

REPORT ON CORPORATE GOVERNANCE

Your Directors are pleased to present the Companies Report on Corporate Governance in compliance with the Corporate Governance provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations 2015').

Management's Philosophy on Corporate Governance

The Management is committed to good Corporate Governance and as a part of its growth strategy, it places the highest importance on strengthening and further developing Corporate Governance initiatives.

The Board believes that governance is a continuously evolving idea to continue doing business in a disciplined, legal and ethical way and it places its governance practices under continuous review and continues benchmarking it to the best practices around the globe. The Management's philosophy on corporate governance is directed at conducting business in an ethical and professional manner and to enhance confidence of all stakeholders, viz.; shareholders and investors, customers and clients, employees, regulatory bodies, all those who deal with the Company and public in general, since we believe that adhering to the standards of best Corporate Governance practice is essential to achieve long term corporate goals and enhance shareholders value. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. The Company's philosophy on Corporate Governance oversees business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. It is commitment of the management to values and ethical business conduct.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Part C of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR Regulations 2015, as applicable, with regard to corporate governance.

Board of Directors

Composition of the Board

Pursuant to Section 149(4) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI LODR Regulations 2015, the Company has a balanced Board, comprising of Executive and Non-Executive Directors which includes independent professionals with rich experience and expertise from diverse background relevant to the Company's business requirements, who have long standing experience and expertise in their respective fields.

The Board has an Executive Chairman and accordingly pursuant to the provisions of Regulation 17(1)(b) of SEBI LODR Regulations, 2015, half of the Board is required to consist of Independent Directors. As on March 31, 2017, the Company's Board comprised of four Executive Directors and four Independent Directors.

As per the declarations received by the Company from each of the Directors, none of the directors are disqualified from being appointed as a Director under Section 164(2) of the Companies Act, 2013.

None of the Directors on the Board hold directorships in more than ten public companies. Disclosures have been made by the Directors regarding their Chairmanships/Memberships of mandatory Committees of the Board and the same are within the permissible limits as stipulated under Regulation 26(1) of SEBI LODR Regulations 2015.

Composition and Attendance

The composition of the Board and other relevant details relating to Directors as on March 31, 2017 are given below:

Name of the Director	Nature of Directorship/ Designation	DIN	No. of Other Directorships*	Membership and Chairmanship of the Committees of the Board of other Companies (**)	
				Chairmanships	Memberships
Promoter Directors					
Mr. Ashokkumar Ruia	Chairman & Managing Director	00086762	16	Nil	Nil
Mr. Atul Ruia	Joint Managing Director	00087396	16	Nil	Nil
Executive Directors					
Mr. Shishir Shrivastava	Joint Managing Director	01266095	6	Nil	Nil
Mr. Pradumna Kanodia	Director- Finance	01602690	4	Nil	1

REPORT ON CORPORATE GOVERNANCE CONTINUED

Name of the Director	Nature of Directorship/ Designation	DIN	No. of Other Directorships*	Membership and Chairmanship of the Committees of the Board of other Companies (**)	
				Chairmanships	Memberships
Independent Non-executive Directors					
Mr. Amit Kumar Dabriwala	Non-Executive Independent Director	00164763	13	1	7
Mr. Amit Dalal	Non-Executive Independent Director	00297603	8	1	2
Mr. Sivaramakrishnan Iyer	Non-Executive Independent Director	00503487	7	3	1
Ms. Shweta Vyas	Non-Executive Independent Director	06996110	Nil	Nil	Nil

*Directorships held by the Directors, as mentioned above: (i) do not include directorships held in the Company (ii) includes directorships held in foreign companies, private limited companies and companies under Section 8 of the Companies Act, 2013.

**Committees considered for the purpose of computing membership/chairmanship are those prescribed under Regulation 26(1) of SEBI LODR Regulations 2015 viz. Audit Committee and Stakeholders' Relationship Committee of the Indian Public Limited Companies (including Private Limited Companies, which are considered as Public Limited Companies in terms of Section 2(71) of the Companies Act, 2013). Committee membership details provided do not include chairmanship of committees as it has been provided separately. Further, it also excludes chairmanship and membership of committees of the Board of the Company.

Except Mr. Ashokkumar Ruia and Mr. Atul Ruia, who are father and son respectively and Promoter Directors, none of the Directors are relatives of any other Director.

None of the directors except the following, held equity shares in the Company as on March 31, 2017:

Mr. Ashokkumar Ruia – 36,59,594 equity shares
Mr. Atul Ruia – 24,03,501 equity shares
Mr. Shishir Shrivastava – 77,200 equity shares
Mr. Pradumna Kanodia – 10,555 equity shares

Appointment/Re-appointment of Directors

In terms of Section 149(13) of the Companies Act, 2013, the provisions of Section 152(6) and (7) of the said Act in respect of retirement of directors by rotation shall not be applicable to appointment of Independent Directors. Therefore, pursuant to Section 152 of the Companies Act, 2013, Mr. Atul Ruia is liable to retire by rotation at the ensuing Annual General Meeting. Proposal for his re-appointment is incorporated in the Notice of the ensuing Annual General Meeting.

Detailed profile and other information as required under Regulation 36(3) of the SEBI LODR Regulations 2015, of the proposed appointee is provided in the Notice of the ensuing Annual General Meeting.

Board Meetings and Annual General Meeting

During the Financial Year 2016-17, 4 (four) meetings of the Board of Directors were held i.e. on May 13, 2016, August 11, 2016, November 14, 2016 and February 14, 2017. The time gap between any two consecutive meetings was less than one hundred and twenty days. The previous Annual General Meeting of the Company was held on September 8, 2016. Necessary quorum was present for all the meetings. When deemed expedient, the Board also approves important and urgent items of business through resolution by circulation, which could not be deferred till the next Board Meeting.

REPORT ON CORPORATE GOVERNANCE CONTINUED

Details of attendance of Directors in Board Meetings held during the Financial Year 2016-2017 and in the previous Annual General Meeting are as follows:

Name of the Director	No. of Board meetings attended (total held during tenure of Director in FY 2016-17)	Attendance at last Annual General Meeting held on 8th September, 2016
Mr. Ashokkumar Ruia	4 (4)	No
Mr. Atul Ruia	4 (4)	Yes
Mr. Shishir Shrivastava	4 (4)	Yes
Mr. Pradumna Kanodia	4 (4)	Yes
Mr. Amit Kumar Dabriwala	4 (4)	Yes
Mr. Amit Dalal	4 (4)	Yes
Mr. Sivaramakrishnan Iyer	3 (4)	Yes
Ms. Shweta Vyas	4 (4)	Yes

Separate meeting of the Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 read with the rules made thereunder and Regulation 25(3) of the SEBI LODR Regulations 2015, Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of management. All the Independent Directors of the Company shall strive to be present at such meeting and shall, inter-alia:

- i. review performance of Non-Independent Directors and the Board as a whole;
- ii. review performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Accordingly, in compliance with the aforesaid requirements all Independent Directors of the Company met separately on February 14, 2017 without presence of any Non-Independent Directors or representatives of Management to review and discuss inter alia, the performance of Non-Independent Directors, Executive Directors, Chairman of the Board and performance of the Board as a whole. They have conveyed their satisfaction on the performances of Non-Independent Directors, Managing Directors, Joint Managing Directors and Board as a whole.

Information available to the Board of Directors

The Board has complete access to all the relevant information of the Company and to that of all our employees. The information/data/updates shared with the Board includes:

- i. Annual operating plans and budgets and any updates thereto.
- ii. Capital budgets and any updates thereto.
- iii. Quarterly results for the Company and its operating divisions or business segments.
- iv. Minutes of meetings of the Board and Board Committees, resolutions passed by circulations and Board minutes of the unlisted subsidiary companies.
- v. The information on recruitment and remuneration of senior officers just below the board level, appointment or removal of Chief Financial Officer and the Company Secretary.
- vi. Show cause, demand, prosecution notices and penalty notices which are materially important.
- vii. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- viii. Any material default in financial obligations to and by the Company.
- ix. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- x. Details of joint venture and collaboration agreement.

REPORT ON CORPORATE GOVERNANCE CONTINUED

- xi. Transactions that may involve substantial payment towards goodwill, brand equity, or Intellectual Property (IP), if any.
- xii. Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.
- xiii. Sale of investments, subsidiaries, assets, which are material in nature and not in normal course of business.
- xiv. Quarterly details of foreign exchange exposures and steps taken by management to limit the risks of adverse exchange rate movement, if material.
- xv. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- xvi. Compliance reports pertaining to all applicable laws to the Company and instances of non-compliances, if any, as well as steps taken to rectify such instances.
- xvii. Updates on Succession Planning for appointment to the Board of Directors and Senior Management.

Board Procedures

The Board meetings are governed by structured agenda. The agenda along with comprehensive notes and background material are circulated well in advance to all the Directors for facilitating effective discussion and decision making. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. Presentations are made by the management on the Company's operations and other important matters on a periodic basis. The proceedings of the meetings of the Board and its Committees are recorded in the form of minutes and the draft minutes are circulated to the Board for perusal. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions promptly.

In line with the requirements of the SEBI LODR Regulations 2015 and the Companies Act, 2013, the Board at its meeting held on May 10, 2017 has evaluated the performance of all Independent Directors and has noted that the result of evaluation was satisfactory.

Code of Conduct

Code of Conduct is derived from three interlinked fundamental principles, viz.; good corporate governance, good corporate citizenship and exemplary personal conduct. The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code also provides for the duties of Independent Directors as laid down in the Companies Act, 2013. The Company has obtained confirmation of compliance with the Code from all members of the Board and Senior Management of the Company for the Financial Year 2016-17. As required under Regulation 34(3) read with Schedule V of the SEBI LODR Regulations 2015, the declaration on compliance of the Company's Code of Conduct signed by Joint Managing Director forms part of this Report as Annexure A.

Risk Assessment

The Board of Directors are responsible for framing, implementing and monitoring the risk management plan for the Company. The management has put in place the procedures to inform and update the Board about various risk identification, assessment and minimization procedures.

Induction and Familiarisation Programme for Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the SEBI LODR Regulations 2015, the Company has an Induction and Familiarization process for Independent Directors that includes background material, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company.

The Directors are provided with all necessary documents, brochures, reports and internal policies and procedures to enable them to understand the working of the Company. They are also given periodic presentation in the Board and Committee meetings in order to provide details on the business and performance updates, Company's strategy and operating plans, key issues on corporate governance, code of business conduct, risk management issues, etc.

The details of the above discussed induction and familiarisation programme are disclosed on the Company's website and can be accessed at <http://www.thephoenixmills.com/ThePhoenixMillsDirectorsFamiliarizationProgramforIndependentDirectors.pdf>.

Board Committees

I. Audit Committee Constitution

The Company's Board has an Audit Committee consisting of qualified members. As on March 31, 2017, the Committee comprised of one Executive and two Independent Non-Executive Directors. All members of the Audit Committee have financial knowledge and

REPORT ON CORPORATE GOVERNANCE CONTINUED

expertise as mandated by Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI LODR Regulations 2015. Mr. Amit Kumar Dabriwala, Chairman of the Committee holds a bachelors' degree in Commerce from the Calcutta University and has expertise in accounting and financial management domain. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2016-17, 4 (four) Audit Committee meetings were held i.e. on May 13, 2016, August 11, 2016, November 14, 2016 and February 14, 2017. The composition of the Audit Committee and the number of meetings attended by each member is as follows:

Committee Members	Category	No. of Meetings Attended (total held)
Mr. Amit Kumar Dabriwala (Chairman)	Independent Director	4 (4)
Mr. Atul Ruia	Joint Managing Director	4 (4)
Ms. Shweta Vyas	Independent Director	4 (4)

Attendees

The Audit Committee invites such executives, as and when it considers appropriate to be present at the meetings. The Director – Finance, the Internal Auditors and the Statutory Auditors also remain present as invitees for the meetings of Audit Committee. Mr. Amit Kumar Dabriwala, Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 8th September, 2016.

Terms of Reference of the Audit Committee

The terms of reference of the Audit Committee are in accordance with all the items listed in Part C of Schedule II of SEBI LODR Regulations 2015 and Section 177 of the Companies Act, 2013 which are as follows:

- i. Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are true and accurate and provide sufficient information;
- ii. Recommending to the Board, appointment, re-appointment and, if required, replacement or removal of the Statutory Auditor and fixation of their terms of appointment and remuneration;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors, if any;
- iv. Reviewing, with the management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on 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.
- v. Reviewing with the Management, quarterly Financial Statements before submission to the Board for approval;
- vi. Reviewing with the Management, performance of Statutory and Internal Auditors, adequacy of internal control systems;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Monitoring the end use of funds raised through public offers and related matters, if any;
- xii. Evaluation of internal financial controls and risk management systems;
- xiii. Reviewing the adequacy of internal audit function 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;

REPORT ON CORPORATE GOVERNANCE CONTINUED

- xiv. Discussion with Internal Auditors with respect to the coverage and frequency of internal audits as per the annual audit plan, nature of significant findings and follow up thereof;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xvi. Obtaining an update on the Risk Management Framework and the manner in which risks are being addressed;
- xvii. Review all significant transactions and arrangements entered into by the unlisted subsidiary companies;
- xviii. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xix. Review the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- xx. Review of the functioning of Whistle Blower mechanism;
- xxi. Approve appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xxii. Reviewing the Management Discussion and Analysis of financial condition and results of operations;
- xxiii. Review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- xxiv. Review the financial statements, in particular, the investments made by unlisted subsidiaries;
- xxv. Review the management letters/letters of internal control weaknesses issued by the statutory auditors;
- xxvi. Review the appointment, removal and terms of remuneration of the Chief Internal Auditor;
- xxvii. Review the Internal Audit Report relating to internal control weaknesses;
- xxviii. Review quarterly statement of deviations including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations 2015;
- xxix. Review annual statement of deviations of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI LODR Regulations 2015;
- xxx. 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 offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter; and
- xxxi. Carry out such other responsibility as may be provided by the Companies Act, 2013 and the SEBI LODR Regulations 2015.

II. Nomination and Remuneration Committee

Constitution

The Company's Board has constituted a Nomination and Remuneration Committee consisting of qualified members. As on March 31, 2017, the Committee comprises of three Non-Executive Independent Directors. Ms. Shweta Vyas, Non-Executive Independent Director is the Chairperson of the Committee. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2016-17, 2 (two) meetings of the Nomination and Remuneration Committee were held on May 13, 2016 and February 14, 2017.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by each member is as follows:

Committee Members	Category	No. of Meetings Attended (total held)
Ms. Shweta Vyas (Chairperson)	Independent Director	2 (2)
Mr. Sivaramakrishnan Iyer	Independent Director	1 (2)
Mr. Amit Kumar Dabriwala	Independent Director	2 (2)

REPORT ON CORPORATE GOVERNANCE CONTINUED

Ms. Shweta Vyas, Chairperson of the Nomination and Remuneration Committee attended the last Annual General Meeting of the Company held on 8th September, 2016.

Terms of reference of Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee are in accordance with Part D of Schedule II of the SEBI LODR Regulations 2015 and Section 178 of the Companies Act, 2013 which are as follows:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director;
- ii. Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in the policy;
- iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel;
- iv. Review and recommend the structure, size and composition of the Board and Board Committees;
- v. Formulation of criteria for evaluation of performance of all the Directors including Independent Directors;
- vi. Carry out evaluation of every Director's performance and recommend to the Board appointment/removal based on his/her performance;
- vii. Devising a policy on Board diversity;
- viii. Recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- ix. Assist the Board in implementing corporate governance practices;
- x. Development of a succession plan for the Board and to regularly review the plan;
- xi. Whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- xii. To consider any other matters as may be requested by the Board.

Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations 2015, the Board has adopted an Annual Performance Evaluation Policy which is available on the Company's website at <http://www.thephoenixmills.com/PMLAnnualPerformanceEvaluationPolicy.pdf>. In terms of the criteria specified in the Policy and as per the statutory provisions, the Independent Directors had a separate meeting on February 14, 2017 without the presence of the Management in which they discussed and evaluated the performance of the Chairman, Executive Directors and Key Managerial Personnel and the Board as a whole through evaluation feedback forms. The Nomination and Remuneration Committee at its meeting held on February 14, 2017 also evaluated the performance of the Individual Directors including the Independent Directors and the Board as a whole. On the basis of the feedback and report of the Independent Directors and the Nomination and Remuneration Committee, the Board at its meeting held on May 10, 2017 has also evaluated the performance of individual directors, Board Committees and the Board and has noted its satisfaction on the outcome.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee of the Board of Directors of the Company has formulated a policy for determining qualifications, positive attributes and independence of a director and other related matters provided under sub section (3) and (4) of Section 178 of the Companies Act, 2013 which is appended as Annexure III in the Board's Report.

The Company hereby affirms that the remuneration paid to the Directors is as per the terms laid in the duly approved and adopted Nomination and Remuneration Policy of the Company.

Details of remuneration to Directors during FY 2016-17:

Non-Executive Directors

Non-Executive Directors are eligible for sitting fees and commission which cannot exceed the limit prescribed in the Companies Act, 2013. The remuneration payable to Non-Executive Directors is decided by the Independent Directors' Remuneration Committee of the Board of Directors subject to the approval of members of the Company. The Independent Directors are eligible for sitting fees of ₹ 30,000/- and ₹ 15,000/- for attending each meeting of the Board and Audit Committee, respectively. Pursuant to the approval of the shareholders at their Annual General Meeting held on September 9, 2015, the Independent Directors' Remuneration Committee of the Board of Directors determines the quantum of commission payable to the Independent Directors and makes suitable recommendations to the Board in this regard.

REPORT ON CORPORATE GOVERNANCE CONTINUED

The Committee has accordingly, recommended that a sum of 13,00,000/- be distributed equally among the four Independent Directors who have served on the Company's Board during the Financial Year 2016-17. As per provisions of the Companies Act 2013 and SEBI LODR Regulations 2015, Independent Directors are not entitled to any stock options. Except as disclosed, there are no pecuniary relationships or transactions between the non-executive directors and the Company during the last Financial Year 2016-17.

Details of sitting fees and commission paid to Non-Executive Independent Directors during the Financial Year 2016-17 are as under:

Name of the Director	Sitting Fees paid (₹)		*Commission to be paid (₹)
	Board Meeting	Audit Committee	
Mr. Amit Kumar Dabriwala	120,000	60,000	325,000
Mr. Amit Dalal	120,000	NA	325,000
Mr. Sivaramakrishnan Iyer	90,000	NA	325,000
Ms. Shweta Vyas	120,000	60,000	325,000
Total	450,000	120,000	1,300,000

*Commission will be paid to the Independent Directors after adoption of accounts for the Financial Year ended March 31, 2017 by the shareholders at the ensuing Annual General Meeting.

Executive Directors:

The appointment of Executive Directors is governed by resolutions passed by the Board of Directors and shareholders of the Company, which cover the terms of such appointment and are implemented in conjunction with the service rules of the Company. Remuneration paid to the Executive Directors i.e. Mr. Ashokkumar Ruia and Mr. Atul Ruia, which is recommended by the Nomination and Remuneration Committee and approved by the Board, is within the respective limits approved by the shareholders through Postal Ballot on May 25, 2015. Mr. Shishir Shrivastava, Joint Managing Director and Mr. Pradumna Kanodia, Director Finance do not draw any remuneration from the Company.

Details of remuneration paid by the Company to Executive Directors during the Financial Year ended March 31, 2017 are given below:

Name of the Director	Designation	Salary (₹)	Contribution to PF (₹)	Pension (₹)	Perquisites & Allowances (₹)	Commission Payable	Performance Linked Incentive	Bonus / Incentive	Total (₹)	Stock Options Granted
Mr. Ashokkumar Ruia	Chairman & Managing Director	10,000,000	Nil	Nil	Nil	Nil	Nil	Nil	10,000,000	Nil
Mr. Atul Ruia	Jt. Managing Director	10,000,000	Nil	Nil	Nil	Nil	Nil	Nil	10,000,000	Nil

Note: Severance fees and notice period is not applicable to the Executive Directors.

Details of Stock Options granted to the Executive Directors

Pursuant to The Phoenix Mills Employees Stock Option Plan 2007, Mr. Pradumna Kanodia, Director - Finance has been granted 1,05,556 stock options on March 26, 2015 at a discount of 10% to the market price of ₹ 352/- i.e. at a price of ₹ 316.80/- per share. Further, Mr. Shishir Shrivastava, Joint Managing Directors has been granted 20,000 stock options on October 24, 2016 at a discount of 10% to the market price of ₹ 371/- i.e. at a price of ₹ 333.90/- per share. The options will vest over a period of 5 years from the date of grant as under:

Sr. No.	Vesting date	% of Options that shall Vest
1	12 months from the Grant Date	10%
2	24 months from the Grant Date	15%
3	36 months from the Grant Date	20%
4	48 months from the Grant Date	25%
5	60 months from the Grant Date	30%
Total		100%

No other Director has been granted any stock options during the Financial Year 2016-17

REPORT ON CORPORATE GOVERNANCE CONTINUED

III. Stakeholders' Relationship Committee

Constitution

The Stakeholders' Relationship Committee of the Company has been constituted for redressal and satisfaction of investors' grievances and approval of requests for transfer and transmission of shares, transposition and deletion of name in the Register of Members, addressing to the complaints of shareholders including, non-receipt of declared dividends, non-receipt of Annual Report, revalidation of dividend warrants, approval of requests for change of address, consolidation and split of shares, etc. The Stakeholders' Relationship Committee meets as often as required.

The Stakeholders' Relationship Committee comprises of three directors of whom one is an Independent Director. Mr. Amit Kumar Dabriwala, Independent Director chairs the meetings of the Stakeholders' Relationship Committee.

The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2016-17, 7 (seven) meetings of Stakeholders' Relationship Committee were held i.e. on April 7, 2016, May 4, 2016, June 3, 2016, July 26, 2016, August 11, 2016, September 1, 2016 and March 3, 2017.

The present composition of the Stakeholders' Relationship Committee and the number of meetings attended by the Committee members are as under:

Name of Director	Category	No. of Meetings Attended (total held)
Mr. Amit Kumar Dabriwala (Chairman)	Independent Director	7 (7)
Mr. Ashokkumar Ruia	Chairman and Managing Director	7 (7)
Mr. Atul Ruia	Joint Managing Director	6 (7)

Mr. Amit Kumar Dabriwala, Chairman of the Stakeholders' Relationship Committee attended the last Annual General Meeting of the Company held on 8th September, 2016.

Compliance Officer

Ms. Puja Tandon, Company Secretary, acts as the Company's Compliance Officer and is responsible for complying with the requirements of the SEBI LODR Regulations 2015. Mr. Pradumna Kanodia, Director-Finance has been appointed as the Compliance Officer to ensure compliances with the Company's Code of Conduct for Regulating & Reporting Trading by Insiders 2015 adopted as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

Investor Complaints

During the Financial Year 2016-17, the Company had received following 6 complaints from shareholders/investors which were solved to the satisfaction of the shareholders/investors. There were no complaints pending as at the end of the year.

Nature of Complaints	Received	Resolved	Closing
Non Receipt of Share Certificate(s)	4	4	0
Non Receipt of Dividend	2	2	0
Total	6	6	0

Share Transfers in Physical Mode

Shares received for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects.

IV. Corporate Social Responsibility Committee

Constitution

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company have formed a Corporate Social Responsibility ("CSR") Committee. The Committee has framed a Corporate Social Responsibility Policy, the purpose of which is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

The framework enables to put in place, policies and practices in line with this Policy. The CSR Policy is an attempt to showcase the linkage of our social objectives with business strategy. The CSR Committee comprises of three directors of whom one is an Independent

REPORT ON CORPORATE GOVERNANCE CONTINUED

Director. Mr. Ashokkumar Ruia, Chairman and Managing Director is the Chairman of the CSR Committee. The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2016-2017, 3 (three) meetings of Corporate Social Responsibility Committee were held on May 13, 2016, August 11, 2016 and February 14, 2017.

The present composition of the Corporate Social Responsibility Committee and the number of meetings attended by the Committee Members are as under:

Committee members	Category	No. of Meetings Attended (total held)
Mr. Ashokkumar Ruia (Chairman)	Chairman and Managing Director	3 (3)
Mr. Atul Ruia	Joint Managing Director	3 (3)
Ms. Shweta Vyas	Independent Director	3 (3)

The Company's Corporate Social Responsibility Policy is disclosed on the Company's website and can be accessed at <http://www.thephoenixmills.com/CSRPolicy.pdf>.

V. Compensation Committee

Constitution

The Compensation Committee of the Board has been constituted in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, to formulate and monitor ESOP plans, decide on future grants, allot shares upon exercise of options and to do all such acts relating to stock options. As on March 31, 2017, the Committee comprises of four directors of whom three are Independent Directors. Mr. Sivaramakrishnan Iyer, Independent Director is the Chairman of the Compensation Committee. The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2016-17, three meetings of the Compensation Committee were held on June 7, 2016, September 12, 2016 and October 24, 2016.

The present composition of the Compensation Committee and the number of meetings attended by the Committee Members are as under:

Committee Members	Category	No. of Meetings Attended (total held)
Mr. Sivaramakrishnan Iyer (Chairman)	Independent Director	2 (3)
Mr. Atul Ruia	Joint Managing Director	2 (3)
Mr. Amit Kumar Dabriwala	Independent Director	3 (3)
Ms. Shweta Vyas	Independent Director	3 (3)

VI. Finance and Investment Committee

Constitution

The Finance and Investment Committee of the Company has been constituted to make investments in its subsidiary companies, place inter corporate deposits, advance loans to its subsidiaries or other bodies corporate and borrow or raise finance from various banks, financial institutions etc. from time to time. The Finance and Investment Committee meets as often as required. The Committee comprises of three directors, all of whom are Executive Directors. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2016-17, 13 (thirteen) meetings of the Finance and Investment Committee were held on April 1, 2016, July 12, 2016, July 30, 2016, September 29, 2016, October 12, 2016, November 7, 2016, November 24, 2016, December 13, 2016, December 22, 2016, January 2, 2017, February 23, 2017, March 22, 2017 and March 30, 2017.

REPORT ON CORPORATE GOVERNANCE CONTINUED

The present composition of the Finance and Investment Committee and the number of meetings attended by the Committee Members are as under:

Committee Members	Category	No. of Meetings Attended (total held)
Mr. Atul Ruia	Joint Managing Director	11 (13)
Mr. Shishir Shrivastava	Joint Managing Director	13 (13)
Mr. Pradumna Kanodia	Director – Finance	12 (13)

Company Policies

I. Policy on Related Party Transactions

In compliance with the requirements of Section 188 of the Companies Act 2013 and Rules made thereunder and Regulation 23 of the SEBI LODR Regulations 2015, the Board of Directors of the Company have adopted policy and procedures with regard to Related Party Transactions in order to ensure transparency and procedural fairness of such transactions.

This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations. The Policy intends to ensure proper approval and reporting of transactions as applicable, between the Company and its related parties in the best interest of the Company and its stakeholders.

Provisions of this policy are designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of related party transactions, in terms of the applicable laws.

The Company's Policy on Related Party Transaction is uploaded for viewing on its website and can be accessed at <http://www.thephoenixmills.com/RelatedPartyTransactionPolicy.pdf>.

II. Policy on Material Subsidiaries

In line with the requirements of the SEBI LODR Regulations 2015, the Board of Directors of the Company have adopted the Policy on Material Subsidiaries which sets out the criteria to identify material subsidiaries of the Company and define processes and procedures for any transactions with it.

The Company's Policy on Material Subsidiaries is disclosed on its website and can be accessed at <http://www.thephoenixmills.com/MaterialSubsidiariespolicy.pdf>.

III. Policy on Whistle Blower/Vigil Mechanism

The 'Vigil Mechanism Policy' or the 'Whistle blower Policy' in line with Section 177(9) & (10) of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of the SEBI LODR Regulations 2015 is framed and implemented with a view to provide mechanism for employees and directors of the Company to raise genuine concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. and instances of unethical behaviour, actual or suspected or violation of the Company's code of conduct.

The Whistle Blower Policy allows the employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their superior. The Policy ensures that the employees are protected against victimization/any adverse action and/or discrimination as a result of such a reporting, provided it is justified and made in good faith. No personnel have been denied access to the Chairman of the Audit Committee during the FY 2016-17.

The Company's Policy on Whistle Blower/Vigil Mechanism is disclosed on its website and can be accessed at <http://www.thephoenixmills.com/PMLWhistleblowerPolicy.pdf>.

IV. Policy on Annual Performance Evaluation

In order to meet the expectations of all the stakeholders at large, the Board of Directors of the Phoenix Mills Limited have devised a Policy for evaluation of the performance of the individual members of the Company's Board as well as the Board Committees and the Board as a whole, which can contribute significantly to improve performance at three levels: the organizational, Board and individual Director level. It also helps in increased accountability, better decision making, enhanced communication and more efficient board operations.

REPORT ON CORPORATE GOVERNANCE CONTINUED

Material Subsidiary Companies

As per Regulation 16(1)(c) of the SEBI LODR Regulations 2015, Palladium Constructions Private Limited qualifies to be a material unlisted Indian subsidiary of the Company for the Financial Year 2016-17. In terms of Regulation 24(1) of the SEBI LODR Regulations 2015, Mr. Amit Kumar Dabriwala, Independent Director of the Company is a Director on the Board of Palladium Constructions Private Limited.

General Body Meetings

I. Annual General Meetings

i. Location, time and date of the last three Annual General Meetings (AGMs) are given below:

Financial Year	Date	Time	Location of the Meeting
2013-14	26.08.2014		
2014-15	09.09.2015	03.30 P.M.	Indian Merchants' Chamber, 4 th floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020
2015-16	08.09.2016		

ii. Special Resolutions passed during previous three Annual General Meetings:

Financial Year	Particulars of Special Resolutions Passed
2013-14	(1) Power to Borrow monies in excess of paid up capital and free reserves of the Company in terms of section 180(1)(c) of the Companies Act, 2013 (2) Power to create security in excess of paid up capital and free reserves of the Company in terms of section 180(1)(a) of the Companies Act, 2013
2014-15	None
2015-16	None

iii. No special resolution is proposed to be passed at the ensuing Annual General Meeting.

II. Extra-Ordinary General Meeting

- During the year under review, no Extra-ordinary General Meeting was held.
- There were no resolutions passed by the Company through postal ballot during the Financial Year 2016-17 post the date of the last Board's Report.
- As on the date of this Report, the Company does not propose to pass any resolution by way of postal ballot.

Means of Communication

- The Company regularly publishes its quarterly and annual results in "Business Standard" (English daily) and "Mumbai Lakshadweep" (Marathi daily) and simultaneously posts them on the Company's corporate website (<http://www.thephoenixmills.com/>). In addition, the quarterly shareholding patterns, Annual Reports, Board meeting notices, press releases and other shareholder communications are also regularly posted on the corporate website of the Company. Significant events, if any, during the financial year, are reported to the Stock exchange and also posted on the website of the Company from time-to-time.
- The quarterly results are submitted to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) immediately after conclusion of respective Board Meetings at which the same are taken on record and approved by the Board of Directors of the Company.
- Quarterly presentations made to institutional investors or to analysts during the year under review were promptly uploaded on the website of the Company.
- The Management Discussion and Analysis Report forms part of this Annual Report.

CEO/CFO Certification

In terms of the requirement of Regulation 17(8) of the SEBI LODR Regulations 2015, the Joint Managing Director and Director -Finance have submitted a certificate to the Board of Directors in the prescribed format for the year under review which is attached as Annexure B to this Report.

REPORT ON CORPORATE GOVERNANCE CONTINUED

General Shareholder Information

- I Annual General Meeting**
- Day, Date and Time** : Monday, September 25, 2017 at 3.30 P.M.
- Venue** : Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai - 400 020
- II. Financial Year** : The Company follows April-March as its financial year.
- III. Unaudited financial reporting for the quarter ending (tentative);**
- June 30, 2017** : On or before 14th August, 2017
- September 30, 2017** : On or before 14th November, 2017
- December 30, 2017** : On or before 14th February, 2018
- March 31, 2018** : On or before 30th May, 2018
- AGM for the year ending 31st March, 2018** : On or before 30th September, 2018
- IV. Book Closure** : September 20, 2017 to September 25, 2017 (both days inclusive)
- V. Dividend** : ₹ 2.40/- per equity share of ₹ 2/- each (120% of the face value of the shares)
- VI Dividend Payment** : The Dividend, if declared, by the shareholders at the AGM shall be paid/credited within 30 days of the AGM.
- VII. Listing on Stock Exchanges** : The Company's securities are listed on the following Stock Exchanges
- BSE Limited ('BSE')**
Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001
- National Stock Exchange of India Limited ('NSE')**
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
- The Company has already paid the annual listing fees for the Financial Year 2017-18 to the Stock Exchanges (BSE and NSE) as well as custodial fees to the depositories within the prescribed time.
- VIII Traded Securities** : The securities of the Company have not been suspended from trading from any of the aforesaid Stock Exchanges during the financial year 2016-17
- IX. Scrip Code/Symbol** : BSE : 503100
NSE : PHOENIXLTD
- X. Corporate Identification Number (CIN)** : L17100MH1905PLC000200
Traded on the BSE Limited and National Stock Exchange of India Limited
- XI. Plant Locations** : The Company does not carry any manufacturing activities and hence does not have any plant locations.

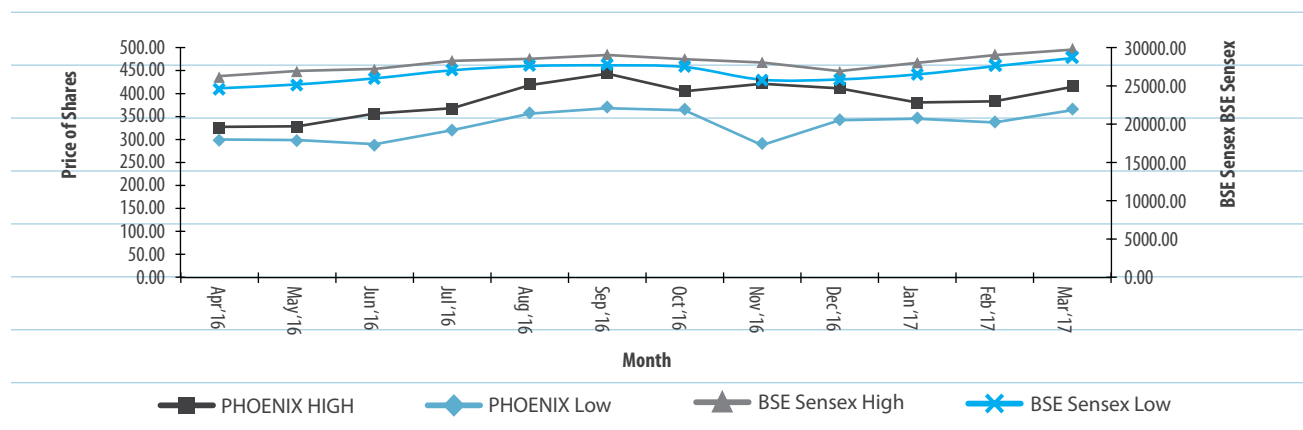
REPORT ON CORPORATE GOVERNANCE CONTINUED

Performance in comparison with BSE Sensex and NSE Nifty

The monthly high and low quotations of shares traded on the BSE Limited and National Stock Exchange of India Limited along with the volumes is as follows:

Month	Phoenix Mills on BSE		S & P BSE SENSEX		Volume (₹)
	High	Low	High	Low	
Apr-16	324.95	298.00	26,100.54	24,523.20	4,520,236
May-16	326.00	297.05	26,837.20	25,057.93	2,547,434
Jun-16	355.00	287.20	27,105.41	25,911.33	5,824,112
Jul-16	367.00	319.90	28,240.20	27,034.14	10,348,545
Aug-16	419.00	357.50	28,532.25	27,627.97	16,524,541
Sep-16	445.00	370.00	29,077.28	27,716.78	14,348,706
Oct-16	405.45	365.20	28,477.65	27,488.30	3,923,852
Nov-16	422.00	285.05	28,029.80	25,717.93	18,637,791
Dec-16	411.85	342.50	26,803.76	25,753.74	37,985,731
Jan-17	379.80	346.00	27,980.39	26,447.06	20,949,316
Feb-17	382.45	337.55	29,065.31	27,590.10	20,112,172
Mar-17	414.95	365.45	29,824.62	28,716.21	608,090,016

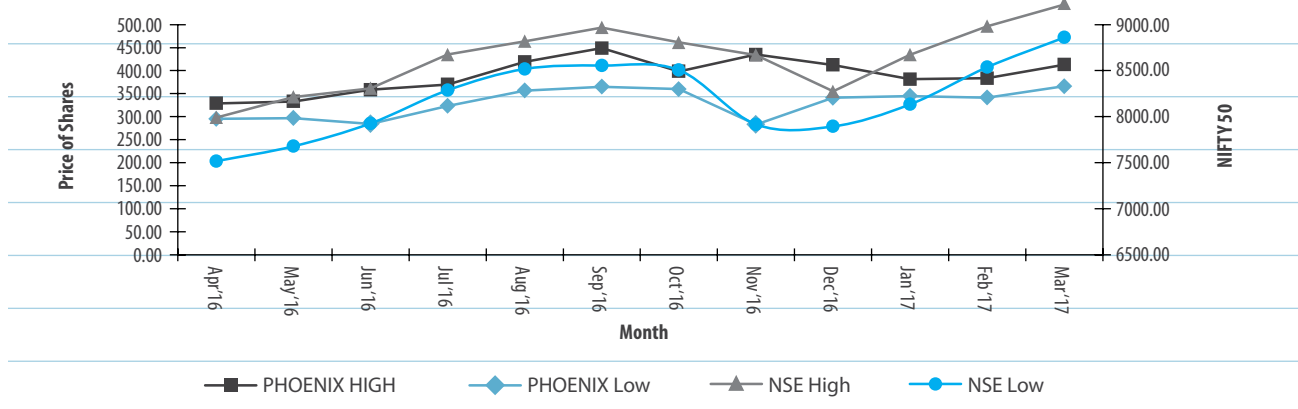
Monthly High-Low Share Price / BSE Sensex



REPORT ON CORPORATE GOVERNANCE CONTINUED

Month	Phoenix Mills on NSE		NIFTY 50		Volume (₹ In Lacs)
	High	Low	High	Low	
Apr-16	328.90	295.05	7,992.00	7,516.85	1,455.79
May-16	333.00	297.00	8,213.60	7,678.35	4,577.40
Jun-16	358.70	284.50	8,308.15	7,927.05	3,489.58
Jul-16	369.85	323.30	8,674.70	8,287.55	1,503.90
Aug-16	419.00	356.70	8,819.20	8,518.15	8,742.54
Sep-16	448.95	365.10	8,968.70	8,555.20	6,187.29
Oct-16	398.45	360.00	8,806.95	8,506.15	1,743.02
Nov-16	434.90	283.10	8,669.60	7,916.40	3,215.20
Dec-16	412.45	341.10	8,274.95	7,893.80	2,681.20
Jan-17	381.25	345.00	8,672.70	8,133.80	3,857.82
Feb-17	383.45	341.25	8,982.15	8,537.50	4,036.38
Mar-17	413.00	366.00	9,218.40	8,860.10	13,533.41

Monthly High-Low Share Price / NSE Nifty



Share Transfer System:

The Registrars and Share Transfer Agent of the Company receives applications for transfer of shares held in physical form. They attend to share transfer formalities every fortnight.

Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agent of the Company periodically receives the beneficiary holdings from the Depository, so as to enable them to update their records for sending all corporate communications, dividend warrants, etc. Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

REPORT ON CORPORATE GOVERNANCE CONTINUED

Category wise Shareholding as at March 31, 2017:

Sr. No.	Category	No. of Shares held	%
1.	Promoter and Promoter Group	9,62,10,882	62.86
2.	Mutual Funds/UTI	43,27,783	2.83
3.	Banks/ Financial Institutions	1,831	0.00
4.	Foreign Institutional Investors	55,99,956	3.66
5.	Foreign Venture Capital Investors	5,50,000	0.36
6.	Foreign Portfolio Investor (Corporate)	4,02,74,953	26.31
7.	Non-Residents	1,41,686	0.09
8.	Private Bodies Corporate	21,58,518	1.41
9.	Indian Public	33,42,745	2.18
10.	Others (Clearing Members, HUF & Trusts)	4,58,553	0.30
Total		15,30,66,907	100

Distribution of Shareholding as at March 31, 2017:

No. of Equity Shares	No. of Shareholders	% of Total	No. of Shares	% of Total
1-500	5462	83.8373	5,73,531	0.3747
501 – 1000	361	5.5411	2,93,721	0.1919
1001 – 2000	249	3.8219	3,61,857	0.2364
2001 - 3000	101	1.5503	2,57,518	0.1682
3001 - 4000	56	0.8596	1,99,595	0.1304
4001 – 5000	42	0.6447	1,94,542	0.1271
5001 – 10000	63	0.9670	4,68,669	0.3062
10001 and above	181	2.7782	15,07,17,474	98.4651
Total	6515	100.00	15,30,66,907	100

Dematerialization of Shares and Liquidity:

About 99.67% of the shares have been dematerialized as on March 31, 2017. The International Security Identification Number (ISIN) allotted to the Company's equity shares is INE211B01039.

The Company has not issued any GDRs/ADRs. There were no outstanding convertible warrants as on March 31, 2017.

Disclosure under Part F of Schedule V of the SEBI LODR Regulations 2015 in respect of unclaimed shares:

In compliance with Regulation 39(4) read with Schedule VI of the SEBI LODR Regulations 2015, the Company has opened a demat suspense account in the name of 'The Phoenix Mills Limited - Unclaimed Suspense Account' to which unclaimed shares have been transferred. Voting rights on these shares have been frozen till the rightful owner of such shares claims the shares.

The details of unclaimed shares as on March 31, 2017 are as follows:

Particulars	No. of shareholders	No. of equity shares
Unclaimed shares as on April 1, 2016	1476	1,717,800
Details of shareholders who approached the Company for unclaimed shares during the financial year 2016-17	41	1,83,750
No. of shares claimed during the financial year 2016-17	41	1,83,750
Unclaimed shares as on March 31, 2017	1435	1,534,050

REPORT ON CORPORATE GOVERNANCE CONTINUED

Status of Dividend declared in the last five years

Status of the dividend declared by the Company for the last five years is as under:

Financial Year	Rate of Dividend	Total pay-out (in ₹)	Amount paid to the shareholders (in ₹)	Amount remaining unclaimed by shareholders as on March 31, 2017 (in ₹)
Final Dividend 2015-16	22.5%	68,875,358.40	68,217,989.40	657,369.00
Interim Dividend 2015-16	87.5%	267,730,491.00	265,201,426.00	2,529,065.00
Final Dividend 2014-15	110%	336,575,474.40	333,665,930.40	2,909,544.00
Final Dividend 2013-14	110%	318,659,979.00	315,978,165.80	2,681,813.20
Final Dividend 2012-13	110%	318,659,979.00	316,022,190.00	2,637,789.00
Final Dividend 2011-12	100%	289,690,890.00	287,272,232.00	2,418,658.00

Shares held in Physical Form

Please note that in terms of SEBI Circulars No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and No. SEBI/MRD/DoP/SE/RTA/Cir-03/2010 dated January 7, 2010, it is mandatory for the shareholders holding shares in physical form to submit self-attested copy of PAN card in the following cases:

- Transferees' PAN Cards for transfer of shares;
- Surviving joint holders' PAN Cards for deletion of name of deceased shareholder;
- Legal heirs' PAN Cards for transmission of shares;
- Joint holders' PAN Cards for transposition of shares.

In compliance with the aforesaid circulars, requests without attaching copies of PAN card, for transfer/deletion/transmission and transposition of shares of the Company in physical form will be returned under objection.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that:

- Instructions regarding bank details which they wish to have incorporated in future dividend warrants must be submitted to the Depository Participants (DP). As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

Other Disclosures

Disclosure on Materially Significant Related Party Transactions

Required statements/disclosures, with respect to the related party transactions, are placed before the Audit Committee on a quarterly basis in terms of Regulation 23 of the SEBI LODR Regulations 2015 and other applicable laws for approval/information. None of the transactions with any of the related parties were in conflict with the interests of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in the Notes to Accounts in the financial statements for the Financial Year ended March 31, 2017.

Details of Non-compliance with regard to the Capital Market

The Company has complied with the requirements of regulatory authorities on Capital Markets and no penalty/stricture was imposed on the Company during the last three years.

Compliance with the mandatory requirements of the SEBI LODR Regulations 2015

The Company has complied with all the mandatory requirements of Corporate Governance as provided in the SEBI LODR Regulations 2015. The Company has also obtained a certificate from M/s. Rathi & Associates, Practicing Company Secretaries affirming the compliances which is enclosed with the Board's Report.

REPORT ON CORPORATE GOVERNANCE CONTINUED

Disclosure on Commodity Price Risk and Commodity Hedging

Since the Company is not engaged in the field of manufacturing goods, disclosures on commodity price risk, foreign exchange risk and commodity hedging activity are not applicable to the Company.

Compliance with the Non-Mandatory Requirements

As per Regulation 27(1) read with Part E of Schedule II to the SEBI LODR Regulations 2015, the Company has complied with the non-mandatory requirements as under:

A. The Board

Mr. Ashokkumar Ruia is the Executive Chairman of the Company. Hence this provision is not applicable to the Company.

B. Shareholders' Rights

Since the quarterly and annual results are published in English and regional language newspapers and displayed on Company's website as well, half yearly financial results including summary of significant events in the past six months are presently not being sent to the Shareholders.

C. Audit Qualifications

The financial statements of the Company for the Financial Year ended March 31, 2017 are unqualified.

D. Separate Posts of Chairman and CEO

The positions of Chairman and CEO are separate. Mr. Ashokkumar Ruia performs the role of the Chairman and Mr. Atul Ruia performs the role of the CEO.

E. Reporting of Internal Auditor

The Internal Auditors directly report to the Audit Committee of the Company's Board of Directors.

Communication Address

I. Address for shares related correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares:

Registrar & Share Transfer Agent

Link Intime India Private Limited
C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083
Tel. No.: 022-49186000
Fax No.: 022-49186060
Email: mumbai@linkintime.co.in

II. Address for general correspondence

Mr. Mangesh Satvilkar
Investor Relations Officer
The Phoenix Mills Limited
462, Senapati Bapat Marg
Lower Parel, Mumbai - 400 013
Tel No.: 022-30016600
Fax No.: 022- 30016818
Email: investorrelations@highstreetphoenix.com

Place: Mumbai
Date: August 2, 2017

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Code of Conduct Declaration

[Pursuant to Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015]

This is to certify that The Phoenix Mills Limited ('the Company') has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the Company's corporate website (<http://www.thephoenixmills.com>).

It is further certified that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code for the Financial Year ended March 31, 2017.

Place: Mumbai
Date: May 10, 2017

Shishir Shrivastava
Joint Managing Director
DIN: 01266095

Certification issued by CEO/CFO with respect to the Financial Statements for the Financial Year ended March 31, 2017 pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Mr. Atul Ruia, Joint Managing Director and Mr. Pradumna Kanodia, Director- Finance & Group Chief Financial Officer of The Phoenix Mills Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Audited Consolidated and Standalone Financial Results of the Company for the financial year ended March 31, 2017 along with the Audit Report from the Statutory Auditors, M/s A.M. Ghelani & Company and M/s Chaturvedi & Shah, Chartered Accountants and all the schedules and notes thereon, as well as the cash flow statements;
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit to state a material fact necessary, to make the statements made, in light of the circumstances under which such statements were made, or contain statements that might be misleading;
3. Based on our knowledge and information, the financial statements and other financial information included in this report, presents in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operation and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have also 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 what we have done or propose to do to rectify these deficiencies.
6. We have disclosed based on recent evaluation, wherever applicable, to the Company's auditors and the audit committee instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee who has a significant role in the Company's internal control system over financial reporting;
7. We have indicated to the Auditors and the Audit Committee about significant changes, if any, in internal control over financial reporting during the current Financial Year 2016-17;
8. We have indicated to the Auditors and the Audit Committee about significant changes in the accounting policies during the period, if any, and the same has been disclosed in the notes to the financial statements;
9. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the Financial Year 2016-17.

Atul Ruia
Joint Managing Director
DIN: 00087396

Pradumna Kanodia
Director – Finance & Group CFO
DIN: 01602690

Place: Mumbai
Date: May 10, 2017