intervals. Further, the minutes of all the Committee meetings are placed before the Board for review.

The Board has constituted the following committees.

A. AUDIT COMMITTEE

The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations and comprises of three independent directors. All the members of the Committee are financially literate and experienced and bring in the specialized knowledge and proficiency in the fields of accounting, audit, finance, taxation, compliance, strategy and management.

The Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee. Minutes of all the meetings of the Audit Committee are circulated to all the members of the Board and are also placed in the next scheduled meeting of the Board, for discussion and review thereof.

During the financial year 2021-22, the Audit Committee met four times and the gap between none of the meetings exceeded 120 days. All the recommendations made by the Audit Committee during the year under review were duly accepted by the Board.

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

Sl. No.	Attendance at Audit Committee Meetings held during the year	Name/Category/Designation of the Directors		
		Mr. Girish Paman Vanvari, Non-Executive Independent Director (Chairman)	Mr. Viresh Oberai, Non-Executive Independent Director (Member)	Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Member)
1.	06.08.21	✓	✓	✓
2.	25.10.21	✓	✓	✓
3.	07.02.22	✓	✓	✓
4.	29.03.22	✓	✓	✓
Number of meetings held		4	4	4
Number of meetings attended		4	4	4

* Necessary quorum was present in all the meetings.

Terms of Reference

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The terms of reference of Audit Committee, as approved by the Board, include the following:

- ✓ to oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ✓ to recommend for appointment, remuneration and terms of appointment of auditors of the Company;
- ✓ to approve payment to statutory auditors for any other services rendered by the statutory auditors;
- ✓ to review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of Companies Act, 2013, as amended;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- ✓ to review with the management, the quarterly financial statements before submission to the board for approval;
- ✓ to examine the financial statement and auditor's report thereon;
- ✓ to monitor the end use of funds raised through public offers and related matters;
- ✓ to review 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 issue document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- ✓ to review and monitor the auditor's independence and performance, and effectiveness of audit process;

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- ✓ to approve or subsequently modify the transactions with related parties;
- ✓ to scrutinize inter-corporate loans and investments;
- ✓ to undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- ✓ to evaluate internal financial controls and risk management systems;
- ✓ to review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ✓ to review 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;
- ✓ to discuss with internal auditors any significant findings and follow up there on;
- ✓ to review 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;
- ✓ to discuss with statutory auditors and internal 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;
- ✓ to approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- ✓ to carry out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
- ✓ to consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders;
- ✓ to review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances /investments;

In addition to the above the Audit Committee mandatorily review's the following:

- Management Discussion and analysis of financial conditions and results of operations
- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors
- Internal audit reports relating to internal control weaknesses
- Appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the audit committee
- Statement of deviations as and when becomes applicable
 - a. Quarterly statement of deviation(s), submitted to stock exchanges(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015, as amended
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015, as amended

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B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations. The Committee comprises of three independent directors and the Company Secretary and Compliance Officer, acts as Secretary to the Committee.

The Nomination and Remuneration Committee inter alia oversees the Company's nomination process including succession planning for the senior management and the Board and recommend a policy for their remuneration.

During the year, two Nomination and Remuneration Committee meetings were held. The composition of Nomination and Remuneration Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Nomination and Remuneration Committee Meetings held during the year	Name/Category/Designation of the Directors		
		Mr. Viresh Oberai, Non-Executive Independent Director (Chairman)	Mr. Girish Paman Vanvari, Non-Executive Independent Director (Member)	Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Member)
1.	07.02.22	✓	✓	✓
2.	29.03.22	✓	✓	✓
Number of meetings held		2	2	2
Number of meetings attended		2	2	2

**Necessary quorum was present in both the meetings.*

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ to formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees

The Nomination and Remuneration Committee, while formulating the said policy, should ensure that:

- i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance;
 - iv. objectives appropriate to the working of the Company and its goals;
- ✓ to formulate criteria for evaluation of performance of independent directors and the board of directors;
 - ✓ to devise a policy on diversity of board of directors;
 - ✓ to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its board report;
 - ✓ to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 - ✓ to recommend to the Board, all remuneration in whatever form, payable to senior management;

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- ✓ to carry out any other function as may be required/mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
- ✓ to perform such other functions as may be necessary or appropriate for the performance of its duties

Performance Evaluation

The Nomination and Remuneration Committee has laid down the process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board Members including Independent Directors and the Chairman of the Company. Accordingly, evaluation was carried out during the financial year 2021-22.

An indicative list of factors on which evaluation was carried out includes:

- i) Professional qualification, expertise & experience
- ii) Level of integrity & confidentiality
- iii) Availability for meetings and preparedness
- iv) Understanding the vision, mission of the company and strategic and business plans, financial reporting risks and related internal controls and providing critical oversight on the same
- v) Monitoring the compliances with corporate governance regulations and guidelines
- vi) Openness to ideas and ability to challenge the practices and throwing up new ideas
- vii) Knowledge of the Company's key activities, financial condition and key developments
- viii) Contribution to strategic planning process and value addition to the Company
- ix) Amount of time spent on discussions on strategic and general issues
- x) Review of the actual result of the Company vis-à-vis the plan/policies devised earlier and suggests corrective measures
- xi) Frequency of the meetings and effective and proactive measures taken to perform functions
- xii) Adherence to ethical standards & code of conduct
- xiii) Bringing independent judgment during board deliberations on strategy, performance, risk management

Remuneration Of Directors

The Company has adopted a Nomination & Remuneration Policy to determine the compensation structure of the Executive/Non-Executive Directors. The Policy is intended to set out specific criteria to pay equitable remuneration to the Directors, Key Managerial Personnel's (KMP), Senior Management Personnel's (SMP) and other employees of the Company in consonance with the existing industry practice and aims at attracting and retaining high calibre talent. Remuneration of Executive and Non-executive Directors is determined by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders, where ever required. All remuneration, in whatever form, payable to Senior Management are also recommended by this Committee.

The salient features of the Nomination & Remuneration Policy are provided in the Board's Report and the detailed policy is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/04/Nomination-and-Remuneration-Policy.pdf>.

(a) Remuneration paid to Executive Directors

The appointment and remuneration of Executive Directors are governed by the Articles of Association of the Company and the resolutions passed by the shareholders of the Company. The revision in remuneration, if any is recommended by the Nomination and Remuneration Committee to the Board for its consideration by taking into account their individual performance and as well performance of the Company in a given year.

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Details of remuneration paid to Executive Directors during the year 2021-22 are given below:

Name	Designation	Remuneration (₹ in Million)	Bonus/ Commission/ Pension etc. (₹ in Million)	Period of appointment	Service Contract/Notice Period/ Severance fees	Stock Option
Mr. Sanjive Sehgal	Chairman & Managing Director	42.5	-	Appointed for a period of 5 years from 26 th July, 2018 to 25 th July, 2023	The terms of severance, notice period and termination is governed as per the terms and conditions of employment agreement entered into with both the Directors by the Company.	NIL
Mr. Rohan Sehgal	Whole-Time Director	37.5	-	Appointed for a period of 5 years from 26 th July, 2018 to 25 th July, 2023		

(b) Remuneration paid to Non-Executive Directors

The Non-Executive Independent Directors are paid remuneration by way of sitting fees. Each of the Non-Executive Independent Directors are paid sitting fees for attending both board and committee meetings. The Board at its meeting held on 10th May, 2021 revised the amount of sitting fees as paid to the Non-Executive Independent Directors of the Company, from ₹10 Lakhs p.a. to ₹12 Lakhs p.a. The Non-Executive Directors are not entitled to any stock options.

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fee and out-of pocket expenses, if any, to them for attending the Board and Committee meetings.

Details of remuneration paid to Non-Executive Independent Directors during the year 2021-22 are given below:

(₹ in Million)

Name	Sitting Fee
Mr. Viresh Oberai	1.16
Mr. Girish Paman Vanvari*	1.07
Ms. Sucharita Basu De*	1.07

* Appointed w.e.f. 10th May, 2021.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. The Committee comprises of three directors, two being executive and one Independent. The Chairman of the Committee is an Independent Director and the Company Secretary acts as Secretary to the Committee.

Mr. Santosh Kumar Agarwal, Chief Financial Officer and Company Secretary is acting as the Compliance Officer of the Company in terms of Regulation 6 of the Listing Regulations. M/s. KFIN Technologies Limited (formerly KFIN Technologies Private Limited) acts as the Registrar and Share Transfer Agent of the Company.

As a measure of speedy redressal of investor grievances, the Company has registered on SCORES (SEBI Complaints Redress System) platform, a web based centralized grievance redress system set up by SEBI to capture investor complaints against listed companies. 488 complaints were received during 2021-22, which were majorly related to non-receipt of refund/unblock, rejection due to non-allotment, unavailability of Folio/DP details, clarification regarding the shares during the IPO issue and were duly resolved. Further, all the Complaints as registered on SCORES against the Company during the financial year 2021-22 were related to IPO matter and few complaints as received from stock exchanges on behalf of the shareholder were duly responded and resolved. There were no pending complaints at the beginning and at the end of financial year 2021-22.

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During the year, one Stakeholders Relationship Committee meeting was held on 29th March, 2022.

Mr. Viresh Oberai, Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company held on 6th August, 2021.

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

Sl. No.	Attendance at Stakeholders Relationship Committee Meeting held during the year	Name/Category/Designation of the Directors		
		Mr. Viresh Oberai, Non-Executive Independent Director (Chairman)	Mr. Sanjive Sehgal, Managing Director (Member)	Mr. Rohan Sehgal, Whole-Time Director (Member)
1.	29.03.22	✓	✓	LOA
Number of meetings held		1	1	1
Number of meetings attended		1	1	0

*Necessary quorum was present in the meeting.

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ to resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- ✓ to review measures taken for effective exercise of voting rights by shareholders;
- ✓ to review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- ✓ to review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- ✓ to carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was originally constituted w.e.f. 11th March, 2016 and has been re-constituted w.e.f. 26th June, 2021 in accordance with the provisions of Section 135 of the Act. The Committee comprises of three directors, two being executive and one independent. The Chairman of the Committee is an Independent Director and the Company Secretary acts as Secretary to the Committee.

The Corporate Social Responsibility Committee assists the Board in effectively discharging the Company's corporate social responsibilities. The Committee formulates & monitors the CSR Policy and recommends the annual CSR plan to the Board. The details of the CSR activities are provided in the Annexure- II to the Directors' Report.

During the year, one Corporate Social Responsibility Committee meeting was held on 6th August, 2021.

Report On Corporate Governance (Contd.)

The composition of Corporate Social Responsibility Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Corporate Social Responsibility Committee Meeting held during the year	Name/Category/Designation of the Directors			
		Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Chairperson)**	Mr. Sanjive Sehgal, Managing Director (Member)	Mr. Rohan Sehgal, Whole-Time Director (Member)	Mr. Ashok Kumar Duggar, Non-Executive Director *** (Member)
1.	06.08.21	LOA	✓	✓	NA
Number of meetings held		1	1	1	NA
Number of meetings attended		0	1	1	NA

* Necessary quorum was present in the meeting.

** Inducted as Chairperson of the Committee w.e.f. 26th June, 2021.

*** Ceased to be the member of the Committee w.e.f. 26th June, 2021 and ceased to be the Director of the Company w.e.f. 26th July, 2021.

Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee are in line with the guidelines set out in the Act and inter-alia includes the following:

- ✓ to formulate a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;
- ✓ to recommend the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;
- ✓ to institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;
- ✓ to monitor the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- ✓ to identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- ✓ to identify and appoint the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and
- ✓ to perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws."

E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of Listing Regulations. The Committee comprises of three directors with Independent Director being the Chairman of the Committee.

During the year, one Risk Management Committee meeting was held on 29th March, 2022. The composition of Risk Management Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Risk Management Committee Meeting held during the year	Name/Category/Designation of the Directors		
		Mr. Girish Paman Vanvari, Non-Executive Independent Director (Chairman)	Mr. Rohan Sehgal, Whole-Time Director (Member)	Mr. Gaurav Pawan Kumar Podar, Non-Executive Director (Member)
1.	29.03.2022	LOA	✓	✓
Number of meetings held		1	1	1
Number of meetings attended		1	1	1

*Necessary quorum was present in the meeting.

Report On Corporate Governance (Contd.)

Terms of Reference

The terms of reference of the Risk Management Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
- ✓ To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- ✓ To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- ✓ To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- ✓ To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- ✓ The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

F. IPO COMMITTEE

The IPO Committee of the Board of Directors was constituted inter alia to approve and undertake various activities in relation to the Initial Public Offer.

During the year, seven (7) IPO Committee meetings were held. The composition of IPO Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at IPO Committee Meetings held during the year	Name/Category/Designation of the Directors		
		Mr. Rohan Sehgal, Whole-Time Director (Chairman)	Mr. Gaurav Pawan Kumar Podar, Non-Executive Director (Member)	Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Member)
1.	09.08.2021	✓	✓	✓
2.	10.08.2021	✓	✓	✓
3.	25.10.2021	✓	✓	✓
4.	09.11.2021	✓	✓	✓
5.	12.11.2021	✓	✓	✓
6.	18.11.2021	✓	✓	✓
7.	23.11.2021	✓	✓	✓
Number of meetings held		7	7	7
Number of meetings attended		7	7	7

*Necessary quorum was present in the meetings.

Report On Corporate Governance (Contd.)

Terms of Reference

The terms of reference of the IPO Committee includes the following:

- ✓ To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the relevant registrar of companies, the RBI, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;
- ✓ To finalize, settle, approve, adopt and file in consultation with the book running lead managers appointed for the Offer (the "BRLMs") where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto ("Offer Documents"), and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/modifications as may be required by SEBI, the Registrar of Companies, West Bengal at Kolkata or any other relevant governmental and statutory authorities or in accordance with applicable laws;
- ✓ To decide in consultation with the BRLMs on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;
- ✓ To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, sponsor bank, legal advisors, auditors, advertising agency and any other agencies or persons or intermediaries in relation to the Offer, including any successors or replacements thereof, and to negotiate, finalize and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs, and to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc.;
- ✓ To negotiate, finalize and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency, stock exchange(s), BRLMs, Selling Shareholders and any other agencies/intermediaries in connection with the Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- ✓ To seek, if required, the consent and/or waiver of the lenders of the Company, customers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- ✓ To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- ✓ To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- ✓ To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- ✓ To accept and appropriate the proceeds of the Offer in accordance with the applicable laws;

Report On Corporate Governance (Contd.)

- ✓ To approve code of conduct as may be considered necessary by the IPO Committee or as required under the applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
- ✓ To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;
- ✓ To approve the restated audited financial statements of the Company, prepared by the Company in accordance with the requirements of relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended for the purposes of inclusion in the Offer Documents;
- ✓ To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Company to sign all or any of the aforesaid documents;
- ✓ To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- ✓ To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalize the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;
- ✓ To do all such acts, deeds and things as may be required to dematerialize the Equity Shares and to sign and/or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore stated documents;
- ✓ To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;
- ✓ To settle all questions, difficulties or doubts that may arise in regard to the Offer, including allotment, terms of the Offer, utilization of the Offer proceeds and matters incidental thereto as it may deem fit;
- ✓ To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, West Bengal at Kolkata and the relevant stock exchange(s) where the Equity Shares are to be listed;
- ✓ To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- ✓ To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or any other applicable laws;
- ✓ To approve the list of 'group companies' of the Company, if any, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the draft red herring prospectus, the red herring prospectus and the prospectus; and to approve the list of pending litigations involving such group companies which has a material impact on the Company;

Report On Corporate Governance (Contd.)

- ✓ Deciding, negotiating and finalizing the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;
- ✓ Taking on record the approval of the Selling Shareholders for offering their Equity Shares in the Offer for Sale and taking all actions as may be authorized in connection therewith;
- ✓ To withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with applicable laws and in consultation with the BRLMs; and
- ✓ To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company.

4. GENERAL BODY MEETINGS

The particulars of last three Annual General Meetings of the Company are given below:

Period	Date of AGM	Time	Location/Mode	Special Resolution(s) passed
2020-21 (38 th AGM)	06.08.2021	5:00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	None
2019-20 (37 th AGM)	12.10.2020	1:00 PM	Held through Video Conferencing on TEAMS meeting software	None
2018-19 (36 th AGM)	30.09.2019	5.00 PM	Held at Hotel ITC Sonar, 1 JBS Haldane Avenue, Opposite Science City, Kolkata-700046	None

The particulars of the Extra-Ordinary General Meetings of the Company held during the FY 2021-22 are given below:

Date of EGM	Time	Location/Mode	Special Resolution(s) passed
10.05.2021	4:30 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> 1. To increase the Authorized capital of the Company from ₹ 1,15,00,000/- (Rupees One Crore Fifteen Lakhs Only) divided into 11,50,000 (Eleven Lakhs Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each. 2. Conversion of Company from Private Limited to Public Limited Company 3. Alteration of Name Clause of Memorandum of Association of the Company 4. Adoption of new set of Articles of Association as applicable to a public limited Company
16.06.2021	2:00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> 1. Alteration of Capital Clause of Memorandum of Association of the Company
30.06.2021	4.00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> 1. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings 2. Revision in the remuneration of Mr. Sanjive Sehgal, Managing Director, of the Company 3. Revision in the remuneration of Mr. Rohan Sehgal, Whole-Time Director, of the Company

Report On Corporate Governance (Contd.)

Date of EGM	Time	Location/Mode	Special Resolution(s) passed
28.07.2021	5.00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> To carry out Initial Public Offer (IPO) of Equity Shares of ₹ 2/- each To increase the investment limits for NRIS and OCBS To amend the Articles of Association of the Company

Further, during the year, no approval of the shareholders was obtained through Postal Ballot and none of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through Postal Ballot.

5. MEANS OF COMMUNICATION

The Company recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all stakeholders.

- (a) Financial Results and Newspaper Publications:** The quarterly and annual financial results are filed with stock exchanges and displayed on stock exchanges websites. The results are also made available on Company's website at <https://tarsons.com/financial-results/>. The results are published usually in 'Financial Express' in English and 'Aajkal' in Bengali.
- (b) News Releases/Presentations:** Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly financial results and are sent to the Stock Exchanges and are also uploaded on the Company's website at <https://tarsons.com/investor-information/>.
- (c) Annual Report:** Annual Report containing audited standalone and consolidated financial statements together with Board's Report, Auditors' Report and other reports/information are circulated to members entitled thereto and is also made available on the Company Website at <https://tarsons.com/financial-reports/>.
- (d) Website:** In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives comprehensive information about the Company, information on various announcements made by the Company, annual report, annual report of subsidiary, financial results, policies of the company, shareholding pattern, corporate governance report, etc. The Company's investor presentations made to the institutional investors and analysts and other corporate communications made to the stock exchanges are also available on the website of the Company at www.tarsons.com.
- (e) The Company has also designated the e-mail ID investor@tarsons.com exclusively for investor servicing.

6. GENERAL SHAREHOLDER INFORMATION

- (i) CIN of the Company: L51109WB1983PLC036510
- (ii) Details of Annual General Meeting: Friday, 29th July, 2022, 12.00 P.M (IST) through Video Conferencing/Other Audio-Visual Means facility.
- (ii) Financial year: The financial year of the Company is from 1st April to 31st March.
- (iii) Dividend: The Board has not recommended any Dividend for 2021-22.
- (iv) Cut-off Date: Friday, 22nd July, 2022 (For determining eligibility of shareholders who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the AGM either through remote e-Voting or voting at the AGM]
- (v) Listing on Stock Exchanges: The shares of the Company are listed on both the stock exchanges as mentioned below w.e.f. 26th November, 2021.

Name of Stock Exchange	Address	Stock Code/Symbol	ISIN
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	543399	INE144Z01023
National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	TARSONS	

Report On Corporate Governance (Contd.)

- (vi) Listing Fees: The Company has paid the annual listing fees for the financial year 2022-23 to the respective stock exchanges within the prescribed time limit.
- (vii) Tentative calendar of the Board Meetings for consideration of quarterly results for the Financial Year 2022-23:
- For the quarter ended 30th June, 2022: On or before 14th August, 2022
 - For the quarter and half year ended 30th September, 2022: On or before 14th November, 2022
 - For the quarter ended 31st December, 2022: On or before 14th February, 2023
 - For the quarter and year ended 31st March, 2023: On or before 30th May, 2023

The Company was listed as on 26th November, 2021, post which quarterly results were announced as follows:

For the quarter ended 31st December, 2021: 7th February, 2022

For the quarter and financial year ended 31st March, 2022: 27th May, 2022

- (viii) Market Price Data and Performance of Company's Share Prices:

The details of monthly high/low/closing price data and volume of shares traded of the Company at BSE and NSE from the date of listing its shares on stock exchange, i.e., 26th November, 2021, are given below:

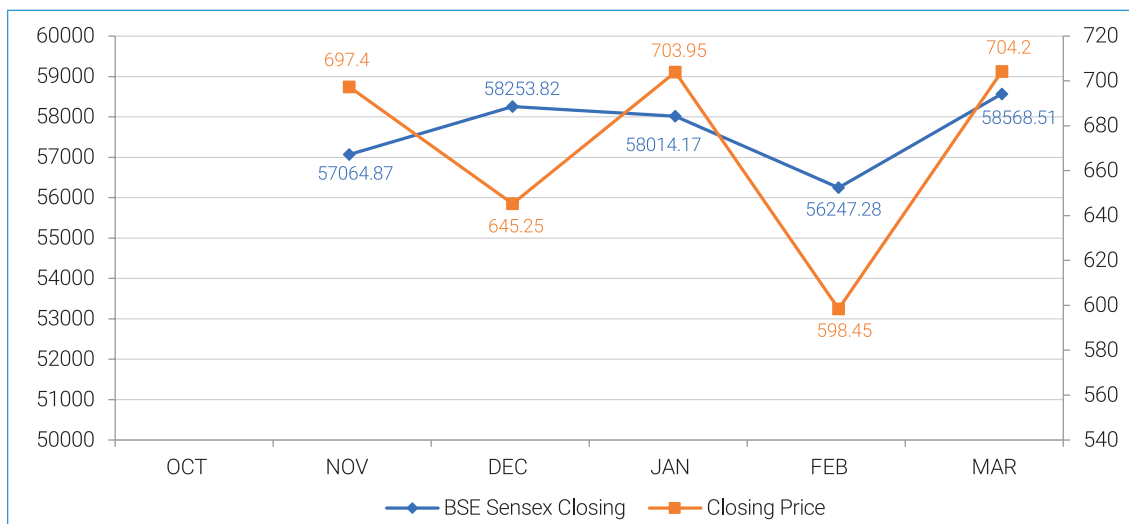
Month (2021-22)	BSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	BSE Sensex Closing
November, 2021	928.65	634.00	697.40	43,22,858	57064.87
December, 2021	721.00	581.75	645.25	1518553	58253.82
January, 2022	759.00	625.00	703.95	850749	58014.17
February, 2022	723.80	570.00	598.45	556752	56247.28
March, 2022	728.00	585.25	704.20	740749	58568.51

Month (2021-22)	NSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	NSE Nifty Closing
November, 2021	924.90	671.50	697.45	2,74,79,719	16983.20
December, 2021	721.70	581.45	645.00	1,11,13,963	17354.05
January, 2022	759.60	625.00	703.25	59,89,486	17339.85
February, 2022	720.70	538.70	595.55	32,89,738	16793.90
March, 2022	728.40	587.00	702.95	31,21,290	17464.75

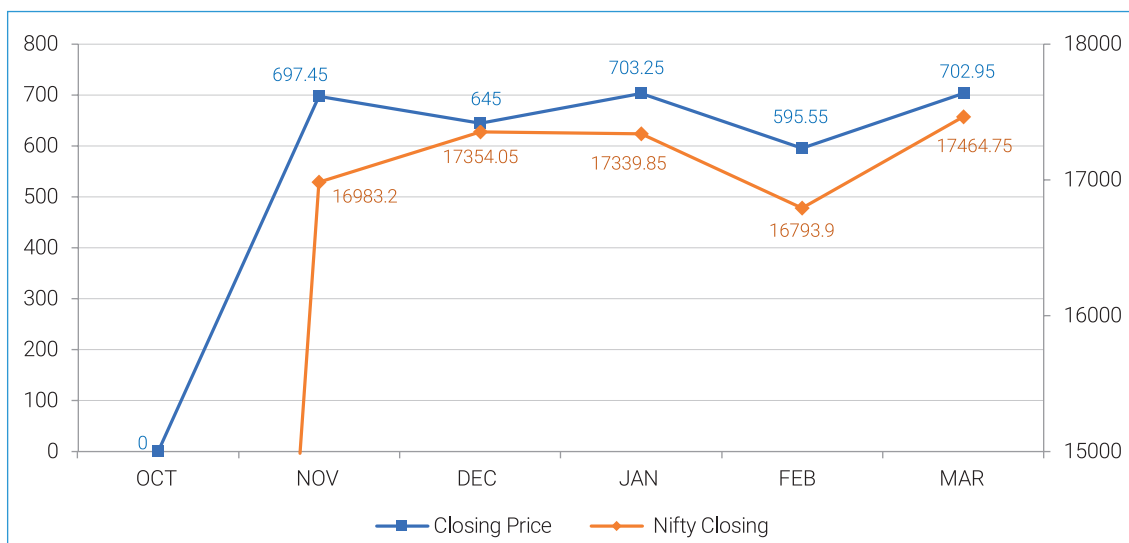
[Source: This information is compiled from the data available from the website of BSE & NSE]

Report On Corporate Governance (Contd.)

Share Price on BSE vis-a-vis BSE Sensex



Share Price on NSE vis-a-vis NSE Nifty



- (ix) The securities of the Company were available for trading on NSE & BSE from the date of listing of its shares on stock exchange, i.e., 26th November, 2021 and were not suspended for any period since then.

(x) Registrar and Share Transfer Agents (RTA):

All work related to Share Registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, whose name and contact details are as given below:

M/s. KFIN Technologies Limited (formerly KFIN Technologies Private Limited)

Selenium Tower B, Plot No.31 &32
 Gachibowli, Financial District
 Nanakramguda, Serilingampally
 Hyderabad 500 032
 Telangana, India
 Tel: +91 40 6716 2222
 E-mail: ahfl.ipo@kfintech.com
 Website: <https://www.kfintech.com/>

Report On Corporate Governance (Contd.)

(xi) Share Transfer System:

The Company's shares are traded under compulsory dematerialized mode, freely tradeable and the entire share transfer process is monitored by the Registrar and Share Transfer Agent of the Company. During the financial year under review, the RTA of the Company ensured compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, etc. Effective 1st April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository.

As on the date of this report, all the holdings of the Company are in dematerialized form.

(xii) Distribution of shareholding on the basis of shareholders class as on 31st March, 2022:

Category	No. of shareholders*		No. of shares	
	Total	%	Total	%
1-500	124821	98.74	3529873	6.63
501-1000	881	0.70	689803	1.30
1001-2000	360	0.29	518594	0.97
2001-3000	119	0.09	286111	0.54
3001-4000	53	0.04	184146	0.35
4001-5000	44	0.03	197895	0.37
5001-10000	67	0.05	486276	0.91
10001-20000	27	0.02	395115	0.74
20001 & above	46	0.04	46918468	88.19
Total	126418	100.00	53206281	100.00

* Without consolidating the folios on the basis of PAN.

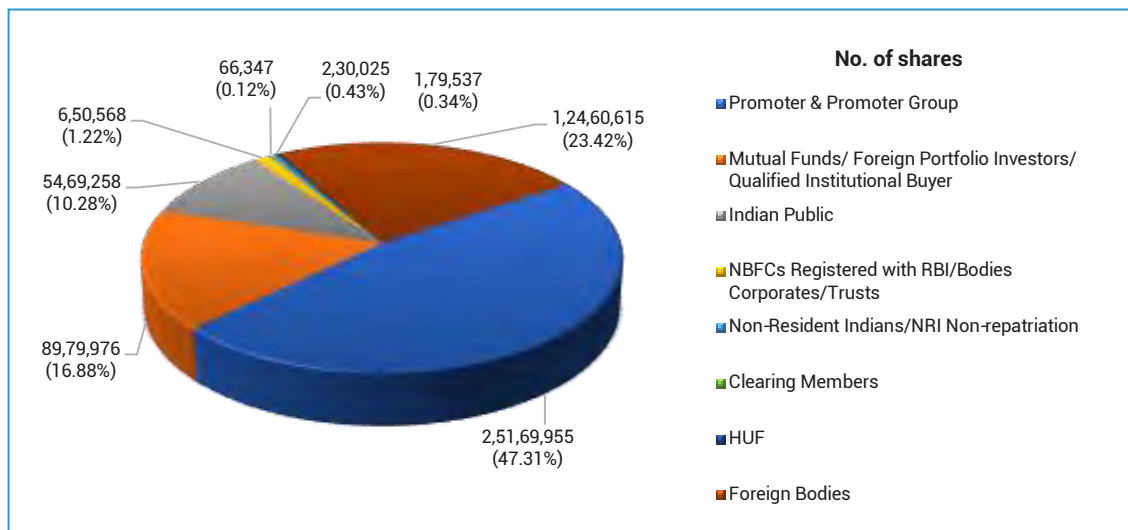
(xiii) Distribution of Shareholding on the basis of ownership as on 31st March, 2022:

Category	No. of shares*	% of share capital
Promoter & Promoter Group	2,51,69,955	47.31
Mutual Funds/Foreign Portfolio Investors/ Qualified Institutional Buyer	89,79,976	16.88
Indian Public	54,69,258	10.28
NBFCs Registered with RBI/Bodies Corporates/Trusts	6,50,568	1.22
Non-Resident Indians/NRI Non-repatriation	2,30,025	0.43
Clearing Members	66,347	0.12
HUF	1,79,537	0.34
Foreign Bodies	1,24,60,615	23.42
Total	5,32,06,281	100.00

*Details mentioned here are consolidated on PAN basis as per SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19th December, 2017.

Report On Corporate Governance (Contd.)

Graphical representation of shareholding pattern on the basis of ownership:



(xiv) Dematerialization of shares and liquidity as on 31st March, 2022:

100% of the Company's equity shares are held in dematerialized form as on 31st March, 2022 details of which is given below:

Nature of holding	No. of Shares	Percentage (%) of share capital
Demat		
- NSDL	4,88,48,653	91.81
- CDSL	43,57,628	8.19
Total	5,32,06,281	100.00

(xv) The Company has not issued Global Depository Receipts (GDR)/American Depository Receipts (ADR)/Warrants or any other convertible instruments during the year.

(xvi) Commodity Price Risk/Foreign Exchange Risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to Listing Regulations are not applicable. For a detailed discussion on foreign exchange risk and hedging activities with regard to Company's revenue in foreign currency, please refer to Management Discussion and Analysis Report forming part of the Annual Report.

(xvii) Plant Locations:

Jangalpur Plant Jalan Industrial Complex, Gate No-1, NH-6, Jangalpur, Biparnapara, Begri, Howrah-711411, West Bengal	Dhulagarh Plant Master Plot No. PPF-1, Mouza Kandua, JL No-5, PS-Sankrail, Gram Panchayat Kandua, Howrah-711302, West Bengal
Behala Plant - 1 36/A/4 Burro-shibtolla Main Road Factory, Behala, Kolkata-700038, West Bengal	Behala Plant - 2 22 Burro-shibtolla Main Road Factory, Behala, Kolkata-700038, West Bengal
Kasba Plant P1 Kasba Industrial State, Phase 2, Kolkata -700 107, West Bengal	

Note: The Company is coming up with two new manufacturing facilities at West Bengal, one situated in Panchla and another facility for radiation plant, fulfilment center and manufacturing situated in Amta.

Report On Corporate Governance (Contd.)

(xviii) Address for Correspondence:

For any queries relating to the shares of the Company, correspondence may be addressed at:

The Company Secretary

Tarsons Products Limited
 Room No. 902, BP- 3,
 Salt Lake, Sector- V
 Kolkata 700091, West Bengal, India
 E-mail: investor@tarsons.com
 Website: www.tarsons.com

(xix) The Credit Ratings obtained by the Company during the year are mentioned below:

Sl. No.	Name of the Credit Rating Agencies	Facilities	Revised Ratings	Previous Ratings
1.	CARE Ratings	Long Term Bank Facilities	CARE A+; Stable (Single A Plus; Outlook: Stable)	Revised from CARE A; Stable (Single A; Outlook: Stable)
		Short Term Bank Facilities	CARE A1 (A One)	-

7. CODE OF CONDUCT

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"). The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code requires Directors and Employees to act honestly, fairly, ethically, with integrity and conduct themselves in professional, courteous and respectful manner. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct. The copy of the Code has been displayed on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Code-of-Conduct-for-Directors-and-Senior-Management-of-the-Company.pdf>.

The Code has been duly circulated to all the members of the Board and Senior Management Personnel and all of them have affirmed compliance with the Code. A declaration to this effect duly signed by the Managing Director is reproduced at the end of this report and marked as **Annexure A**.

8. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders. The code lays down the Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company. A copy of the said Code is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Insider-Trading-Policy.pdf>.

The Company has also adopted 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. A copy of the said Code is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Code-of-practices-and-procedures-for-fair-disclosure-of-UPSI.pdf>.

9. CEO & CFO CERTIFICATION

A certificate from the Managing Director and the Chief Financial Officer of the Company with regard to compliance in terms of Regulation 17(8) of Listing Regulations has been annexed at the end of this report and marked as **Annexure B**.

10. DISCLOSURES

- (i) There were no materially significant related party transactions, which may have potential conflict with the interest of the Company. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. All the transactions with related parties have been made at arm's length basis. The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations, as amended. The policy can be accessed at <https://tarsons.com/wp-content/uploads/2022/04/Related-Party-Transactions-Policy.pdf>.

Report On Corporate Governance (Contd.)

- (ii) The Company became listed Company w.e.f. 26th November, 2021. No penalty or stricture was imposed by the Stock Exchanges or SEBI or any other authority, from the date of listing. All applicable requirements were fully complied with.
- (iii) The Company has adopted a Vigil Mechanism/Whistle Blower Policy as required under Section 177 of the Act and Regulation 22 of Listing Regulations, which is being reviewed by the Audit Committee of the Board. The Policy can be accessed at <https://tarsons.com/wp-content/uploads/2022/04/Whistle-Blower-Policy.pdf>.

The Audit Committee periodically reviews the existence and functioning of the mechanism. During the year, there was no reporting under the Vigil Mechanism/Whistle Blower Policy of the Company and no personnel were denied access to the Audit Committee.

- (iv) The Company has complied with all the applicable mandatory requirements of the Listing Regulations during the financial year 2021-22.
- (v) The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- (vi) The Policy for determining 'material' subsidiaries is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/06/Policy-on-Material-Subsidiaries.pdf>.
- (vii) The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year 2021-22 as specified in Regulation 32(7A) of the Listing Regulations.

During the financial year ended 31st March, 2022, the Company had raised ₹ 1497.01 Million through Initial Public Offering and all the funds have been duly utilized as per the objects stated in the Prospectus.

- (viii) The Company has obtained a certificate from M/s. Mehta & Mehta, Practicing Company Secretaries, certifying 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 SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations. Copy of the Certificate is attached as **Annexure C**.
- (ix) During the financial year 2021-22, there have been no circumstances where the Board of Directors of the Company have not accepted any recommendation made by any of the Committees of the Board.
- (x) During the financial year 2021-22, the following payments were made to M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors of the Company.

Particulars of payment	Amount (₹ in Million)
Statutory Audit Fee	2.00
Others	2.80
Total	4.80

- (xi) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices, and take appropriate decision in resolving such issues. An Internal Complaints Committee (ICC) has been set up to redress the complaints received regarding sexual harassment.

During the year under review, no complaints were received by the ICC under the aforesaid Act.

- (xii) The Company has not made any loans and advances to any firms/companies in which any of the directors of the Company are interested during the FY 2021-22.
- (xiii) The Company is fully compliant with Listing Regulations and there are no such non-compliances to report.

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

Report On Corporate Governance (Contd.)

- (xiv) The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website (www.tarsons.com). The section on 'Investors' on the website serves to inform the members by giving complete financial details, annual reports, presentations made by the Company to investors, shareholding patterns and such other information relevant to shareholders.
- (xv) The Company does not have any shares in demat suspense account or unclaimed suspense account.
- (xvi) The Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of Listing Regulations, to the extent applicable:
- The quarterly and half yearly financial results are submitted to Stock Exchanges, published in newspapers and posted on the Company's website and are not sent to the shareholders separately.
 - The Company's financial statements for the FY 2021-22 do not contain any audit qualification. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
 - The Chairman of the Company is an Executive Director.
 - The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings.

For and on behalf of the Board of Directors
For Tarsons Products Limited
(Formerly known as Tarsons Products Private Limited)

Place : Kolkata
Date: 27th May, 2022

Mr. Sanjive Sehgal
Chairman & Managing Director
(DIN: 00787232)

Mr. Rohan Sehgal
Director
(DIN: 06963013)

Annexure A to Report On Corporate Governance (Contd.)

ANNEXURE A

DECLARATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that the Board members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Directors and Senior Management Personnel, as applicable to them, for the year ended 31st March, 2022.

Place: Kolkata

Date: 27th May, 2022

Sanjive Sehgal

Managing Director

(DIN: 00787232)

ANNEXURE B**CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**

The Board of Directors

Tarsons Products Limited

Martin Burn Business Park,
Room No. 902 BP- 3, Salt Lake,
Sector- V, Kolkata 700091

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2022 and that to the best of our knowledge and belief, we state that:
 - 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2021-22, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 27th May, 2022

Place: Kolkata

Sanjive Sehgal

Managing Director

Santosh Kumar Agarwal

Chief Financial Officer
& Company Secretary

Annexure C to Report On Corporate Governance (Contd.)

ANNEXURE C

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,

Tarsons Products Limited

Martin Burn Business Park,
Room No.902 BP- 3, Salt Lake,
Sector- V, Kolkata, West Bengal - 700091

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tarsons Products Limited having CIN NO: L51109WB1983PLC036510 and having registered office at Martin Burn Business Park, Room No.902 BP- 3, Salt Lake, Sector- V, Kolkata, West Bengal - 700091 (hereinafter referred to as 'the Company'), produced before us 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 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 in Company
1.	VIRESH OBERAI	00524892	20/11/2018
2.	SANJIVE SEHGAL	00787232	25/07/1983
3.	SUCHARITA BASU DE	06921540	10/05/2021
4.	ROHAN SEHGAL	06963013	01/09/2014
5.	GIRISH PAMAN VANVARI	07376482	10/05/2021
6.	GAURAV PAWAN KUMAR PODAR	08387951	10/06/2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. 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 **Mehta & Mehta,**

Company Secretaries
(ICSI Unique Code P1996MH007500)

Vanita Kanoi

Partner

ACS No: 44285

CP No: 23620

Place: Kolkata

Date: 25/05/2022

UDIN: A044285D000388948