

# REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance is set out in Compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

## Company's Philosophy on Code of Governance

Corporate Governance is an integral part of Indo Rama's value system, management ethos and business practices. The Company's corporate governance initiatives are based on:

- Commitment to excellence and customer satisfaction;
- Commitment to maximizing long-term shareholder value;
- Commitment to responsible and ethical corporate conduct; and
- Concern for the environment and sustainable development.

The Company regularly evaluates and defines its management practices which are aimed at enhancing its commitment to ensure that these basic tenets of corporate governance are met. At Indo Rama, the basic Corporate Governance norms have been institutionalized as an enabling and facilitating business process at the Board, Management and Operational levels. Business practices are regularly reviewed and reaffirmed against these tenets and all steps are taken to ensure that Company operates beyond the mandatory regulatory framework of good corporate governance.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports of Indo Rama's compliance pursuant to the Listing Regulations with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), as applicable with regard to Corporate Governance.

## Appropriate Governance Structure with defined Roles and Responsibilities

The Company, Indo Rama Synthetics (India) Limited (IRSL), has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has

established seven Committees to discharge its responsibilities in an effective manner. IRSL's Company Secretary acts as the Secretary to all the Committees of the Board. The Chairman and Managing Director (CMD) provide overall direction and guidance to the Board. Concurrently, the CMD is responsible for overall implementation. In the operations and functioning of the Company, the CMD is assisted by the Senior Level Executives.

## Best Corporate Governance practices

IRSL maintains the highest standards of corporate governance. It is the Company's constant endeavor to adopt the best corporate governance practices keeping in view of codes of Corporate Governance. Some of the best implemented governance norms include the following:

- The Company has a designated Lead Independent Director with a defined role;
- All securities related filings with Stock Exchanges and SEBI will be reviewed every quarter by the Company's Stakeholders Relationship Committee of Directors;
- The Company has independent Board Committees for matters related to corporate governance and stakeholders' interface and nomination of Board members;
- The Company's internal audit is conducted by independent auditors.

## Board of Directors

### Composition of the Board, Board Meetings and Attendance

As on 31st March, 2018, Indo Rama's Board comprised of 6 (six) Directors. There are 2 (two) Executive Directors on the Board, including the executive Chairman. The remaining 4 (four) Directors are non-executive Independent Directors. During 2017-18, the Board of the Company met 6 (six) times i.e. on 18th May, 2017; 14th August, 2017; 7th November, 2017, 25th November, 2017, 7th February, 2018 and 9th March, 2018. The maximum gap between any 2 (two) Board meetings was less than 120 (one hundred twenty) days. Table 1 provides the details of compensation of Board of Directors, attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorship and Chairmanship / Membership of Committees of each Director in various Companies:

**Table 1:**

Name of the Director	DIN	Category	No. of Other Directorships <sup>1</sup>	No. of Membership/ Chairmanship of Board Committees in other Companies <sup>2</sup>		Number of Board Meetings during the year		Whether attended last AGM
				Member-ships	Chairman-ships	Held	Attended	
Mr. Mohan Lal Lohia <sup>3 &amp; 4</sup> (Chairman-Emeritus)	00918397	Promoter, Non- Executive Director	-	-	-	1	-	No
Mr. Om Prakash Lohia <sup>3</sup> (Chairman & Managing Director)	00206807	Promoter, Executive Chairman	1	-	-	6	6	Yes
Mr. Vishal Lohia <sup>3</sup> (Whole-time Director)	00206458	Executive Director	-	-	-	6	5	Yes
Mr. Ashok Kumar Ladha	00089360	Independent Director	6	1	1	6	6	Yes
Mr. Suman Jyoti Khaitan	00023370	Independent Director	4	3	2	6	6	Yes
Ms. Ranjana Agarwal	03340032	Independent Director	4	4	2	6	5	Yes
Dr. Arvind Pandalai	00352809	Independent Director	-	-	-	6	6	Yes

**Notes:**

- The Directorships held by the Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013.
- In accordance with Regulations, Chairmanships/Memberships of only Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies [excluding Indo Rama Synthetics (India) Limited] have been considered.
- Mr. Mohan Lal Lohia, Mr. Om Prakash Lohia and Mr. Vishal Lohia are related to each other. Further, no other relationship exists between the directors inter-se.
- Mr. Mohan Lal Lohia was ceased as the Director of the Company due to his sad demise on 1st June 2017.

## Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter-alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

## Lead Independent Director

The Company's Board of Directors has designated Mr. Ashok Kumar Ladha as the Lead Independent Director. The Lead Independent Director's role is as follows:

- To preside over all meetings of Independent Directors;

- To ensure there is an adequate and timely flow of information to Independent Directors;
- To liaise between the Chairman and Managing Director, the Management and the Independent Directors;
- To preside over meetings of the Board and Shareholders when the Chairman and Managing Director is not present, or where he is an interested party;
- To perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent Directors.

## Meetings of Independent Directors

The Company's Independent Directors are required to meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.

The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

During the financial year 2017-18, one meeting of Independent Directors was held on 7th February, 2018 and all the Independent Directors were present in this meeting.

### Directors with Material Pecuniary or Business Relationship with the Company

As mandated by Regulations, the Independent Directors of the Company:

- are a person of integrity and possesses relevant expertise and experience;
- are not a promoter of the Company or its holding, subsidiary or associate Company;
- are not related to promoters or directors in the Company, its holding, subsidiary or associate Company;
- apart from receiving Director's remuneration (sitting fee), do not have any material pecuniary relationships or transactions with the Company, its Promoters or Directors, its Senior Management which may affect independence of these Directors;
- none of their relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, amounting to 2% or more of its gross turnover or total income or 50 lakh rupees or such higher amount as may be prescribed, whichever is lower, during the 2 immediately preceding financial years or during the current financial year;
- have not been an key managerial personnel or is or has been employee of the Company in the immediately preceding three financial years;
- are not employee or proprietor or partners or were not employee or proprietor or partners during the preceding three years of the:
  - Statutory audit firm or Company Secretary in practice or cost auditor the internal audit firm that is associated with the Company;
  - Legal/consulting firm(s) that have a material association with the Company;
- are not substantial shareholders of the Company, i.e., do not own two percent or more of the block of voting shares;
- are not a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-

five per cent or more of its receipts from the Company, any of its Promoters, Directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; and

- are not material suppliers, service providers or customers or lessors or lessees to the Company which may affect independence of the Directors.

Transactions with related parties are disclosed in Note No. 34 of the "Notes to the Financial Statement". There has been no material pecuniary transaction or relationship between the Company and its Non-executive and/or Independent Directors during the financial year 2017-18.

### Board's Processes

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, annual operating plans and budgets, quarterly details of foreign exchange exposures, collaborations, material investment proposals in joint venture/promoted Companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc., are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feed-back reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

The information as required to be placed before Board of Directors as per Code of Corporate Governance is being made available to the Board as and when applicable.

The Board of Directors of the Company is presented with detailed notes along with the agenda papers well in advance of the meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances.

### Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter of appointment is given to him, which inter-alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in details the Compliance required from him under Companies Act, 2013, Listing Regulations and other various statutes and an affirmation is obtained.

The Chairman and Managing Director also have one to one discussion with the newly appointed Director to familiarize him with the Company's operations.

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the Familiarisation Programme for Directors are available on the Company's website and a web-link of the same was given in Table 16.

### **Compliance with the Code of Conduct**

The Company's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Code of Conduct is available on the website of the Company. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year 2017-18. A declaration signed by the Chairman and Managing Director to this effect is enclosed at the end of this report.

### **Insider Trading Code**

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed Company. The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations. The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website.

### **Board material distributed in advance**

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted after obtaining appropriate permissions and approvals (as required).

### **Recording minutes of proceedings at Board and Committee Meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The Minutes are entered in the Minutes Book within 30 days from the conclusion of the Meetings.

### **Committees of the Board**

#### **Audit Committee**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditor, and notes the processes and safe guards employed by each. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditor.

#### **(a) Composition and Terms of Reference of Committee**

The Board of Directors constituted an Audit Committee and the powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. As on 31st March 2018, the Audit Committee of the Company comprises of 5 (five) Directors, viz.; Mr. Ashok Kumar Ladha, Mr. Vishal Lohia, Dr. Arvind Pandalai, Ms. Ranjana Agarwal and Mr. Suman Jyoti Khaitan. Mr. Ashok Kumar Ladha, Dr. Arvind Pandalai, Mr. Suman Jyoti Khaitan and Ms. Ranjana Agarwal are Independent Directors. Mr. Ashok Kumar Ladha, Independent Director acts as Chairman of the Audit Committee. All the members are financially literate and possess the requisite financial/business acumen to specifically look into the internal controls and audit procedures. The members of the Audit Committee have discussions with the Statutory Auditors during the meetings of the committee. The quarterly/half-yearly and un-audited/audited financial statements of the Company are reviewed by the Audit Committee before consideration and approval by the Board of Directors.

As per Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013, the Audit Committee has been entrusted with the following responsibilities:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- Reviewing matters required to be included in the Director's 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;
- Reviewing changes, if any, in accounting policies and practices and reasons for the same;
- Reviewing major accounting entries involving estimates based on the exercise of judgment by management;
- Reviewing significant adjustments made in the financial statements arising out of audit findings;
- Reviewing compliance with listing and other legal requirements relating to financial statements;
- Reviewing disclosure of any related party transactions;
- Reviewing qualifications in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, right 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow-up thereon;
- 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;
- 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;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review of the functioning of Whistle Blower Mechanism;
- Approval of 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;
- Review of Management Discussion and Analysis of financial condition and results of operations;
- Review Statement of significant related party transactions submitted by Management;

- Review of Management Letters/ Letters of internal control weaknesses issued by the statutory auditors;
- Review of Internal Audit Reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the chief internal auditor; and
- Review of statement of deviations, if any:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); and
  - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**(b) Meetings of Audit Committee and attendance of members during the year**

During the financial year 2017-18, the Audit Committee of the Company met 4 (four) times on 18th May, 2017; 14th August, 2017; 7th November, 2017 and 7th February, 2018. Table 2 gives the attendance record of the members of the Audit Committee.

**Table 2: Attendance record of the Audit Committee Meetings for 2017-18.**

Name of Members	Category	Status	No. of Meetings	
			Held under tenure	Attended
Mr. Ashok Kumar Ladha	Independent Director	Chairman	4	4
Mr. Vishal Lohia	Executive Director	Member	4	4
Mr. Suman Jyoti Khaitan	Independent Director	Member	4	4
Ms. Ranjana Agarwal	Independent Director	Member	4	4
Dr. Arvind Pandalai	Independent Director	Member	4	4

In addition to the members of the Audit Committee, these meetings were attended by Chairman & Managing Director, President & Chief Financial Officer, Site- Head, Internal Auditor and Statutory Auditor of the Company, wherever necessary and those executives of the Company, who were considered necessary for providing inputs to the Committee.

The Company Secretary acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee Mr. Ashok Kumar Ladha attended the 31st Annual General Meeting (AGM) held on 19th September, 2017 and answered the shareholders queries.

**(c) Role of Internal Auditor**

Indo Rama has a robust Internal Control framework, which has been instituted considering the nature, size and risk in the business. The framework comprises, inter-alia, of a well-defined organisation structure, roles and responsibilities, documented policies and procedures, etc. Information Technology policies and processes were also updated to ensure that they satisfy the current business needs. This is complemented by the management information and monitoring system, which ensures compliance to internal processes, as well as with applicable laws and regulations. The operating

management is not only responsible for revenue and profitability, but also for maintaining financial discipline and hygiene.

In order to ensure efficient Internal Control systems, the Company also has a well-established independent Internal Audit function that is responsible for providing assurance on compliance with operating systems, internal policies and legal requirements, as well as, suggesting improvements to systems and processes. The Internal Audit has a well laid down internal audit methodology, with emphasis on risk based internal audits using data analytics and tools.

The Internal Auditor prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits, covering all the locations, operations and geographies of the Company. The audit plan for the year is reviewed and approved by the Audit Committee at the beginning of each financial year.

The Internal Audit reports on quarterly basis to the Audit Committee, the key internal audit findings, and action plan agreed with the management, the status of audits vis-à-vis the approved annual audit plan and status of open audit issues.

## Nomination and Remuneration Committee

### Composition of the Committee

The Board of Directors had constituted a Nomination and Remuneration Committee and the powers, role and terms of reference of the Committee covers the areas as contemplated under Listing Regulations and Section 178 of the Companies Act, 2013.

As on 31st March 2018, Nomination and Remuneration Committee comprises of 4 (four) Members, viz.; Mr. Ashok Kumar Ladha, Dr. Arvind Pandalai, Mr. Suman Jyoti Khaitan and Ms. Ranjana Agarwal. Mr. Ashok Kumar Ladha is the Chairperson of this committee. All are Independent Directors.

The Nomination and Remuneration Committee has devised a policy on Board diversity in terms with the requirement under Regulation 19 of Listing Regulations.

The Chairman of the Nomination and Remuneration Committee Mr. Ashok Kumar Ladha attended the 31st Annual General Meeting (AGM) held on 19th September 2017 and answered the shareholders queries.

The Company Secretary acts as the Secretary of the Committee.

### Brief description of the Terms of Reference

The Nomination and Remuneration Committee has been entrusted with the responsibilities to review and grant annual increments, vary and/or modify the terms and conditions of appointment/ re-appointment including remuneration and perquisites, commission, etc., payable to Managing Directors within the overall ceiling of remuneration as approved by the members.

The Committee noted the following terms of reference pursuant to Section 178 of the Companies Act, 2013 & Regulation 19 (4) read with Part D Schedule II of Listing Regulations:

- Reviewing the overall compensation policy, service agreements and other employment: conditions of Managing/ Whole-time Directors, Key Managerial Personnel:
- to help in determining the appropriate size, diversity and composition of the Board:
- to recommend to the Board appointment/ re-appointment and removal of Directors:
- to frame criteria for determining qualifications, positive attributes and Independence of Directors:

- to recommend to the Board remuneration payable to Directors, while fixing remuneration to the Executive Directors, the restriction contained in the Companies Act, 2013 is to be considered:
- to create an evaluation performance framework for Independent Directors and the Board:
- to provide necessary report to the Chairman after the evaluation process is completed by the Directors:
- Devising a Policy to diversify of Board;
- To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks:
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

### Nomination and Remuneration Policy

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The Nomination and Remuneration Policy is available on the website of the Company.

### Remuneration of Directors

Subject to the approval of the Board of Directors and subsequent approval by the Shareholders at the General Meeting and such other authorities as the case may be the remuneration of the Managing Director and Whole-time Directors of the Company is fixed by the Nomination and Remuneration Committee. The remuneration is determined considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises Basic Salary, commission linked to profits, perquisites and allowances, contribution to provident fund and other funds in accordance with various related provisions of the Companies Act, 2013.

The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them. The Company does not have a stock option scheme for its Directors.

The remuneration paid or payable to the Directors of the Company during the year ended 31st March, 2018 is set forth in Table 3 below.

**Table 3: Remuneration paid or payable to Directors for 2017-18.**

Name of the Director	Relationship with other Directors	Salary	Perquisites	Deferred Benefits (PF and Gratuity) #	Commission	Sitting Fees for Board and Committee Meetings	Total
Mr. Mohan Lal Lohia <sup>§</sup> (Chairman-Emeritus)	Father of Mr. Om Prakash Lohia and Grandfather of Mr. Vishal Lohia	-	-	-	-	-	-
Mr. Om Prakash Lohia (Chairman & Managing Director)	Son of Mr. Mohan Lal Lohia and Father of Mr. Vishal Lohia	1.80	0.67	-	-	-	2.47
Mr. Vishal Lohia (Whole-time Director)	Grandson of Mr. Mohan Lal Lohia and Son of Mr. Om Prakash Lohia	1.00	1.47	-	-	-	2.47
Mr. Anant Kishore * (CEO)	None	0.17	0.16	0.60	-	-	0.93
Mr. Ashok Kumar Ladha	None	-	-	-	-	0.04	0.04
Dr. Arvind Pandalai	None	-	-	-	-	0.03	0.03
Mr. Suman Jyoti Khaitan	None	-	-	-	-	0.03	0.03
Ms. Ranjana Agarwal	None	-	-	-	-	0.03	0.03
<b>Total</b>		<b>2.97</b>	<b>2.30</b>	<b>0.60</b>	<b>-</b>	<b>0.13</b>	<b>6.00</b>

# With regard to Leave Encashment and Gratuity Fund, the amount applicable to an individual is not ascertainable and hence not indicated.

§ Mr. Mohan Lal Lohia was ceased as the Director of the Company due to his sad demise on 1st June 2017.

\* Mr. Anant Kishore retired on 7th April 2017.

Further, there is no notice period and severance fee for non-executive Directors. The provisions of the Companies Act, 2013 and appointment letter issued with respect to appointment of Executive Director(s) govern their service contracts and other terms and conditions (including notice period and severance fee) of appointment.

### Meeting of Nomination and Remuneration Committee and attendance of members during the year

During the financial year 2017-18, the Nomination and Remuneration Committee of the Company met four times on 18th May, 2017; 7th November, 2017; 25th November, 2017; and 7th February, 2018. Table 4 gives the attendance record of the members of the Committee.

**Table 4: Attendance record of the Nomination and Remuneration Committee Meetings for 2017-18.**

Name of Members	Category	Status	No. of Meetings	
			Held under tenure	Attended
Mr. Ashok Kumar Ladha	Independent Director	Chairman	4	4
Mr. Suman Jyoti Khaitan	Independent Director	Member	4	4
Ms. Ranjana Agarwal	Independent Director	Member	4	3
Dr. Arvind Pandalai	Independent Director	Member	4	4

## Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, 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.

The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors were carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

## Criteria for determining Independence and Performance evaluation criteria for Independent Director

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013 and Rules related thereto and in Regulation 16 (b) & 25 of Listing Regulations.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the directors, who are subject to evaluation had not participated. The evaluation of Independent Directors were based on criteria such as acting objectively and constructively while exercising their duties, exercise their responsibilities in a bona fide manner in the interest of the company etc.

## Role of the Company Secretary in overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

## Shares held by Non-Executive Directors

**Table 5: Details of the shares<sup>\$</sup> held by the Non-Executive Directors as on 31st March 2018**

Name of Members	Category	Number of shares held
Mr. Mohan Lal Lohia	Promoter- Non-Executive Director	Nil
Mr. Ashok Kumar Ladha	Independent Director	17,713
Dr. Arvind Pandalai	Independent Director	Nil
Mr. Suman Jyoti Khaitan	Independent Director	Nil
Ms. Ranjana Agarwal	Independent Director	Nil

<sup>\$</sup> As on the date of the report, the Company has not issued any convertible securities to any Non-Executive Director.

## Stakeholders Relationship Committee

The Stakeholders Relationship Committee is primarily responsible to review / monitors and redressal of Investors' / Shareholders' grievances.

The Stakeholders Relationship Committee's composition and the terms of reference meet with the requirements of Listing Regulations and provisions of the Companies Act, 2013.

The Stakeholders Relationship Committee comprises of 3 (three) members, viz.; Mr. Ashok Kumar Ladha (Independent Director), Mr. Om Prakash Lohia (Chairman and Managing Director) and Mr. Vishal Lohia (Whole Time Director). Mr. Ashok Kumar Ladha is the Chairperson of this Committee. The Stakeholders Relationship Committee met 4 (four) times during the year 2017-18 on 30th June, 2017, 23rd September, 2017, 29th December, 2017 and 29th March, 2018.

**Table 6 gives the details of attendance.**

Table 6: Attendance record of the Stakeholders Relationship Committee for FY 2017-18.

Name of Members	Category	Status	No. of Meetings	
			Held under tenure	Attended
Mr. Ashok Kumar Ladha	Independent Director	Chairman	4	4
Mr. Om Prakash Lohia	Executive Director	Member	4	4
Mr. Vishal Lohia	Executive Director	Member	4	2

**Terms of Reference**

The Board has clearly defined the terms of reference for this committee, which generally meets quarterly. The Committee looks into the matters of shareholders/ Investors grievances.

The Secretarial Department of the Company and Registrar and share Transfer Agent, MCS Share Transfer Agent Limited, to attend all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the Investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

As on 31st March 2018, no investor complaint was pending with the Company as well as Registrar and Share Transfer Agent of the Company. Table 7 gives data on the Shareholders/Investors complaints received and redressed during the financial year 2017-18.

**Table 7: Shareholders and Investors complaint received and redressed during the FY 2017-18.**

Total Complaints Received	Total Complaints Redressed *	Pending as on 31.03.2018
38	38	Nil

\* All the complaints have been solved to the satisfaction of shareholders.  
 Mr. Jayant K Sood, CHRO & Company Secretary is the Compliance Officer of the Company.

**Banking and Finance Committee**

The Banking and Finance Committee presently comprises of 3 (three) Directors, viz.; Mr. Om Prakash Lohia, Mr. Ashok Kumar Ladha and Mr. Vishal Lohia. The Chairman of the Committee is appointed by voice vote at each meeting and any 2 (two) members present form a quorum. The Committee is authorised to decide and oversee matters relating to banking operations and to decide the investment strategy with regard to the available short term surplus funds with the Company as well as the borrowings from banks and financial institutions.

The Committee enjoys the delegation of the Board in matters relating to the borrowings/ placement of funds in normal and routine course of business and to change the signatories for availment of various facility from Banks/Financial Institutions, opening/modification of operation and closing of Bank accounts, grant of special/general Power of Attorney in favour of Employees of the Company from time to time in connection with the conduct of the business of the Company particularly with State/ Central Government and Quasi-Government, Bank/ financial Institutions, etc., and to grant authority to

execute and sign foreign exchange contract and derivative transactions and to carry out any other duties that may be delegated to the Committee by the Board of Directors from time to time.

The other terms of reference, inter-alia, include review of capital structure, financial policies, treasury and foreign exchange risk management. During the financial year 2017-18, the Banking and Finance Committee met 4 (four) times on 17th April, 2017; 14th August, 2017; 7th November, 2017; and 17th November, 2017.

**Allotment and Share Transfer Committee**

The Company has a Committee of Directors known as the "Share Allotment and Transfer Committee" to look into and decide matters pertaining to share allotment, transfers, duplicate share certificates and related matters. As on 31st March 2018, the Committee comprises of Mr. Om Prakash Lohia, Mr. Ashok Kumar Ladha and Mr. Vishal Lohia. The Chairman is appointed by voice vote and quorum is any 2 (two) members present. During 2017-18, the Share Allotment and

Transfer Committee met 9 (nine) times on 17th April, 2017; 12th June, 2017; 14th August, 2017; 29th September, 2017; 7th November, 2017; 9th January, 2018; 24th January, 2018; 28th February, 2018; and 27th March, 2018.

### Terms of Reference

The Board has clearly defined the terms of reference for this committee for looks into the matters of shareholders listed below:

- To approve transfer of shares and issue of duplicate/split/consolidation/sub-division/ allotment of share certificates;
- To note Dematerialisation / Rematerialisation of shares;
- To fix record date / closure of Share Transfer books of the Company from time to time;
- To appoint representatives to attend the General Meeting of other Companies in which the Company is holding shares.

### Corporate Social Responsibility Committee

The "Corporate Social Responsibility Committee" (CSR Committee) was constituted and considering the requirements of the Companies Act, 2013 relating to constitution of a Corporate Social Responsibility Committee. The CSR Committee shall institute a transparent monitoring mechanism for implementation of CSR projects or programmes, activities undertaken by the Company.

The Committee comprises of Mr. Om Prakash Lohia, Mr. Vishal Lohia, Dr. Arvind Pandalai and Ms. Ranjana Agarwal. Mr. Om Prakash Lohia is the Chairperson of this Committee. The Company Secretary acts as the Secretary to the CSR Committee. During the financial year 2017-18, 1 (one) meeting of the CSR Committee was held on 18th May, 2017 and all the Members were attended this meeting.

### Terms of Reference

Formulate and recommend 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;

- To review the existing CSR Policy and to make it more comprehensive so as to 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;

- Prepare a transparent monitoring mechanism for ensuring implementation of the project/programmes/activities proposed to be undertaken by the Company;

The Company formulated CSR Policy, which is available on the website of the Company.

### Risk Management Committee

The Risk Management Committee comprises of 4 (four) Directors, viz.; Mr. Om Prakash Lohia, Mr. Vishal Lohia, Dr. Arvind Pandalai and Ms. Ranjana Agarwal. Mr. Om Prakash Lohia is the Chairman of the Risk Management Committee and others are members. The Company Secretary acts as the Secretary of the Committee.

### Subsidiary Companies

The Company does not have any material subsidiary as defined under Listing Regulation. However, the Company has formulated the material subsidiary policy and uploaded on the website of the Company.

The Company has no any Subsidiary, Joint Venture or Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013.

### Affirmations and Disclosures

#### a) Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under Listing Regulations.

#### b) Related Party Transactions

All transactions entered into with the related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing regulations during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Related parties transactions have been disclosed under the Note No. 34 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18".The statement in summary form of transactions with related parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on materiality of related party transactions. The Policy is available on the website of the Company.

None of the transactions with related parties were conflict with the interest of the Company .All the transactions are

in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

- c) The details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI of any statutory authorities, on any matter related capital markets during the last three years

The Company has complied with all requirements specified under Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

**d) Vigil Mechanism / Whistle Blower Policy**

The Company has established a Vigil Mechanism (Whistle Blower) Policy for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The Vigil Mechanism shall provide adequate safeguards against victimization of Director(s) / Employee(s), who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no personnel has been denied access to the Audit Committee. The detail of establishment of the vigil mechanism is available on the website of the Company.

**e) Risk Management**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**f) Commodity price risks and Commodity hedging activities**

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

**Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**Management Discussion and Analysis**

This Annual Report has a detailed chapter on Management Discussion and Analysis.

**General Body Meetings**

**Annual General Meeting**

The date, time and venue for Annual General Meetings for the last 3 (three) years are given in Table 8 below:

**Table 8: Details of General Meetings held during the last three years.**

Financial year	Meeting	Date	Time	Venue	Special Resolutions Passed
2016-17	AGM	19th Sept 2017	1:30 PM		1. To enter into Related Party Transactions.
2015-16	AGM	30th Sept 2016	1:30 PM	A-31, MIDC Industrial Area, Butibori Nagpur - 441122 Maharashtra	1. Revision of remuneration of Mr. Om Prakash Lohia, Chairman and Managing Director; 2. Re-Appointment and revision of remuneration of Mr. Vishal Lohia, Whole-time Director; 3. To enter into related party Transactions; and 4. To approve/issue of unsecured Non-convertible debentures on private placement.
2014-15	AGM	30th July 2015	1:30 PM		1. To enter into Related Party Transactions; and 2. To adopt new set of Articles of Association of the Company pursuant to the Companies Act, 2013.

**Resolutions passed last year through Postal Ballot**

Resolutions passed during the financial year 2017-18: Pursuant to Section 110 of the Companies Act, 2013, read with the Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company had conducted the following voting through Postal Ballot (including Remote e-Voting) and sent the postal ballot form to the shareholders. The resolutions passed through postal ballot and voting pattern are given in Table 9 & 10 below.

**Table 9: Details of resolutions passed through postal ballot for 2017-18:**

Last Date of Dispatch of Postal Ballot Forms	Item approved by the Shareholders	Date of passing of Resolution	Ordinary / Special Resolution
11th December 2017	Issuance of Optionally Convertible Debentures on preferential basis to Promoter.	10th January 2018	Special Resolution

**Table 10: Details of Voting Pattern of the Special Resolution passed through postal ballot for 2017-18:**

Particulars	No. of PBF/ E-voting	No. of Shares Voted
Postal Ballot Form (PBF) received	14	4,934
e-Voting Confirmations	64	7,43,32,799
Total	78	7,43,37,733
Less: Invalid Postal Ballot Form /e-Voting Confirmations	-	-
Net valid Postal Ballot Forms / e-Voting for the Resolutions	78	7,43,37,733
Postal Ballot Forms/e-Voting cast in favour for the Resolution	62	7,43,23,614
Postal Ballot Forms/e-Voting cast against for the Resolution	16	14,119

Mr. Sanjay Grover, Managing Partner, M/s Sanjay Grover & Associates, Company Secretaries, (Membership No. FCS 4223 and CP No. 3850), New Delhi, was appointed as the Scrutinizer to conduct the postal ballot exercise in a fair and transparent manner.

**Procedure for Postal Ballot:** Where a Company is required or decides to pass any resolution by way of postal ballot, it shall send a notice to all the shareholders, along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot because postal ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice. Your Company has followed the aforesaid procedure stipulated in the Companies Act, 2013 & Listing Regulations and has carried out Postal Ballot for the item(s) mentioned above.

### e-Voting

To widen the participation of shareholders in the Company decisions pursuant to provisions of Section 108 of Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company has provided e-Voting facility to its shareholders, in respect of all shareholders resolutions to be passed at general meeting.

Further, till the date of signing of this report, no Special Resolution is proposed to be conducted through postal ballot.

### CEO / CFO Certification

The Whole-Time Director as the CEO of the Company has certified to the Board of Directors the accuracy of financial statements and adequacy of internal controls for financial reporting purposes, as required under the Listing Regulations, for the year ended 31st March 2018.

## Shareholders

### Appointment / Re-appointment of Directors

Mr. Vishal Lohia is retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Brief resume of Director, nature of their expertise in special functional areas and Company names in which they hold Directorships, Memberships/ Chairmanships of Board Committees and shareholding in the Company are given in the notice of the 32nd Annual General Meeting.

## Compliance

### Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of the Listing Regulations.

### Adoption of Non-Mandatory Requirements

Separate posts of Chairman and CEO: The Company has appointed separate persons to the post of Chairman and CEO.

Reporting of Internal Auditor: The Internal Auditors of the Company report directly to the Audit Committee.

### Auditor's Certificate on Corporate Governance

The Company has obtained a Certificate from the Company Secretary in Practice regarding compliance of conditions of corporate governance, as mandated in Listing Regulations. The certificate is annexed to this Report.

Disclosure of Compliance with the Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46 of Listing Regulations

The Company has complied with the applicable provisions of Listing Regulations including Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 except elsewhere mentioned in this report.

Further, there is no non-compliance of any requirement of corporate governance report of sub-para (2) to (10) of Part C to Schedule V.

## Means of Communication

**Quarterly results:** The Company's quarterly results are published in "The Indian Express", in English Language and "Loksatta" in Marathi Language and are displayed on its website. Hence, these are not separately sent to individual shareholders. The Company, however, furnishes the quarterly and half-yearly results on receipt of a request from any shareholder.

As per Regulation 47(1)(b) of the Listing Regulations, the detailed format of Quarterly/Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the Listing Regulations and an Extract of the Financial Results are published in the News Papers. The full formats of the Quarterly/ Annual Financial Results are also available on the Company's website, i.e., <http://www.indoramaindia.com> and Stock Exchange websites, [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**News releases, presentations, among others:** Official news releases and official media releases, if any are sent to the Stock Exchanges and also displayed on the Company's website.

**Annual Report:** The Annual Report containing, inter-alia, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MDA) Report forms part of the Annual Report and is displayed on the Company's website.

**NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Voting Results, Media Releases, Audited/ Un-audited Financial Results are filed electronically on NEAPS.

**BSE Corporate Compliance & Listing Centre (the "Listing Centre"):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliances are filed electronically on the Listing Centre and Shareholding Pattern, Corporate Governance Report, Voting Results, Reconciliation of Share Capital Audit and Audited/Un-audited Financial

Results are filed through XBRL (eXtensible Business Reporting Language).

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the Company and online viewing by investors of actions taken on the complaint and its current status.

**Designated Exclusive email-id:** The Company has designated the following email-id exclusively for investor servicing: [investor-relations@indorama-ind.com](mailto:investor-relations@indorama-ind.com).

## General Shareholder Information Registered Office / Registration Details

The Company's Registered Office situated at A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17124MH1986PLC166615.

## Annual General Meeting

(Day, Date, Time and Venue)  
Saturday, 28th July 2018 at 1:30 PM  
Venue: A-31, MIDC Industrial Area, Butibori, Nagpur-441122, Maharashtra.

## Financial Year

1st April to 31st March

## Dividend Payment Date

No dividend has been recommended for the Financial Year 2017-18.

## Financial Calendar, 2018-19 (tentative)

1st Quarter Results	1st /2nd Week of August, 2018
2nd Quarter Results	1st /2nd Week of November, 2018
3rd Quarter Results	1st /2nd Week of February, 2019
Audited Annual Accounts for the year ended 31st March 2019	3rd /4th Week of May, 2019
Annual General Meeting	August, 2019

## Date of Book Closure

Saturday, 21st July 2018 to Saturday, 28th July 2018 (both days inclusive)

## Listing on Stock Exchange and Stock Codes

Equity Shares of Indo Rama Synthetics (India) Limited is listed on the following Stock Exchanges:

**i) BSE Limited (BSE)**

P. J. Towers, 1st Floor  
Dalal Street, Mumbai-400 001  
Tel.: +91 22 22721233-34  
Fax: +91 22 22721919  
Email: corp.relations@bseindia.com

**ii) National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, BandraKurla Complex Bandra  
(E), Mumbai-400 051**

Tel.: +91 22 26598100-14  
Fax: +91 22 26598120  
Email: cmlist@nse.co.in

The stock codes of the Company are as follows:

- BSE Limited : 500207
- National Stock Exchange of India Ltd. : INDORAMA

The ISIN number for Equity Shares of the Company on both the NSDL and CDSL is INE 156A 01020.

All listing and custodial fees to the Stock Exchanges and Depositories for the financial year 2017-18 have been paid to the respective institutions.

**Listing of GDRs**

The Company's GDRs, each comprising eight underlying shares of the Company, were listed with Luxembourg Stock Exchange at Societe de la Bourse de Luxembourg, 11, Avenue de la Porte -Neuve, L-2227 Luxembourg.

Since, all the Global Depository Receipts (GDR's) are duly converted into equity shares and the Depository Agreement has been terminated and accordingly the GDR's program/facility, de-listed from the Luxembourg Stock Exchange with effect from 16th October 2017.

There are no convertible instruments which could result in increasing the equity capital of the Company.

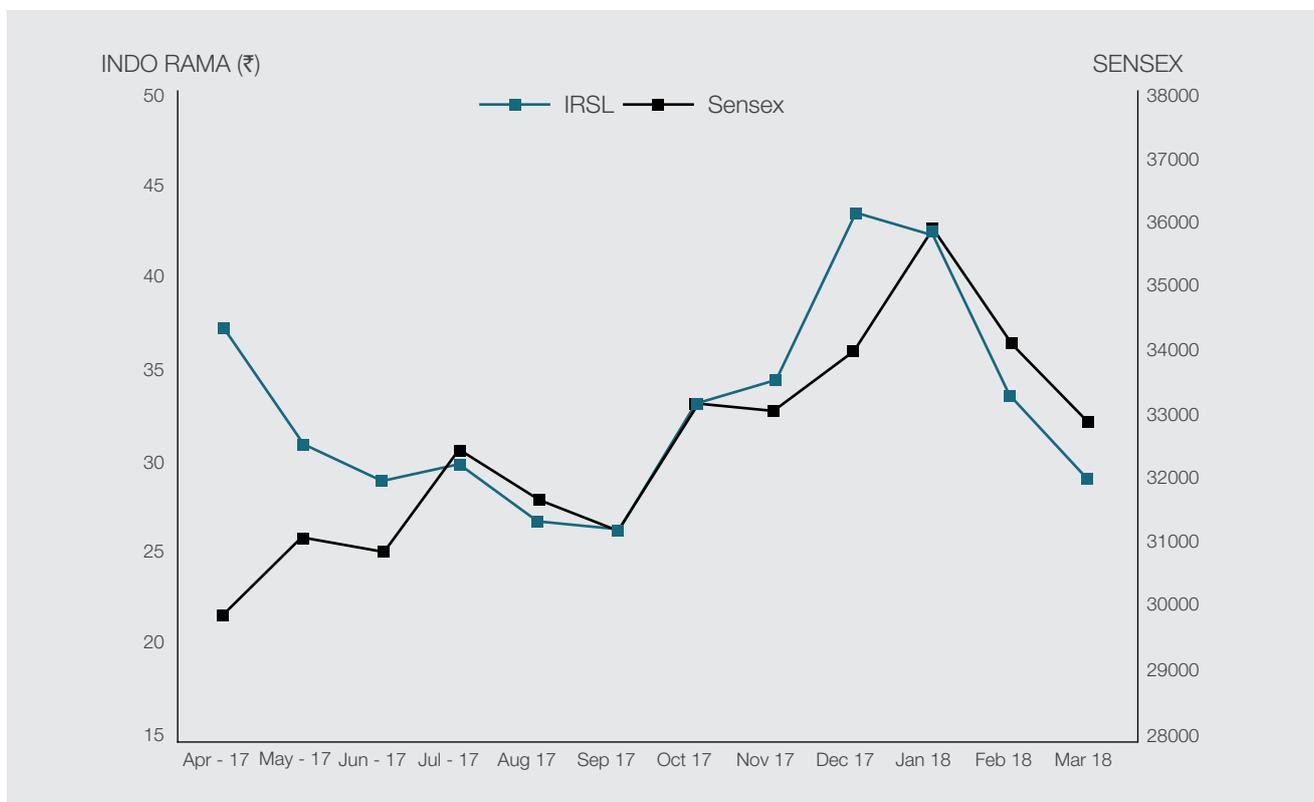
**Stock Market Price Data**

Table 11 below gives the monthly high and low prices of Indo Rama Synthetics (India) Limited equity shares at BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) for the financial year 2017-18.

**Table 11 : Monthly High and Low quotations of shares traded at the BSE and NSE.**

Month	BSE Limited (BSE)		Exchange of India Ltd. (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2017	42.60	32.60	42.60	32.05
May 2017	40.25	29.90	40.25	29.75
June 2017	31.95	28.60	31.75	28.10
July 2017	32.05	29.50	32.10	29.05
August 2017	32.40	26.20	32.20	25.30
September 2017	30.80	26.25	30.90	26.20
October 2017	38.80	26.65	39.30	26.50
November 2017	39.80	29.00	39.80	29.10
December 2017	49.00	32.90	48.95	32.80
January 2018	57.50	41.10	56.90	40.55
February 2018	44.50	33.50	44.50	33.30
March 2018	35.90	28.00	36.50	28.65

**Chart A: Share prices of Indo Rama versus BSE SENSEX for the year ended 31st March 2018.**



Note: Based on monthly closing share price on BSE (April, 2017 to March, 2018)

**Registrar and Share Transfer Agent**

MCS Share Transf0 6149-52, Fax No.: +91-11-4170 9881  
E-mail: helpdeskdelhi@mcsregistrars.com/  
admin@mcsregistrars.com

**Share Transfer System**

The transfer of shares in physical form is processed and completed by Registrar and Share Transfer Agent within a period of 15 (fifteen) days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) through respective Depository Participants.

Table 12 below gives the position of shares held in electronic form as on 31st March 2018.

**Table 12: Status of Dematerialisation as on 31st March 2018.**

The shares of the Company are in compulsory dematerialized segment and are available for trading system of both NSDL and

CDSL. The details of the no. of shares held in Dematerialized form mode as on 31st March, 2018 are as follows:

No. of Shares Dematerialized	150,982,090	99.45% of total share capital
No. of shareholders in Demat Form	16,171	74.14% of the total shareholders

**Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), and the total issued and listed capital of the Company.

The Company Secretary in practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and is also placed before the Board.

### Electronic Clearing Service (ECS) Mandate

All the shareholders are requested to update their bank account details with their respective depositories urgently. This would facilitate transfer of dividend directly to the bank account of the shareholders.

### Service of documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer

### Agent, MCS Share Transfer Agent Limited.

Transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 19th September 2017 (date of 31st Annual General Meeting) on the Company's website and on the website of the IEPF, viz.; [www.iepf.gov.in](http://www.iepf.gov.in).

Pursuant to Section 125 of the Companies Act, 2013, Table 13 below details the dates of declaration of Dividend and corresponding dates when unclaimed dividends are due for transfer to Investor Education and Protection Fund (IEPF).

**Table 13: Dates of dividend declaration and corresponding dates when unclaimed dividends are due for transfer to IEPF.**

Financial Year	Whether Interim / Final	Date of declaration of Dividend	Last date for transfer to IEPF
2010-11	Final	14th July 2011	13th August 2018
2011-12	Final	21st June 2012	20th July 2019
2012-13	Final	4th July 2013	3rd August 2020
2013-14	Final	1st August 2014	31st August 2021
2014-15	Final	30th July 2015	29th August 2022
2015-16	Final	30th September 2016	29th October 2023

Shareholders who have not so far encashed their dividend warrant(s) or have not received the same are requested to seek issue of duplicate warrant(s) by writing to the Company confirming non-encashment/non-receipt of dividend warrant(s).

### Shareholding Pattern and Distribution of Shareholding as on 31st March 2018.

Tables 14 and 15 give the pattern of shareholding by ownership and share class respectively.

#### Table 14 : Pattern of shareholding by ownership as on 31st March 2018.

	No. of Equity Shares	Shareholding (%)
<b>A. PROMOTERS' HOLDING</b>	<b>112,187,551</b>	<b>73.89</b>
<b>B. NON-PROMOTERS' HOLDING</b>		
a) Banks, Financial Institutions, Insurance Companies, Central / State Govt. Institutions, Non-government Institutions	170,144	0.11
b) Foreign Institutional Investors (FIIs)	14,044,664	9.25
c) Foreign Direct Investment (FDI)	-	-
d) Mutual Funds (including UTI)	47,898	0.03
e) Private Corporate Bodies	3,960,217	2.62
f) Indian Public	20,786,110	13.69
g) NRIs / OCBs	625,658	0.41
<b>Grand Total</b>	<b>151,822,242</b>	<b>100.00</b>

**Table 15: Pattern of shareholding by share class as on 31st March 2018.**

Shareholding class	Number of shareholders	Number of shares held	Shareholding %
Up to 500	17,503	2,738,280	1.80
501 to 1,000	2,087	1,712,097	1.13
1,001 to 5,000	1,681	3,937,294	2.59
5,001 to 10,000	250	1,979,766	1.31
10,001 to 50,000	217	4,937,962	3.25
50,001 to 100,000	39	2,826,786	1.86
100,001 and above	33	133,690,057	88.06
<b>Total</b>	<b>21,810</b>	<b>151,822,242</b>	<b>100.00</b>

### Web link for various documents/policies

The Company's website contains a separate dedicated section "Investor Relations", where shareholders' information is available and Table 16 give the documents/information are linked with the website of the Company, i.e, [www.indoramaindia.com](http://www.indoramaindia.com).

**Table 16 : Documents/information are linked with the website of the Company.**

Particulars	Web link
Familiarization programmes for Independent Directors	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Code of conduct for Directors and Senior Management	<a href="http://www.indoramaindia.com/code_of_conduct.php">http://www.indoramaindia.com/code_of_conduct.php</a>
Code of Practices and Procedures for Fair Disclosure of UPSI	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Nomination and Remuneration Policy	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
CSR Policy	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Policy for determining "material" subsidiaries	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Policy on dealing with related party transactions	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Whistle Blower Policy / Vigil Mechanism	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Quarterly/Annual Financial Results	<a href="http://www.indoramaindia.com/financial_results.php">http://www.indoramaindia.com/financial_results.php</a>
Annual Report	<a href="http://www.indoramaindia.com/annual_reports.php">http://www.indoramaindia.com/annual_reports.php</a>
Unpaid and Unclaimed Dividend Amount	<a href="http://www.indoramaindia.com/dividend_amount.php">http://www.indoramaindia.com/dividend_amount.php</a>
Code for Independent Directors	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Policy on Archival of documents	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Policy for Preservation of documents	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Contact details of KMP	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Policy on determination of Materiality of Events or Information	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Fair Disclosure Code	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Code of Conduct for Internal Procedures	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Policy on Preservation on Sexual Harassment	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Risk Management Policy	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Performance Evaluation Policy	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>
Policy on Diversity of Board of Directors	<a href="http://www.indoramaindia.com/policies.php">http://www.indoramaindia.com/policies.php</a>

### Plant Location

The Company has its manufacturing and operating complex at:  
A-31, MIDC Industrial Area, Butibori, Nagpur-441 122  
Maharashtra, India  
Tel. : +91-7104-663000-01  
Fax. : +91-7104-663200

## Compliance Officer for Investor Redressal/ Address for Correspondence

Mr. Jayantk Sood  
 CHRO & Company Secretary  
 Indo Rama Synthetics (India) Limited  
 20th Floor, DLF Square, DLF Phase-II, NH-8, Gurgaon-122002  
 Tel No.+91-124-4997000; Fax: +91-124-4997070  
 E-mail ID: investor-relations@indorama-ind.com

## Address for Correspondence

Registered Office	Corporate Office	Registrar & Share Transfer Agent
Indo Rama Synthetics (India) Limited A-31, MIDC, Industrial Area Butibori, Nagpur-441122 Maharashtra, India Tel. No.:+91-7104-663000-01 Fax No.: +91-7104-663200 Website: www.indoramaindia.com	Indo Rama Synthetics (India) Limited 20th Floor, DLF Square DLF Phase - II, NH-8 Gurgaon-122 002, Haryana, India. Tel. No.:+91-124-4997000 Fax No.: +91-124-4997070 E-Mail: investor-relations@indorama-ind.com	MCS Share Transfer Agent Limited F-65, First Floor Okhla Industrial Area, Phase-1 New Delhi-110 020, India Tel. No.:+91-11-4140 6149-52 Fax No.:+91-11-4170 9881 E-mail: helpdeskdelhi@mcsregistrars.com

**For guidance on depository services, Shareholders may write to the Company or to the respective Depositories:**

National Securities Depository Ltd. 4th Floor, 'A' Wing, Trade World Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai-400013 Telephone :+91-22-24994200 Fax : +91-22-24976351 E-mail : info@nsdl.co.in Website : www.nsdl.co.in	Central Depository Services (India) Ltd. PhirozeJeejeebhoy Towers 17th Floor, Dalal Street, Fort Mumbai-400001 Telephone : +91-22-22723333 Fax : +91-22-22723199 E-mail : investors@cdslindia.com Website : www.cdslindia.com
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For and on behalf of the Board of Directors of  
**Indo Rama Synthetics (India) Limited**

**Om Prakash Lohia**

Chairman & Managing Director  
 (DIN 00206807)

Place: Gurugram  
 Date: 28th May 2018

## Declaration regarding Code of Conduct

As provided under Listing Regulations, all Board Members and Senior Management have affirmed Compliance with the Code of Conduct for the financial year 2017-18.

For and on behalf of the Board of Directors of  
**Indo Rama Synthetics (India) Limited**

**Om Prakash Lohia**

Chairman & Managing Director  
 (DIN 00206807)

Place: Gurugram  
 Date: 28th May 2018

## **Practising Company Secretary's Certificate on Corporate Governance to the Members of Indo Rama Synthetics (India) Limited**

We, Sadhna Sharma & Associates, Company Secretaries, have examined the compliance of conditions of Corporate Governance by Indo Rama Synthetics (India) Limited for the year ended 31st March, 2018 as para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

### **Managements' Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### **Our Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

### **Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **Sadhna Sharma & Associates**  
Company Secretaries

**Sadhna Sharma**  
Proprietor  
ACS 46639; CP 17870

New Delhi, 28th May, 2018