

Report on Corporate Governance



Corporate Governance Report for the year ended March 31, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Corporate Governance has broad scope which include both social and Institutional aspect. It is set of processes, customs, policies, laws and instructions affecting the way a corporates are directed, managed, administered or controlled in the best interest of its stakeholders. The Corporate governance includes transparency, accountability, ethical behavior, independence and fair corporate disclosures. Effective corporate governance practices is crucial for achievement of long term corporate goals of the Company.

1. Company's Philosophy on Code of Governance:

Kiri is committed to the highest standards of Corporate Governance in all its activities and processes. Our corporate governance practice consist Integrity, transparency, accountability which involves standards of safety, health and environment; legal compliances and communication to the stakeholders; fair disclosures, value creation, ethics and governance; Monitoring, internal controls and risk management. The Board of Directors believes that corporate governance is the foundation for long term sustainable performance, better services to all its stakeholders and achieve long term corporate goal. The entire process begins with the functioning of the Board of Directors, having professionals and experts serving as Independent Directors and represents in various Board Committees. The Company has always believed in and practices the highest standards of Corporate Governance since its inception and considers that sound governance practices are crucial for its smooth and efficient business operations, balancing the interests of all its stakeholders and creating wealth for shareholders.

A report on the matters and the practices followed by the Company is detailed herein below:

2. Board of Directors:

The Board of Directors and its Committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure.

The Board of Directors meets atleast once in a quarter to review the performance and financial results of the Company. The Chairman/Managing Director briefs the Directors at every Board Meeting on overall business performance and general industry trend globally. All major decisions/approvals are taken at the Board Meeting. Any Board member may bring up any matter for consideration of the Board, in consultation with the Chairman.

The Board of Directors of the Company (“the Board”) consists of optimum combination of Executive and Non-Executive Directors. The Board has five members comprising of two Executive Directors and three Independent Directors including one woman Director. The majority of Board members are Non-Executive Independent Directors as per the requirement of Regulation 17 Listing Regulations.

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The details of the composition, nature of Directorship, the number of meetings attended and the directorships in other companies as at March 31, 2019 are detailed herein below:

Sr. No.	Name of Directors	Category	No. of Board Meetings held and attended during the year		Attendance at last AGM held on 27.09.2018	No. of Directorship in other Public Companies*	No. of Committee positions held in other public companies		Directorship in other listed entity including Category of Directorship
			Held	Attended			Chairman#	Member#	
1.	Mr. Pravin Kiri	Chairman & Whole Time Director	5	5	Yes	1	-	-	-
2.	Mr. Manish Kiri	Managing Director	5	5	Yes	2	-	-	-
3.	Mr. Keyoor Bakshi	Independent Director	5	5	Yes	7	3	3	1. Infibeam Avenues Limited 2. Gokul Agro Resources Limited 3. TTL Enterprises Limited 4. Saanvi Advisors Limited 5. Innovative Tyres & Tubes Limited
4.	Mr. Mukesh Desai	Independent Director	5	4	Yes	1	1	1	1. Innovative Tyres & Tubes Limited
5.	Mrs. Veena Padia	Independent Director	5	4	Yes	-	-	-	-

Note:

* Other Directorships do not include directorships of private limited companies, Companies formed under section 8 of the Companies Act, 2013 and foreign companies.

#Chairmanship/ Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee.

- Disclosure of relationships between directors inter-se:**
 None of the Directors are related inter-se except Mr. Pravin Kiri and Mr. Manish Kiri.
- Number of Board Meetings during the year:**
 During the year under review, 5 (Five) Meetings of Board of Directors were held as per detail given below:

Sr. No.	Date of Board Meeting
1.	April 02, 2018
2.	May 29, 2018
3.	August 10, 2018
4.	November 12, 2018
5.	February 13, 2019
- Number of shares and convertible instruments held by Non Executive Directors:**
 None of the Non- Executive Directors of the Company holds any shares and convertible instruments in the Company.
- Web link where details of Familiarisation programmes imparted to independent directors is disclosed:**
 All Independent Directors are familiarized from time to time with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc. The Company makes consistent efforts to periodically acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant, Product Category, global competition, diversification plan, major capital expenditure etc. The details regarding Independent Directors' Familiarisation Programmes is available on the website of the Company i.e. www.kiriindustries.com.
- Skills, Expertise and Competencies :**
 The Board of company comprises qualified members who bring in the required skills, expertise, competencies that allow them to make effective contributions to the Board and its committee.

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The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Skill/ Expertise/ Competency	Detail for such Skills / Expertise / Competencies	Directors having such skills
Business	Understanding of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.	4
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.	5
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	5
Financial Expertise	Qualification and/or experience in accounting and/or finance coupled with ability to analyze key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	5

3. Committees of the Board:

The Company has constituted committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval. The Board has constituted the following five (5) Committees:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders' Relationship Committee;
- d) Corporate Social Responsibility (CSR) Committee;
- e) Risk Management Committee

(a) Audit Committee:

- **Brief description of terms of reference:**

In Compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, the Company has constituted Audit Committee. The role of the Audit Committee is in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the Listing Regulations, 2015 read with Part C of Schedule II and terms of reference of the Audit Committee inter-alia includes:

1. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Examination of the financial statement and auditors' report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investment;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters
9. Reviewing the functioning of the Whistle Blower mechanism;
10. Reviewing the adequacy and structure of the internal audit function, frequency of internal audit, and discussion with internal auditors of any significant findings and follow up there on;
11. Any other matters as prescribed by law from time to time.

The Audit Committee of the Company meets as per criteria laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

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- **Composition, Meetings and Attendance of Audit Committee:**

During the Financial Year 2018-19 Audit Committee met 4 (Four) times on May 29, 2018, August 10, 2018, November 12, 2018 and February 13, 2019.

Name of Member	Designation	Category	No. of meetings held during the year 2018-19	
			Held	Attended
Mr. Keyoor Bakshi	Chairman	Independent Director	4	4
Mr. Manish Kiri	Member	Executive Director	4	4
Mr. Mukesh Desai	Member	Independent Director	4	3
Mrs. Veena Padia	Member	Independent Director	4	3

Mr. Suresh Gondalia, Company Secretary & Compliance Officer acts as a Secretary to the Committee.

(b) Nomination and Remuneration Committee:

- **Brief description of terms of reference:**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Company has constituted a Nomination & Remuneration Committee of the Board. All members of the Committee are Independent Directors. The terms of reference of the Committee inter alia, include:

1. 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 and other employees;

2. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
4. Oversee familiarization programmes for directors.
5. Framing, recommending to the Board and implementing, on behalf of the Board and Shareholders, policy on remuneration of Directors, Key Managerial Personnel (KMP) & senior management, including ESOP and any other compensation payment.

- **Composition, Meetings and Attendance of Nomination and Remuneration Committee:**

During the year, 1 (One) meeting of Nomination and Remuneration Committee was held i.e. on May 29, 2018.

Name of Member	Designation	Category	No. of meetings held during the year 2018-19	
			Held	Attended
Mr. Mukesh Desai	Chairman	Independent Director	1	0
Mr. Keyoor Bakshi	Member	Independent Director	1	1
Mrs. Veena Padia	Member	Independent Director	1	1

Mr. Suresh Gondalia, Company Secretary & Compliance Officer acts as a Secretary to the Committee.

- **Nomination and Remuneration policy:**

The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and

aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on performance review, on a periodical basis. The Board has approved a Nomination and Remuneration Policy

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of the Company and available on the website of the Company i.e. www.kiriindustries.com. This Policy is in compliance with Section 178 of the Companies Act, 2013, read with the applicable rules thereto and Regulation 19 and Schedule II, Part D of the Listing Regulations.

- **Performance Evaluation Criteria of selection of Independent Directors:**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and compliance requirements.

- **Details of Remuneration to all the Directors:**

- **Executive Directors:**

The aggregate value of salary and perquisites paid during the year 2018-19 to the Executive Directors are as follows: (INR in Lakhs)

Name	Designation	Salary	Perquisites and allowances	Stock Options	Total
Mr. Pravin Kiri	Chairman	120.00	Nil	Nil	120.00
Mr. Manish Kiri	Managing Director	120.00	Nil	Nil	120.00

Executive Directors are not paid sitting fees for attending the meetings of Board of Directors or Committees thereof.

- **Independent Directors:**

There were no pecuniary transactions between Company and Independent Directors of the Company except sitting fees for attending meetings of board of directors and committees.

Sitting fee paid to Independent Directors during the financial year 2018-19 are as under:

Name	Sitting Fees (in INR)
Mr. Keyoor Bakshi	74,500/-
Mr. Mukesh Desai	54,000/-
Mrs. Veena Padia	58,000/-

- **(c) Stakeholders' Relationship Committee:**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 20 and Part D of Schedule II of the Listing Regulations, a Stakeholders' Relationship Committee of the Board has been constituted. The Stakeholders' Relationship Committee comprises of three members. The main responsibility of the Committee is to ensure cordial investor relations and

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman who were evaluated on parameters such as attendance, contribution at the meetings, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Executive Director were carried out by the Independent Directors. The Directors were satisfied with the evaluation results.

supervise the mechanism for redressal of investor grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/ remat/ demat/ split-up/ sub-division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

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- **Name of the Non-Executive Director heading the committee:**
Stakeholders' Relationship Committee is headed by Mrs. Veena Padia, Independent Director of the Company.
- **Composition, Meetings and Attendance of Stakeholders' Relationship Committee:**
During the Financial year 2018-19, Stakeholders' Relationship Committee met once on March 30, 2019.

Name of member	Designation	Category	No. of meetings held during the year 2018-19	
			Held	Attended
Mrs. Veena Padia	Chairman	Independent Director	1	1
Mr. Manish Kiri	Member	Executive Director	1	1
Mr. Mukesh Desai	Member	Independent Director	1	1

Mr. Suresh Gondalia, Company Secretary & Compliance officer acts as a Secretary to the Committee.

- **Details of investor complaints received and redressed during the year 2018-19 are as follows:**

Number of shareholders complaints received and resolved	Number of complaints not solved to the satisfy action of shareholders	Number of pending complaints
NIL		

(d) Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013:

- **The Terms of reference:**

1. To 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 to the Companies Act, 2013;
2. To finalise a list of CSR projects or programs or initiatives proposed to be undertaken

periodically and to review the same from time to time in accordance with requirements of section 135 of the Companies Act 2013;

3. To recommend the amount of expenditure to be incurred on the activities referred to in clause (1);
4. To monitor the Corporate Social Responsibility Policy of the company from time to time;
5. To review the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board Report.

- **Composition and Attendance of Corporate Social Responsibility Committee:**

During the Financial year 2018-19, Corporate Social Responsibility Committee met 2 (Two) times i.e. on May 29, 2018 and March 30, 2019.

Name of member	Designation	Category	No. of meetings held during the year 2018-19	
			Held	Attended
Mrs. Veena Padia	Chairman	Independent Director	2	2
Mr. Pravin Kiri	Member	Executive Director	2	2
Mr. Manish Kiri	Member	Executive Director	2	2
Mr. Mukesh Desai	Member	Independent Director	2	1

Mr. Suresh Gondalia, Company Secretary and Compliance officer acts as Secretary to the Committee.

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- **Corporate Social Responsibility Policy:**

The CSR activities shall be focused not just around the plants and offices of the Company, but also in other geographies, based on the needs of the communities. The key focus areas where special Community Development programmes would be run are:

1. Eradicating hunger, poverty and malnutrition, and sanitation, and making available safe drinking water;
2. promoting education
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of

art; setting up public libraries; promotion and development of traditional art and handicrafts;

6. Rural developments.

The Board has approved a Corporate Social Responsibility Policy of the Company which is available on the website of the Company i.e. www.kiriindustries.com. This Policy is in compliance with Section 135 of the Companies Act, 2013, read with the applicable rules thereto.

- (e) **Risk Management Committee:**

The Risk Management Committee of the Company is constituted as per Regulation 21 of Listing Regulations.

- **The Terms of reference:**

The objective of the Risk Management Committee of the Company is to create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

- **Composition of the Committee as on March 31, 2019:**

Name of the member	Designation	Category
Mr. Pravin Kiri	Chairman	Executive Director
Mr. Manish Kiri	Member	Executive Director
Mr. Mukesh Desai	Member	Independent Director
Mr. Yagnesh Mankad	Member	Chief Operating Officer
Mr. Jayesh Vyas	Member	Chief Financial Officer

Mr. Suresh Gondalia, Company Secretary & Compliance officer acts as a Secretary to the Committee.

- **Risk Management policy:**

The Company has adopted the Risk Management Policy to protect and safeguard the assets of company and reducing volatility in various areas of the business. Developing and supporting people by providing framework to enable the future activities and the same is available on the website of the Company i.e. www.kiriindustries.com.

1. Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
3. Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

- (f) **Independent Director's Meeting:**

During the year under review, the Independent Directors met once on March 30, 2019, inter alia, to:

All the Independent Directors were present at this Meeting. Further, in the opinion of board, the Independent directors fulfill the conditions specified in the Listing regulations and are independent of the management.

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4. General Body Meetings:

- **Details of Annual General Meetings held during the last three financial years:**

Financial Year	Date	Time	Location
2017-18	September 27, 2018	10.30 a.m.	Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015
2016-17	September 29, 2017		
2015-16	September 23, 2016		

- **Details of Special Resolutions passed in the previous three AGMs:**

Number and Date of Annual General Meeting	Particulars of Special Resolutions passed at the AGM
20 th AGM held on September 27, 2018	1. To approve re-appointment of Mr. Pravin Kiri as Chairman and Whole Time Director
19 th AGM held on September 29, 2017	No Special Resolution was passed
18 th AGM held on September 23, 2016	1. Approval of issue, offer and allotment of 35,00,000 Warrants on Preferential basis as per SEBI (ICDR) Guidelines, 2009 2. Revision in terms of Remuneration of Mr. Pravin Kiri, Chairman of the Company. 3. Revision in terms of Remuneration of Mr. Manish Kiri, Managing Director of the Company.

No special resolution passed through postal ballot since last three years.

5. Disclosures:

- **Related Party Transactions:**

During the financial year under review, your Company has transactions / contracts / agreements that are classified as "Related Party Transactions" under provisions of the Companies Act, 2013 and the Rules framed thereunder. These contracts/arrangements/agreements have been in the ordinary course of business, to facilitate the business of the Company and have been approved by the Audit Committee and Board of Directors. Necessary disclosures as required under Indian Accounting Standards ("IND AS") have been made in the Notes to the financial statements. All the transactions are on arm's length basis and have no potential conflict with the interest of the Company at large.

As required under regulation 23 (1) of Listing Regulations, the Company has also formulated a Policy on materiality of Related Party Transactions and dealing with related party transaction. As required under SEBI notification no. SEBI/LAD-NRO/GN/2018/10 dated May 09, 2018, the said policy was also reviewed by the Board of Directors of the Company at their

meeting held on February 13, 2019. The said policy is available on the website of the Company viz. www.kiriindustries.com.

- **Legal Compliances**

There were no instances of material non-compliances during the year under review. No strictures or penalties were imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years.

- **Vigil Mechanism / Whistle Blower Policy :**

The Company has established a whistle blower mechanism to provide an avenue to raise concerns, if any, in line with the Company's commitment to the high standards of ethical, moral and legal conduct of business. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for excess to the Chairman of the Audit Committee. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle blower

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policy is available on the Company's website at www.kiriindustries.com.

- **Subsidiary Companies:**

Pursuant to Regulation 16 of the Listing Regulations, the Company has adopted a Policy for determining Material Subsidiary which is in line with Listing Regulations as amended and same is available on the website of the Company i.e. www.kiriindustries.com. The Company has no material subsidiary as per threshold limit laid down in Listing Regulation.

- **Commodity price risk and Commodity hedging activities:**

Pursuant to Regulation 34(3) read with clause 9(n) of Part C of Schedule V of Listing Regulations, your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure relating to the same is made as per SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable
- A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed herewith this report.
- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: Not Applicable
- Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is given in the notes to the Financials Statement.

- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: Your company has not received any such complaint during the financial year under review. The policy on Prevention of Sexual Harassment is available on the website of the Company at www.kiriindustries.com.

- **Non-mandatory (Discretionary) requirements:**

The status of Non-mandatory (Discretionary) requirements under regulation 27 (1) read with Part E of the Listing Regulations are as below:

- **The Board:**

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

- **Shareholders Rights:**

The Company has adopted practice of providing management notes with quarterly results through stock exchanges for its shareholders. The quarterly result of financials as well as management notes thereon as approved by the Board are disseminated to the Stock Exchanges and website of the company viz. www.kiriindustries.com as per the Listing Regulation. Quarterly financial results are published in the newspapers.

- **Modified opinion(s) in audit report:**

There are no such modified opinions in audit report.

- **Reporting of Internal Auditor:**

As per Section 138 of the Company Act, 2013 read with other applicable provision(s), if any, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal Auditor submits their report to the Audit Committee on quarterly basis for their reviews and suggestion for necessary action.

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- The Disclosures of the Compliance With Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2):

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance status (Yes/No/NA)
1.	Board of Directors	17(1)	Board composition	Yes
		17(2)	Meeting of Board of directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/compensation	Yes
		17(7)	Minimum Information	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes
2.	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3.	Nomination and Remuneration Committee	19(1) & (2)	Composition of nomination & remuneration committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4.	Stakeholders Relationship Committee	20 (1) & (2)	Composition of Stakeholder Relationship Committee	Yes
		20 (4)	Role of the Committee	Yes
5.	Risk Management Committee	21 (1), (2), (3)	Composition Risk Management Committee	Yes
		21(4)	Role of Committee	Yes
6.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7.	Related Party Transaction	23(1),(5),(6), (7) & (8)	Policy for related party Transaction	Yes
		23(2), (3)	Prior or Omnibus approval of Audit Committee for all related party transactions	Yes
		23(4)	Approval for material related party transactions	NA
8.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of unlisted material Subsidiary	NA
		24(2),(3),(4), (5) & (6)	Other Corporate Governance requirements with respect to subsidiary of listed entity	Yes
9.	Secretarial Audit	24A	Secretarial Audit	Yes

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Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance status (Yes/No/NA)
10.	Obligations with respect to Independent Directors	25(1) & (2)	Maximum Directorship & Tenure	Yes
		25(3) & (4)	Meeting of independent directors	Yes
		25(7)	Familiarization of independent directors	Yes
11.	Obligations with respect to Directors and Senior Management	26(1)	Memberships in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(2) & 26(5)	Policy with respect to Obligations of directors and senior management	Yes
12.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
13.	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarisation programmes imparted to Independent Directors	Yes

6. Means of Communications

The website of the Company www.kiriindustries.com is the primary source of information about the company to the public. The Company maintains a functional website containing the basic details of the Company in terms of Regulation 46 of the Listing Regulations. The quarterly, half-yearly and annual results of the Company are published in English and Gujarati newspapers as per requirements of Regulation 47 of the Listing Regulations. All information, which could have a material bearing on the share prices, is released at the earliest to the BSE

Limited and National Stock Exchange of (India) Ltd. in accordance with the requirements of Listing Regulations through BSE Corporate Compliance & Listing Centre (the "Listing Centre") and NSE Electronic Application Processing System (NEAPS) respectively. The results are available on the website of the Company. The Company normally publishes financial results and other communications of the Company in English Language newspaper and Gujarati Language newspaper. During the year, the Company has published Presentations made to institutional investors or to the analysts, Updates on Court Case during the current financial year on the website of the Company.

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7. General Shareholders Information:

- A. Annual General Meeting:** Day : Friday
Date : September 27, 2019
Time: 10.30 a.m.
- B. Financial Year:** The Financial Year of the Company is 1st April to 31st March.
- C. Date of Book Closure:** From Friday, September 20, 2019,
To Friday, September 27, 2019
(both days inclusive)
- D. Listing on Stock Exchanges:** **The BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001
- The National Stock Exchange of India Limited**
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai-400 051.
- E. Listing Fees:** The Company has paid annual listing fees to both Stock Exchanges for the year 2019-20
- F. Stock Code:** **The BSE Limited** : 532967
The National Stock Exchange of India Limited: KIRIINDUS
- G. CIN of the Company:** L24231GJ1998PLC034094
- H. ISIN:** INE415I01015

I. Dividend Payment:

The Board of Directors at their Meeting held on May 29, 2019, has recommended dividend of INR 0.015/- @ 0.15% on preference share and INR 2/- (@20%) per share, on equity shares of the Company for the Financial Year 2018-19, subject to approval of the shareholders at the ensuing Annual General Meeting. The Dividend shall be paid to the members whose

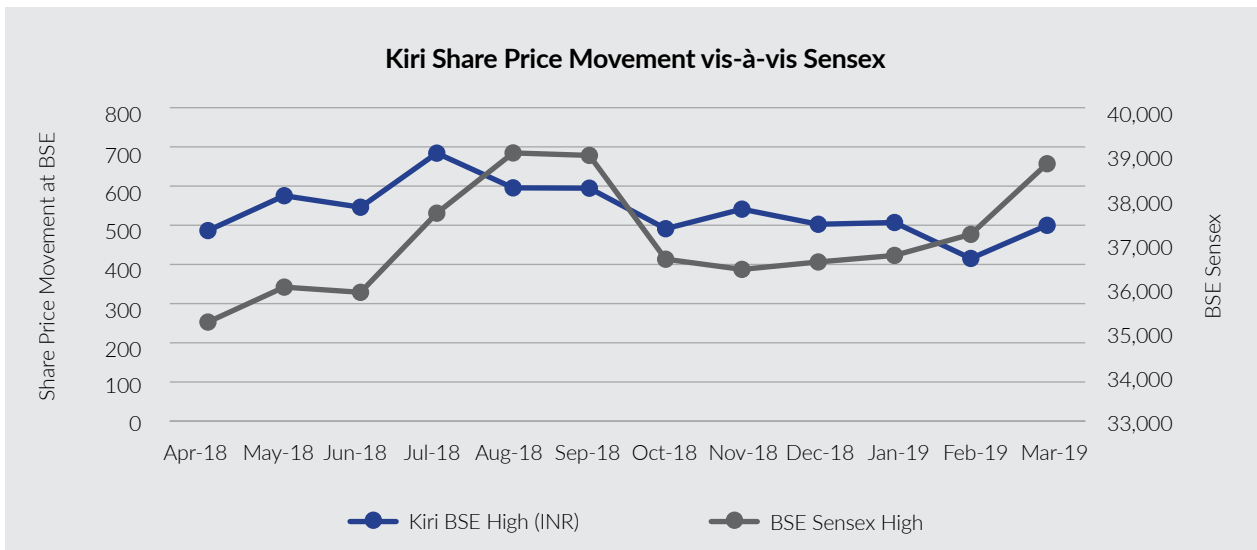
names appear on Company's Register of Members on September 20, 2019 in respect of physical shareholders and whose name appear in the list of Beneficial Owner on September 20, 2019 furnished by NSDL and CDSL for this purpose. The dividend if declared at the Annual General Meeting shall be paid on or after September 28, 2019.

J. Monthly high, low prices and number of shares traded from April, 2018 to March, 2019 at BSE and NSE are as follows:

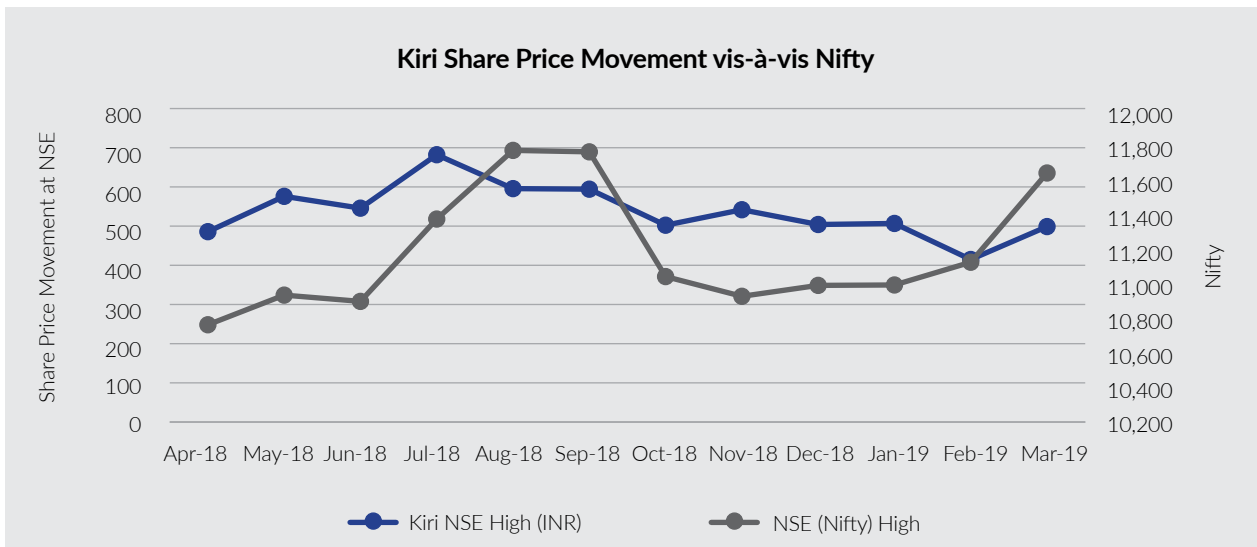
Months	BSE Limited		BSE Sensex			NSE		NSE (NIFTY)		
	High (INR)	Low (INR)	High	Low	Volumes	High (INR)	Low (INR)	High	Low	Volumes
April-18	486.40	406.00	35,213.30	32,972.56	8,77,356	486.00	406.05	10,759.00	10,111.30	36,31,842
May-18	575.40	406.00	35,993.53	34,302.89	11,52,209	576.20	406.30	10,929.20	10,417.80	76,63,476
June-18	546.00	462.85	35,877.41	34,784.68	7,25,456	546.00	462.00	10,893.25	10,550.90	46,08,180
July-18	684.00	480.00	37,644.59	35,106.57	13,74,746	682.35	480.00	11,366.00	10,604.65	81,27,968
August-18	595.40	530.05	38,989.65	37,128.99	5,74,249	595.85	530.00	11,760.20	11,234.95	30,16,632
September-18	594.60	502.85	38,934.35	35,985.63	3,44,558	594.45	502.35	11,751.80	10,850.30	23,83,222
October-18	491.15	384.05	36,616.64	33,291.58	2,90,255	502.50	383.00	11,035.65	10,004.55	16,84,323
November-18	541.05	453.65	36,389.22	34,303.38	2,86,141	542.00	452.20	10,922.45	10,341.90	16,18,434
December-18	502.50	442.80	36,554.99	34,426.29	1,49,930	504.30	441.65	10,985.15	10,333.85	8,40,396
January-19	507.00	400.00	36,701.03	35,375.51	3,03,022	507.00	400.00	10,987.45	10,583.65	23,92,263
February-19	415.30	372.00	37,172.18	35,287.16	1,60,205	415.00	373.00	11,118.10	10,585.65	9,62,742
March-19	499.85	378.50	38,748.54	35,926.94	3,80,629	499.00	377.90	11,630.35	10,817.00	25,54,431

Report on Corporate Governance (Contd.)

Performance in comparison to broad-based indices viz. BSE Sensex



Performance in comparison to broad-based indices viz. NSE Nifty



K. Registrar and Transfer Agents: Cameo Corporate Services Limited
 Subramanian Building #1, Club House Road, Chennai-600 002.
 Phone No.: +91-44-2846 0390
 Fax No.: +91-44-2846 0129
 Email: cameo@cameoindia.com
 Website: www.cameoindia.com

L. Share Transfer System: Share Transfer requests, which were received in physical form were processed and the share certificates were returned within a period of 30 days from the date of receipt, subject to the documents being in order and complete in all aspects.

Report on Corporate Governance (Contd.)

- M. Address for Correspondence:** Company Secretary & Compliance Officer
Kiri Industries Limited
7th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad – 380 006.
Tel:+91-79-26574371-73;
Fax: +91-79-26574374
Email id: info@kiriindustries.com
investor@kiriindustries.com
Website: www.kiriindustries.com
- N. Plant Locations:** Presently Company is engaged in the business of manufacturing Dyes, Dyes Intermediates and Basic Chemicals at its following plants:-
- **Dyestuff Division :**
Plot No. 299/1/A&B & 10/8 Near Water Tank, Phase-II, GIDC, Vatva, Ahmedabad 382 445, Gujarat, India
 - **Intermediates Division:**
Block No. 396 & 390A, EPC Canal road, Village: Dudhwada, Tal: Padra, Dist: Vadodara, Gujarat, India
 - **Basic Chemicals Division:**
Block No. 552/A, EPC Canal road, Village: Dudhwada, Tal: Padra, Dist: Vadodara, Gujarat, India.
- O. Dematerialisation of Shares:** 99.88% paid-up Equity capital of the Company is in dematerialised form as on March 31, 2019.
- P. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity** The Company has not issued any GDRs/ADR as on date. There are 45 Foreign currency convertible bonds which is to be converted into equity shares on or before January, 2022 and consequent to the conversion, further 2,04,90,262 Equity shares to be issued to bond holders.
- Q. Categories of equity shareholding as on March 31, 2019:**

Sr. No.	Categories	No. of Shares	% of Total Capital
1	Promoters and Promoter Group	13990878	44.64
2	Financial Institutions / Banks	542094	1.73
3	Bodies Corporate	1067766	3.41
4	Individuals	8193408	26.14
5	Clearing Members	65554	0.21
6	Foreign Nationals	111066	0.35
7	Hindu Undivided Family	501075	1.60
8	Non Resident Indians	585541	1.87
9	Foreign Institutional Investor (FIIs)	575970	1.84
10	Trusts	428000	1.37
11	Foreign Portfolio Investments	5282599	16.85
	Total	31343951	100.00

Report on Corporate Governance (Contd.)

R. Distribution Schedule as on March 31, 2019:

Sr. No.	Holding	Number	% of Total	Shares	% of Total
1	Between 1 and 1000	13,337	65.99	5,378,150	1.72
2	Between 1001 and 5000	4,342	21.48	11,302,680	3.61
3	Between 5001 and 10000	1,071	5.30	8,537,480	2.72
4	Between 10001 and 20000	639	3.16	9,710,240	3.10
5	Between 20001 and 30000	251	1.24	6,352,650	2.03
6	Between 30001 and 40000	121	0.60	4,363,620	1.39
7	Between 40001 and 50000	96	0.47	4,475,590	1.43
8	Between 50001 and 100000	162	0.80	11,610,760	3.70
9	>100000	192	0.95	251,708,340	80.31
Total		20,211	100.00	313,439,510	100.00

S. Position of Shares as on 31st March, 2019:

The Percentage of Shares held in NSDL (82.22%), CDSL (17.66%) and in Physical Form (0.12%).

T. Disclosures with respect to demat suspense account / unclaimed suspense account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	NIL
Number of shareholders to whom shares were transferred from the suspense account during the year	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL

Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail address registered with their Depository Participants (DPs)/ Company/Registrars & Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with our Registrar and Transfer Agent i.e. M/s Cameo Corporate Service Limited, by sending a letter, duly signed by the first/sole holder quoting Folio No.

For and on behalf of Board of Directors

Date: August 12, 2019
Place: Ahmedabad

Pravin Kiri
Chairman