

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a report on Corporate Governance for the year ended 31st March, 2018 is given below:

1. Company's Philosophy on Code of Governance

Your Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and ethical behavior in all spheres of its operations and in all its communications with its stakeholders.

2. Board of Directors

(a) Composition

The Board of Directors of your Company has an optimum and appropriate combination of Executive and Non-Executive Directors.

As on 31st March, 2018, the Board comprises of 8 Directors out of which 3 Directors are Executive and 5 Directors are Non-Executive Independent including one Woman Director. The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations. All Directors are competent and experienced personalities in their respective fields.

During the year 2017-18, there were certain changes at the Board level as under:

- Mr. Kailash R Lalpuria, Executive Director of the Company resigned from the Board w.e.f. 13th November, 2017 and continued as "Group President" of the Company.
- Mr. Sushil Kumar Jiwarajka, Non Executive Independent Director of the Company resigned from the Board w.e.f. 13th November, 2017

The composition of the Board, details of other Directorships and Committee positions as on 31st March, 2018 are given below:

Name of the Director	Directors Identification Number (DIN)	Category of Directorship	Number of Directorships held in public companies#	No. of Committee positions [@]	
				As Chairman	As Member
Mr. Anil Kumar Jain Executive Chairman	00086106	Promoter Executive	3	-	2
Mr. Mohit Anilkumar Jain Managing Director	01473966	Promoter Executive	1	-	1
Mr. Kailash R. Lalpuria* Executive Director	00059758	Executive	2	-	1
Mr. Kamal Mitra Director (Works)	01839261	Executive	2	-	3
Mr. P. N. Shah	00096793	Non-Executive Independent	6	5	1
Mr. R. Anand	00040325	Non-Executive Independent	4	-	3

Name of the Director	Directors Identification Number (DIN)	Category of Directorship	Number of Directorships held in public companies#	No. of Committee positions@	
				As Chairman	As Member
Mr. Dilip J. Thakkar	00007339	Non-Executive Independent	7	2	4
Mr. Prem Malik	00023051	Non-Executive Independent	7	2	5
Mr. Sushil Kumar Jiwrajka*	00016680	Non-Executive Independent	2	-	-
Dr. (Mrs.) Vaijayanti Pandit	06742237	Non-Executive Independent	10	1	8

Notes:

* Mr. Kailash R. Lalpuria and Mr. Sushil Kumar Jiwrajka resigned from the Directorship of the Company w.e.f. 13th November, 2017. Hence, number of Directorship held in Public Companies and number of Committee positions are as on 13th November, 2017.

#Number of Directorships held in public companies includes Directorship of Indo Count Industries Limited. It excludes Directorships in private companies, deemed public companies, foreign companies, companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and alternate Directorships.

@ Only Membership / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies including Indo Count Industries Limited are considered.

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limit specified under Regulation 26 (1) of the Listing Regulations.

None of the Directors hold Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Companies Act, 2013. Further, in compliance with Regulation 25(1) of the Listing Regulations, none of the Independent Directors hold Directorships in more than seven listed companies.

Inter-se relationship among Directors

There is no inter-se relationship amongst any of the Directors of the Company except Mr. Mohit Jain, Managing Director who is son of Mr. Anil Kumar Jain, Executive Chairman of the Company.

(b) Independent Directors, Meeting and Familiarisation Programme

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations. The Draft Letter of Appointment of Independent Directors is available on the website of the Company at www.indocount.com.

During the year under review, a separate Meeting of Independent Directors of the Company was held on

26th April, 2017 wherein all Independent Directors were present. At the said meeting, Independent Directors discussed and evaluated performance of the Executive Chairman, Managing Director and other Whole Time Directors, Board and its various committees and assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

Your Company has in place Familiarisation Programme for Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. The Familiarisation Programme and details of Familiarisation Programme imparted during 2017-18 are uploaded on the website of the Company at www.indocount.com and can be accessed through web-link <http://www.indocount.com/images/investor/ICIL-Familiarisation-Program.pdf> and <https://www.indocount.com/images/investor/Familiarisation-Program-imparted-2017-2018.pdf> respectively.

(c) Board Meetings

During the financial year 2017-18, Four (4) Board Meetings were held viz. on 15th May, 2017, 10th August, 2017, 14th November, 2017 and 14th February, 2018. The maximum gap between any two consecutive meetings did not exceed 120 days.

Physical Attendance of Directors at the Board Meetings and the Annual General Meeting held during the year under review is as under:

Name of the Director	No. of Board Meetings Attended	Attendance at last AGM 21 st August, 2017
Mr. Anil Kumar Jain	4/4	Yes
Mr. Mohit Jain	4/4	No
Mr. Kailash R. Lalpuria@	2/2	Yes
Mr. Kamal Mitra	4/4	Yes
Mr. P. N. Shah	4/4	No
Mr. R. Anand	4/4	No
Mr. Dilip J. Thakkar	3/4	No
Mr. Prem Malik	4/4	No
Mr. Sushil Kumar Jiwara@	1/2	No
Dr. (Mrs.) Vaijayanti Pandit	4/4	Yes

@ Mr. Kailash R Lalpuria and Mr. Sushil Kumar Jiwara@ resigned from the Directorship of the Company w.e.f 13th November, 2017.

(d) Board Meetings Procedure

The dates of Board Meetings are scheduled in advance. The agenda papers along with relevant explanatory notes and supporting documents are circulated within prescribed time to all Directors. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting.

Apart from any specific matter, the Board periodically reviews business items which includes approval of unaudited financial results along with limited review report, operational performance of the Company, noting minutes of various committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, annual budget, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of the Listing Regulations.

Action Taken Report on the decisions taken in previous Board meeting are placed before the Board in their next meeting.

3. Audit Committee

(a) Terms of reference

The scope and terms of reference of the Audit Committee covers matters specified under Part C of Schedule II of the Listing Regulations and Section 177

of the Companies Act, 2013. The terms of reference of Audit Committee inter alia includes following matters:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and disclosure of financial information.
- Reviewing with the Management, the quarterly unaudited financial results /statements and Limited Review Report thereon / audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies, if any, and major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements.
- Reviewing the Management Discussion & Analysis of financial and operational performance.
- Scrutiny of inter-corporate loans and investments.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's internal control system. Review and discuss with management, the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- Review adequacy of internal audit function, internal audit reports and discussion with Internal Auditors on significant findings and follow-up thereon.
- To oversee and review the functioning of a Vigil Mechanism and to review findings of investigation into cases of material nature and the actions taken in respect thereof.
- Approval of Related Party Transactions and review on a quarterly basis.
- Approval of appointment of Chief Financial Officer

Audit & Auditors

- Review the scope of the Statutory Auditor, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board, appointment, remuneration and terms of appointment of the Auditors.

- Approval of such other services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.

(b) Composition and Meetings

As on 31st March, 2018, the Audit Committee comprises of 4 Directors / Members out of which 3 are Independent Directors. Mr. Kailash R Lalpuria ceased to be member of Audit committee w.e.f. 13th November, 2017 consequent to his resignation from the Board. During the year under review, Mr. Kamal Mitra, Director (Works) was appointed as the member of the Audit Committee w.e.f 14th November, 2017.

All Members of the Audit Committee are professionals, experienced and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, Four (4) Audit Committee Meetings were held viz on 15th May, 2017, 10th August, 2017, 14th November, 2017 and 14th February, 2018. The time gap between any two consecutive Audit Committee Meetings was not more than 120 days.

Composition and Physical Attendance of members at the Audit Committee Meetings held during the year under review is as under:

Name of the Director	Category	No. of Audit Committee Meetings Attended
Mr. P. N. Shah, Chairman	Non-Executive, Independent	4/4
Mr. R. Anand	Non-Executive, Independent	4/4
Mr. Prem Malik	Non- Executive, Independent	4/4
Mr. Kailash R. Lalpuria (upto 13 th November, 2017)	Executive	2/2
Mr. Kamal Mitra (w.e.f 14 th November, 2017)	Executive	1/1

The representatives of the Statutory Auditors, Internal Auditors and Chief Financial Officer are invitees to the Audit Committee Meetings and they attend and participate in the Meetings. Mrs. Amruta Avasare, Company Secretary is Secretary to the Audit Committee and she attends the meetings.

Due to health reasons, Chairman of the Audit Committee was not able to travel to attend the Annual General Meeting ("AGM") held on 21st August, 2017 at Kolhapur

and authorised Mr. Kailash R. Lalpuria to represent him and answer to queries of shareholders. Mr. Kailash R. Lalpuria represented the Audit Committee Chairman at the said AGM.

4. Stakeholders' Relationship Committee

(a) Composition, Terms of Reference and Meetings

The scope and terms of reference of the Stakeholders' Relationship Committee ("SRC") inter-alia is as under:

- Consider and resolve the grievances of security holders of the Company including complaints related to transfer, transmission, demat of securities, non- receipt of annual report/declared dividends etc.
- Recommend measures for overall improvement of the quality of investor services.

During the year under review, 2 (Two) meetings of Stakeholders' Relationship Committee were held on 15th May, 2017 and 15th November, 2017.

Composition and Physical Attendance of members at the Stakeholders Relationship Committee Meetings held during the year under review is as under:

Name of the Director	Category	Attendance at the Stakeholders Relationship Committee Meetings
Dr. (Mrs) Vaijayanti Pandit Chairperson	Non-Executive, Independent	2/2
Mr. Anil Kumar Jain	Executive	2/2
Mr. Mohit Jain	Executive	2/2

(b) Compliance Officer

Mrs. Amruta Avasare, Company Secretary is Compliance Officer of the Company under Regulation 6 of the Listing Regulations.

(c) Investor Complaints

As on 1st April, 2017, 1 complaint was pending and 3 complaints were received from the shareholders during the year under review. All 4 complaints were duly resolved. As on 31st March, 2018, no complaint was pending.

Apart from complaints, 1682 queries were received during the year 2017-18 and the same were resolved.

5. Nomination and Remuneration Committee

(a) Brief description of terms of reference

The terms of reference of the Nomination and Remuneration Committee (“NRC”) includes the role stipulated in Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 which inter alia, covers:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees.
- Lay down criteria for identifying and selection of candidates for appointment as Directors/ Independent Directors and KMP and other Senior Management positions;
- Recommendation to the Board about appointment, re- appointment, removal of Directors, Senior Management Personnel and KMP in accordance with the criteria laid down.
- Recommendation to the Board on remuneration of Managing Director/Executive Directors/KMP and also revision in remuneration.
- Formulation of the criteria for evaluation of performance of every Director and carry out performance evaluation of Directors and to recommend to the Board on whether to extend or continue the term of appointment of Independent Director.
- Devising a policy on Board Diversity.

(b) Composition, Meetings and Attendance

During the year under review Mr. Anil Kumar Jain, Executive Chairman was appointed as the member of NRC. Consequent to resignation from Board, Mr. Sushil Kumar Jiwrajka ceased to be member of NRC w.e.f. 13th November, 2017.

As on 31st March, 2018, NRC comprises of 3 Directors/ Members.

During the year under review, Three (3) Meetings of NRC were held on 26th April, 2017, 15th May, 2017 and 14th November, 2017.

Composition and Physical Attendance of members at the Nomination and Remuneration Committee Meetings held during the year under review is as under:

Name of the Director	Category	Attendance at the Nomination and Remuneration Committee Meeting
Mr. Prem Malik Chairman	Non-Executive, Independent	3/3
Dr. (Mrs) Vaijayanti Pandit	Non-Executive, Independent	3/3
Mr. Sushil Kumar Jiwrajka (upto 13 th November, 2017)	Non-Executive, Independent	1/2
Mr. Anil Kumar Jain (appointed w.e.f. 13 th November, 2017)	Executive	1/1

(c) Policy for selection and appointment of Directors and their remuneration

The Nomination and Remuneration Committee (NRC) has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Key Managerial Personnel and their remuneration.

The Nomination and Remuneration Policy is given below:

I. Criteria of selection of Directors

- The Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the NRC shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The NRC shall consider the following attributes / criteria, while recommending to the Board the candidature for appointment as Director:
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.

e. In case of re-appointment of Directors, the NRC shall take into consideration the performance evaluation of the Director and his engagement level, for making recommendation to the Board.

II. Remuneration of Independent Directors

The Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board and Committee meetings and commission as detailed hereunder:

- Independent Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- Independent Directors shall also be entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the NRC.
- The NRC may recommend to the Board, the payment of commission on uniform basis, to all the Independent Directors.

d. The NRC may recommend commission for the Executive Directors taking into consideration their overall responsibilities, terms of appointment, Individual Performance, Company performance and performance evaluation.

e. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

III. Remuneration of Managing Director / Executive Directors / Senior Management Personnel

The remuneration of Managing Director and Executive Directors shall be determined after taking into account the Company's overall performance, their individual contribution for the same and trends in the industry in general. The remuneration shall be subject to the approval of the Members of the Company in General Meeting. The remuneration of Managing Director/ Whole Time Directors shall be recommended by NRC and approved by the Board within the overall limit approved by the members of the Company.

The Remuneration for Senior Management employees shall be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate operational performance benchmarks.

(d) Remuneration to Directors and other Disclosures

The remuneration of each of the Directors for the financial year ended 31st March, 2018 is as under:

Name of the Director	Tenure	Remuneration for the financial year ended 31 st March, 2018 (Amount in Lakhs)					
		Basic Salary	Perquisites & Allowances	Provident Fund	Sitting Fees	Commission*	Total
Mr. Anil Kumar Jain	3 years (upto 30 th September, 2019)	228.00	247.20	27.36	-	-	502.56
Mr. Mohit Jain	5 years (present tenure upto 8 th May, 2021)	165.00	168.00	19.80	-	-	352.80
Mr. Kailash R. Lalpuria	Resigned w.e.f. 13 th November, 2017 (Tenure was upto 30 th September, 2019)	31.17	37.50	-	-	-	68.67
Mr. Kamal Mitra	3 years (upto 30 th September, 2019)	22.58	2.82	2.72	-	-	28.12

Name of the Director	Tenure	Remuneration for the financial year ended 31 st March, 2018 (Amount in Lakhs)					
		Basic Salary	Perquisites & Allowances	Provident Fund	Sitting Fees	Commission*	Total
Mr. P. N. Shah	Upto 15 th August, 2019	-	-	-	2.50	1.00	3.50
Mr. R. Anand		-	-	-	2.50	1.00	3.50
Mr. Dilip J. Thakkar		-	-	-	2.30	1.00	3.30
Mr. Prem Malik		-	-	-	2.80	1.00	3.80
Dr. (Mrs.) Vaijayanti Pandit		-	-	-	2.80	1.00	3.80
Mr. Sushil Kumar Jiwrajka	Resigned w.e.f. 13 th November, 2017 (Tenure was upto 15 th August, 2019)	-	-	-	1.10	0.50	1.60

* Commission is for FY 2017-18

Notes:

- None of the Non-Executive Independent Directors are holding equity shares or convertible instruments of the Company as on 31st March, 2018 except Mr. Prem Malik who is holding 1,500 Equity Shares of ₹2/- each of the Company.
- There is no separate provision for payment of severance fees. The notice period for the Executive Directors is governed by the service rules of the Company.
- The Independent Directors are paid sitting fees of ₹50,000/- each for attending Board Meetings and ₹10,000/- for all Committee Meetings and Independent Directors Meetings. Apart from sitting fees, commission of ₹1,00,000/- is paid for each year.
- Apart from commission, there are no variable components and performance linked incentives.
- None of the Non-Executive Directors have any pecuniary relationship or transaction with the Company.
- The remuneration of Mr. Kailash R. Lalpuria and Mr. Sushil Kumar Jiwrajka is for the period from 1st April, 2017 to 13th November, 2017.
- The Company has taken Director's & Officers Liability Insurance which covers all directors and officers.

Criteria of making payment to Non-Executive Directors

The criteria for making payment to Non-Executive Directors of the Company is disclosed under web-link http://www.indocount.com/images/investor/ICIL_Criteria-for-making-payments-to-Non-Executive-Directors.pdf

Stock options

The Company does not have any Employee Stock Option Scheme.

6. Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013, Company has constituted Corporate Social Responsibility Committee ("CSR"). During the year under review, Mr. Mohit Jain and Mr. Kamal Mitra were appointed as the members of CSR Committee and Mr. Kailash R Lalpuria ceased to be member of the Committee w.e.f. 13th November, 2017. As on 31st March, 2018, CSR Committee comprises of Dr. (Mrs.) Vaijayanti Pandit, Non-Executive Independent Director as Chairperson, Mr. Anil Kumar Jain, Executive Chairman, Mr. Mohit Jain, Managing Director and Mr. Kamal Mitra, Director (Works) as its members.

The terms of reference of CSR Committee, inter alia, includes:

- formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

- recommend the amount of expenditure to be incurred on the CSR activities, provide guidance on various CSR activities to be undertaken by the Company.
- monitor the CSR Policy of the Company and review of CSR expenditure from time to time.

During the year under review, 2 (Two) meetings of Corporate Social Responsibility (CSR) Committee were held on 12th May, 2017 and 4th August, 2017. Both meetings were attended by all members of the committee.

A Report on CSR Activities carried out by the Company during FY 2017-18 is provided as Annexure 2 to the Board's Report.

7. (a) Share Transfer Committee

During the year under review, Mr. Kailash R. Lalpuria ceased to be member of the committee consequent to his resignation from the Board on 13th November, 2017 and Mr. Kamal Mitra was appointed as the member w.e.f. 13th November, 2017. As on 31st March, 2018, the Share Transfer Committee comprises of Mr. Anil Kumar Jain, as Chairman, Mr. Mohit Jain and Mr. Kamal Mitra as members of the Committee.

The Committee deals with various matters relating to share transfers, transmission, issue of duplicate share certificates, change / transposition/ deletion of name, split and consolidation of shares, re-materialisation of shares. The Share Transfer Committee meetings are held generally on a weekly basis to approve the said matters. During the year under review, 49 share transfer committee meetings were held on 3rd April, 2017, 14th April, 2017, 24th April, 2017, 2nd May, 2017, 8th May, 2017, 15th May, 2017, 22nd May, 2017, 29th May, 2017, 5th June, 2017, 12th June, 2017, 19th June, 2017, 26th June, 2017, 3rd July, 2017, 10th July, 2017, 17th July, 2017, 24th July, 2017, 4th August, 2017, 8th August, 2017, 11th August, 2017, 14th August, 2017, 23rd August, 2017, 28th August, 2017, 4th September, 2017, 8th September, 2017, 21st September, 2017, 22nd September, 2017, 29th September, 2017, 9th October, 2017, 16th October, 2017, 6th November, 2017, 13th November, 2017, 20th November, 2017, 27th November, 2017, 7th December, 2017, 11th December, 2017, 18th December, 2017, 26th December, 2017, 1st January, 2018, 8th January, 2018, 15th January, 2018, 22nd January, 2018, 29th January, 2018, 5th February, 2018, 19th February, 2018, 23rd February, 2018, 28th February, 2018, 5th March, 2018, 16th March, 2018 and 27th March, 2018

Composition and Physical attendance of members at the Share Transfer Committee Meetings held during the year under review is as under:

Name of the Director	Category	No. of Share Transfer Committee Meetings Attended
Mr. Anil Kumar Jain Chairman	Executive	47/49
Mr. Mohit Jain	Executive	40/49
Mr. Kailash R. Lalpuria (upto 13 th November, 2017)	Executive	27/30
Mr. Kamal Mitra (w.e.f 13 th November, 2017)	Executive	2/19

7.(b) Finance and Corporate Affairs Committee

The Company has constituted Finance and Corporate Affairs Committee to deal with routine financial and administrative matters viz., opening and closing bank accounts of the Company, change in signatories of bank accounts of the Company, to consider and approve borrowings from banks upto certain limits, creation of charge on assets of the Company, authorize employees of the Company to represent before government authorities.

During the year under review, 7 (Seven) meetings of Finance and Corporate Affairs Committee were held on 13th April, 2017, 20th June, 2017, 24th July, 2017, 15th September, 2017, 6th November, 2017, 26th December, 2017 and 16th March, 2018

As on 31st March, 2018, the Committee consists of 3 members.

The Composition and physical Attendance of members at the Finance & Corporate Affairs Committee Meetings held during the year under review is as under:

Name of the Director	Category	Attendance at the Committee Meetings
Mr. Anil Kumar Jain	Chairman	7/7
Mr. Mohit Jain	Member	5/7
Mr. Kailash Lalpuria (upto 13 th November, 2017)	Member	3/5
Mr. Sushil Kumar Jiwarajka (upto 13 th November, 2017)	Member	4/5
Mr. Dilip J Thakkar	Member	7/7

8. General Body Meetings

(a) Annual General Meetings:

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

Financial Year	Day, Date & Time	Venue
2014-15	Saturday, 22 nd August, 2015 at 12.30 p.m.	Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanagale, District Kolhapur 416 109, Maharashtra
2015-16	Tuesday, 26 th July, 2016 at 12.30 p.m.	Hotel Pavillion, Conference Room, 1 st Floor, 392, E Ward, Assembly Road, Near Basant Bahar Theater, Shahpuri, Kolhapur - 416 001, Maharashtra.
2016-17	Monday 21 st August, 2017 at 12.30 p.m.	Hotel Vrishali Executive, 39 A/2 Tarabai Park, District - Kolhapur- 416003, Maharashtra

(b) Special resolutions passed at the last three Annual General Meetings (AGM) of the Company:

- At the AGM held on 22nd August, 2015- NIL
- At the AGM held on 26th July, 2016- 6 special resolutions were passed as under:
 - Appointment of Mr. Mohit Jain as the Managing Director of the Company for a period of 5 years w.e.f. 9th May, 2016.
 - Re-appointment of Mr. Anil Kumar Jain, Executive Chairman of the Company for a period of 3 years w.e.f. 1st October, 2016.
 - Re-appointment of Mr. Kailash R. Lalpuria, Executive Director for a period of 3 years w.e.f. 1st October, 2016.
 - Re-appointment of Mr. Kamal Mitra, Director (Works) for a period of 3 years w.e.f. 1st October, 2016.
 - Increase in borrowing powers of the Board upto ₹1,600 crores pursuant to Section 180(1) (c) of the Companies Act, 2013.
 - Increase in power of the Board to create charge upto ₹1,600 crores pursuant to Section 180(1) (a) of the Companies Act, 2013.
- At the AGM held on 21st August, 2017- 1 resolution was passed as under:
 - To determine charges for service of documents in a particular mode to the members on their request.

(c) **Extra-Ordinary General Meeting:** No Extra-Ordinary General Meeting was held during the year under review.

(d) **Postal Ballot:** No Postal Ballot was held during the year under review. At present, no special resolution is proposed to be passed through Postal Ballot.

9. Means of Communication

Website: The Company's website www.indocount.com contains inter alia updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, press releases, investor presentations, details of investor calls and meets, shareholding pattern, important announcements. The said information is available in a user friendly and downloadable form.

Financial Results: The quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") after approval of the Board of Directors of the Company. The results of the Company are published in one English daily newspaper (Business Standard) and one Marathi newspaper (Tarun Bharat) within 48 hours of approval thereof.

Annual Report: Annual Report is circulated to all the members within the required time frame, physically through post and via e- mail, wherever the e-mail ID is available in accordance with the "Green Initiative Circular" issued by MCA. The shareholders have been provided e-voting option for the resolutions passed at the general meeting to vote as per their convenience.

Designated Exclusive Email ID: The Company has designated Email Id icilinvestors@indocount.com exclusively for redressal of shareholder queries / investor servicing.

SCORES (SEBI Complaints Redressal System): SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

Uploading on NEAPS & BSE Listing Centre: The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE.

Earning Calls and Investor Presentations: The Company conducts Earnings call every quarter to discuss the financial performance of the Company. During the year under review, Four (4) Earning calls were held and concall transcripts are uploaded on the website of the Company.

Further, the Company also uploads quarterly Investor Presentations on the website of the Company and stock exchanges.

10. Disclosures

a) Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013, and the Listing Regulations during the financial year 2017-18 were in the ordinary course of business and arms length basis and omnibus approval of the Audit Committee was also obtained. During the financial year under review, there were no materially significant transactions with related parties having potential conflict with the interest of the Company at large. Material related party transactions were entered into by the Company only with its wholly owned subsidiary. Necessary disclosures regarding Related Party Transactions are given in the notes to the Financial Statements.

The Board has approved a policy for Related Party Transactions and the same has been uploaded on the website of the Company. The web-link thereto is <https://www.indocount.com/images/investor/ICIL-Policy-on-Related-Party-Transactions.pdf>

b) Statutory Compliance, Penalties and Strictures

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

c) Vigil Mechanism / Whistle Blower Policy

In line with the Companies Act, 2013, and the Listing Regulations, the Company has formulated Vigil Mechanism/Whistle Blower to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance and/ or reputation, in a secure and confidential manner. The Vigil Mechanism/ Whistle Blower Policy has been placed on the website of the Company and web-link thereto is <http://www.indocount.com/images/investor/Indo-Count-Whistle-Blower-Policy-Vigil-Mechanism.pdf>

The said policy provides for adequate safeguard against victimization of directors/employees who avail of such mechanism and provides access to the Chairman of the Audit Committee, in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee and no complaint has been received during the year under review.

d) Subsidiaries

During the year under review, your Company does not have any material subsidiary as per the criteria specified in the Listing Regulations. However, your Company has adopted a policy on determining material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link <http://www.indocount.com/images/investor/ICIL-Policy-on-Material-Subsidiaries.pdf>

e) Code of Conduct

Integrity, transparency and trust form part of the core beliefs of all activities at Indo Count. The Company has adopted a Code of Conduct applicable to all its Directors and members of the Senior Management which is in consonance with the requirements of the Listing Regulations. The said code is available on the website of the Company and can be accessed through web-link <http://www.indocount.com/images/investor/Indo-Count-Code-of-Conduct.pdf>

All the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company for the year ended 31st March, 2018. A declaration to this effect signed by Mr. Mohit Jain, Managing Director forms part of this Report as Annexure I.

f) Disclosure and Compliance of Indian Accounting Standards (Ind-AS)

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (IndAS) notified by Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

There is no deviation in following the treatments prescribed in IndAS in preparation of financial statements for the year 2017-18.

g) Risk Management

The risk assessment and minimization procedures are in place and the Board is regularly informed about the business risks and the steps taken to mitigate the same.

h) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the

composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

At a separate meeting of Independent Directors held on 26th April, 2017, performance of the Executive Chairman was assessed inter-alia on the basis of parameters such as Leadership qualities, Ability of Steering meetings, contribution towards Company's performance and personal attributes. Further, at the said meeting, performance evaluation of the other Whole-Time Directors including the Managing Director was also carried out inter-alia with the parameters such as level of Participation at Board/Committee Meetings, Knowledge and Skills, Contribution towards growth/performance of the Company, maintaining relationship, personal attributes etc.

The Board evaluated its own performance and of Committees of the Board on the parameters like Board Composition, adherence to Mission, Policy and Planning, Board Discussions and Process, Discharging functions, Establishment and delineation of responsibilities to committees, Stakeholder Value and Responsibility, avoidance of Conflict of Interest, Facilitation of Independent Directors, Corporate culture and Values and Quality and Timeliness of flow of information. The Board also carried out performance evaluation of Independent Directors.

The performance evaluation was carried out through structured questionnaire containing various parameters of the performance evaluation based on SEBI Guidance Note dated 5th January, 2017 along with rating scale circulated to all the Directors. The Directors were required to evaluate the performance by providing rating against each parameter. The questionnaire was filled by all directors and rating was given. Thereafter, a consolidated summary of ratings was prepared, circulated to all Directors. The Board unanimously expressed their satisfaction with the evaluation process.

i) CEO / Managing Director & CFO Certification

Pursuant to Regulation 17(8) of the Listing Regulations, Mr. Mohit Jain, Managing Director and Mr. Dilip Kumar Ghorawat, Chief Financial Officer have furnished certificate to the Board for the year ended 31st March, 2018 in the prescribed format. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on 4th May, 2018.

j) Reconciliation of Share Capital Audit Report

In terms of the provisions of Clause 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, Reconciliation

of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary with a view to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, inter alia, confirms that the Register of Members is duly updated and that demat/remat requests were confirmed within stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

k) Code for Prevention of Insider Trading

The Company has adopted a code of conduct to regulate, monitor and report trading by insiders for prevention of Insider Trading in the shares of the Company. The code, inter-alia, prohibits purchase / sale of shares of the Company by Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company.

l) Compliance with Mandatory and Non-Mandatory Requirements

The Company has complied with all mandatory requirements of Corporate Governance specified in the Listing Regulations. The Company has adopted discretionary requirements specified in Part E of Schedule II of the Listing Regulations as given below:

The Board: Since the Company has an Executive Chairman, requirements regarding Non-Executive Chairman are not applicable.

Shareholder's Rights: Quarterly, half-yearly, annual financial results of the Company are published in English and Marathi newspapers and are also submitted to BSE and NSE. The said results are also uploaded on the website of the Company www.indocount.com. Hence, the same are not sent to the Shareholders of the Company.

Modified Opinion in Audit Report: There was no qualification or modified opinion in Independent Auditors Report on Financial Statements for the year ended 31st March, 2018 nor in past 2 years.

Separate posts of Chairperson and Chief Executive Officer: As on 31st March, 2018, Mr. Anil Kumar Jain is the Executive Chairman of the Company and Mr. Mohit Jain is the Managing Director of the Company. Thus, there are separate posts for Chairman and Managing Director.

Reporting of Internal Auditors: The Internal Auditor of the Company is permanent invitee to the Audit Committee Meeting. He also attends each Audit Committee Meeting and presents his Internal audit

observations to the Audit Committee. He directly interacts with Audit Committee Members during the meeting.

m) Compliance with the requirements of Corporate Governance

All the requirements of Corporate Governance specified in Regulation 17 to 27 of the Listing Regulations and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations have been complied with.

n) The Management Discussion and Analysis Report is given separately and forms part of this Annual Report.

11. Certificate on compliance with conditions of Corporate Governance

The certificate regarding compliance of the conditions of corporate governance for the year ended 31st March, 2018 given by M/s Suresh Kumar Mittal & Co, Statutory Auditors is given as Annexure II to this Report.

12. General Shareholders' information

Annual General Meeting

Day & Date : Tuesday, 11th September, 2018

Time : 12.30 p.m.

Venue : Hotel Vrishali Executive, 39 A/2 Tarabai Park, District - Kolhapur- 416003, Maharashtra

Financial Year : 1st April to 31st March

Tentative Financial Calendar (for Financial Year 2018-19) for approval of:

Financial Results for Quarter ended 30 th June 2018 (Unaudited)	On or before 14-08-2018
Financial Results for Quarter ended 30 th September, 2018(Unaudited)	On or before 14-11-2018
Financial Results for Quarter ended 31 st December, 2018 (Unaudited)	On or before 14-02-2019
Financial Results for Quarter and year ended 31 st March 2019 (Audited)	On or before 30-05-2019

Record Date

The Record Date for the purpose of payment of Final Dividend is 1st September, 2018.

Dividend Payment Date

During the year under review, final dividend for FY 2016-17 and interim dividend for FY 2017-18 were paid on 28th August, 2017 and 28th February, 2018 respectively.

The Final Dividend for FY 2017-18, if declared at the ensuing Annual General Meeting, will be paid within thirty days from the date of Annual General Meeting.

The Company was not required to transfer any amount to Investor Education and Protection Fund (IEPF) during the year under review.

Listing on Stock Exchanges

BSE Limited (BSE)	The National Stock Exchange of India Limited (NSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Scrip Code: 521016	NSE Symbol: ICIL

Listing Fees

The Company has paid Listing Fees for 2017-18 and 2018-19 to BSE and NSE

Annual Custody Fees

The Company has paid the annual Custody Fees to Central Depository Services (India) Limited and National Securities Depository Limited for the year 2017-18.

International Securities Identification Number (ISIN) for equity shares of the Company: INE483B01026 (of face value of ₹2/- each)

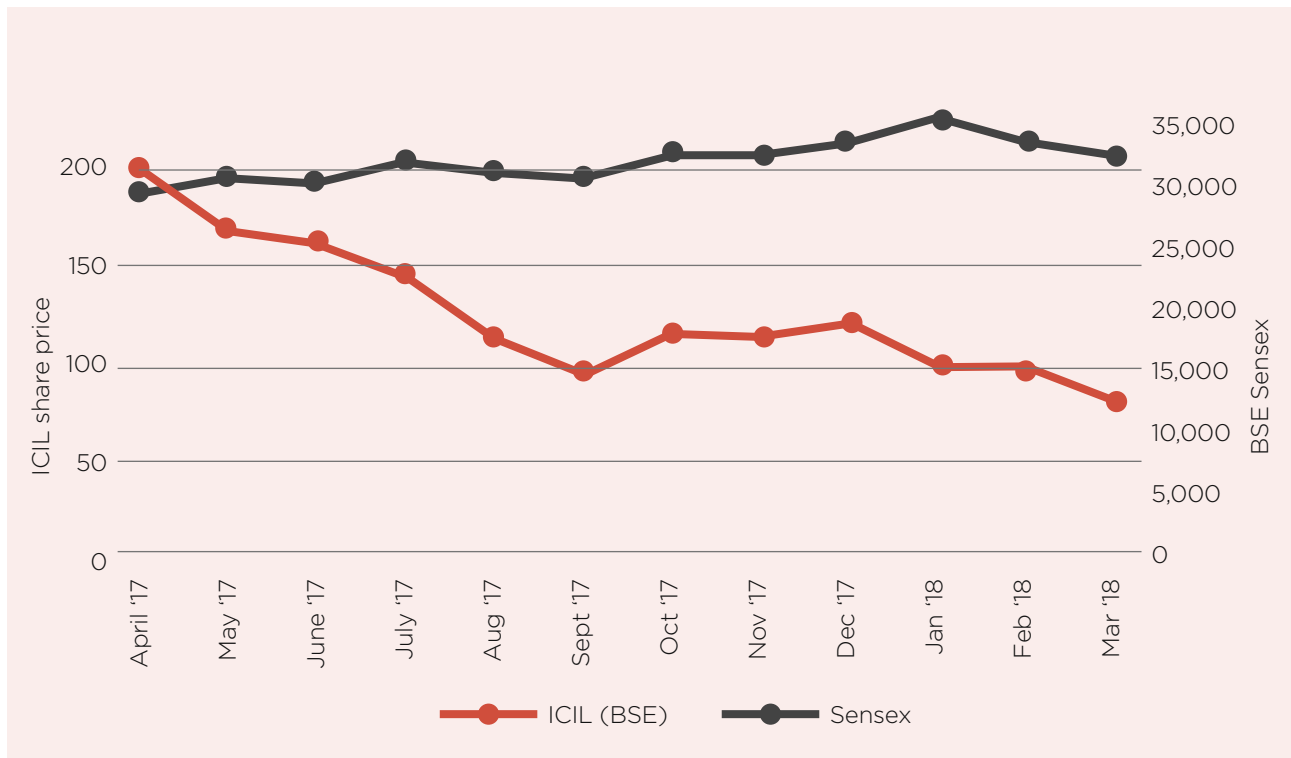
Corporate Identity Number (CIN): L72200PN1988PLC068972

Market Price Data

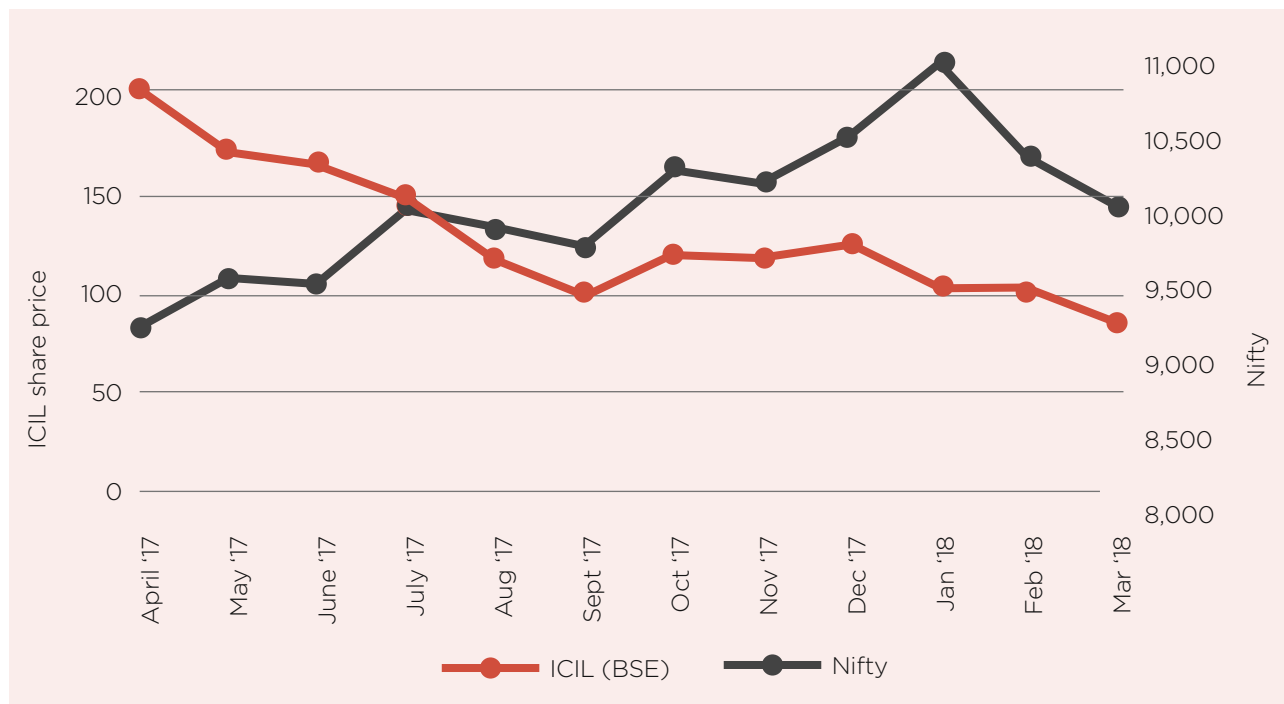
The monthly high and low quotations of the closing price and volume of shares traded at BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE) from April, 2017 to March, 2018 are as under:

Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Volume (Nos.)	High (in ₹)	Low (in ₹)	Volume (Nos.)
April-17	209.00	187.20	55,30,293	209.00	187.00	2,37,83,696
May-17	209.90	163.00	74,47,091	210.05	162.15	3,21,33,223
June-17	187.45	162.00	23,03,507	187.40	161.40	1,40,53,765
July-17	171.80	145.00	20,06,259	170.50	144.70	1,30,03,133
August-17	149.00	96.35	79,02,491	150.00	96.10	6,23,72,791
September-17	127.65	95.00	84,59,190	127.80	93.70	5,05,79,180
October-17	124.30	97.80	39,00,443	124.30	97.50	3,39,46,231
November-17	131.00	105.40	70,60,993	131.00	106.00	5,65,61,888
December-17	127.90	106.45	29,03,530	128.50	106.40	3,21,95,216
January-18	138.70	102.20	64,44,999	138.85	102.00	5,79,55,964
February-18	108.75	91.55	20,66,479	108.75	91.50	1,35,95,032
March-18	101.85	82.10	20,66,438	101.70	82.00	1,10,71,567

Source: BSE & NSE website

Performance of Share price of the Company in comparison to the BSE Sensex


Performance of Share price of the Company in comparison to the Nifty



Registrar & Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, L B S Marg, Vikhroli (West),
Mumbai - 400 083
Tel No: 022 - 49186270
Fax No: 022- 49186060
Email: rnt.helpdesk@linkintime.co.in

Share Transfer System

Transfer of equity shares in dematerialized form is done through the depositories without any involvement of the Company. Share transfers in physical form are processed by Link Intime India Private Limited,

Registrar & Transfer Agents and the share certificates are generally returned to the transferee(s) within a period of fifteen days from the date of receipt of transfer documents provided that the transfer documents are complete in all respects. The Board has constituted Share Transfer Committee which approves share transfers, transmission, issue of duplicate share certificates etc. on a weekly basis. Pursuant to Regulation 40(9) of the Listing Regulations, every six months, a Company Secretary in practice undertakes audit of the share transfer related activities and the compliance certificate issued upon audit is submitted to BSE and NSE.

Distribution of Shareholding as on 31st March, 2018

No. of equity shares of face value of ₹2/- each	No. of Shareholders	% of Shareholders	No. of shares held	% of shareholding
Upto 500	50119	77.38	7923880	4.01
501 - 1000	8829	13.63	6591993	3.34
1001 - 2000	2696	4.16	4071699	2.06
2001 - 3000	1062	1.64	2719064	1.38
3001 - 4000	404	0.62	1448179	0.73
4001 - 5000	433	0.67	2066437	1.05
5001 - 10000	559	0.86	4228262	2.14
Above 10001	672	1.04	168350156	85.29
Total	64774	100.00	197399670	100.00

Shareholding Pattern as on 31st March, 2018

Category of Shareholder	As on March 31, 2018	
	No. of Equity shares (Face value of ₹2/- each)	As a percentage of total paid-up Share Capital
A. Promoter and Promoter Group	116346750	58.94
B. Public Shareholding		
Institutions		
Mutual Funds / UTI	3616216	1.83
Financial Institutions / Banks	303543	0.15
Foreign Portfolio Investor (Corporate)	15148927	7.67
Non-Institutions		
Individuals	41101153	20.82
Foreign Nationals	500	0.00
Trusts	2200	0.00
Hindu Undivided Family	1457430	0.74
Non Resident Indians (NRI)	3268579	1.66
Clearing Member	1101560	0.56
Bodies Corporate	15052812	7.63
Sub-Total (B)	81052920	41.06
Total (A+B)	197399670	100.00

Dematerialisation of shares and liquidity

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

As on 31st March 2018, 191,794,750 Equity Shares of the Company constituting 97.16 % of the paid-up share capital of the Company are held in dematerialized form and 2.84 % is held in Physical form. The Company's shares were regularly traded on the National Stock Exchange of India Limited and BSE Limited.

Shares held in demat and physical mode as on 31st March, 2018 is as under:

Category	Number of		% to total equity
	Shareholders	Shares of FV ₹2/-	
Demat Mode			
NSDL	30079	141985971	71.93
CDSL	24606	49808779	25.23
Total Demat	54685	191794750	97.16
Physical Mode	10089	5604920	2.84
Grand Total	64774	197399670	100.00

Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on equity

As on 31st March, 2018, there are no outstanding GDR / ADR / warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activity

The details are provided in Management Discussion and Analysis Report.

Service of documents through electronic mode

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

Plant Locations

- (1) D-1, MIDC, Gokul Shirgaon, Kolhapur - 416234, Maharashtra
 (2) T-3, MIDC, Kagal, Hatkanangale, Kolhapur-416216, Maharashtra

Address for correspondence

The Shareholders may contact Company or Registrar & Transfer Agent on below address:

<p>The Company Secretary Indo Count Industries Limited 301, 3rd Floor, "Arcadia", Nariman Point, Mumbai - 400 021 Phone : 022 - 4341 9500 / 501 Fax : 022 - 2282 3098 Email: amruta.avasare@indocount.com icilinvestors@indocount.com Website: www.indocount.com</p>	<p>Registrar & Transfer Agents 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: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in</p>
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On behalf of the Board of Directors

ANIL KUMAR JAIN
Executive Chairman
 DIN: 00086106

Date: 4th May, 2018
 Place: Mumbai

ANNEXURE I**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel of Indo Count Industries Limited have affirmed compliance with the Code of Conduct for the year ended 31st March, 2018.

For INDO COUNT INDUSTRIES LIMITED

MOHIT JAIN
Managing Director
 DIN: 01473966

Date: 4th May, 2018
 Place: Mumbai