

# CORPORATE GOVERNANCE REPORT

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes in and continues to practice good corporate governance. Corporate governance seeks to raise the standards of corporate management, strengthens the Board systems, significantly increases its effectiveness and ultimately serve the objective of maximising the shareholders' value. The philosophy of the Company is in consonance with the accepted principles of good governance.

The spirit of corporate governance has always remained imbibed in the Company's business philosophy. This philosophy is shaped by the values of transparency, professionalism and accountability. The Company's corporate governance practices are driven by strong Board oversight, timely disclosures, transparent accounting policies and high levels of integrity in decision-making.

In India, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations) lists out the requirements relating to corporate governance vide Schedule V thereof.

This chapter along with the chapter on Management Discussion and Analysis report on the Company's compliance with SEBI (LODR) Regulations.

## BOARD OF DIRECTORS

### Composition of the Board

The Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board. The diversity on the Board of Directors benefits in:

- Enhancement of the quality of performance of the Board;
- Usher in independence in the performance of the Board;
- Achievement of sustainable and balanced performance and development in the Company;
- Support the attainment of strategic objectives of the Company;
- Compliance of applicable law/s and good corporate practices.

The Board Diversity Policy of the Company is posted on Company's website at [http://www.oclindia ltd.in/postal\\_doc/boarddiversity2408.pdf](http://www.oclindia ltd.in/postal_doc/boarddiversity2408.pdf)

As on March 31, 2017 the Company's Board comprised of ten members — three Executive Directors, seven Non-Executive Directors of which four are Independent Directors. Mr. Pradip Kumar Khaitan, a Non-Executive Independent Director is the Chairman of the Board of Directors of the Company. Ms. Sudha Pillai is the Woman Director. The composition of the Board is in conformity with SEBI (LODR) Regulations.

### Board Meetings, Attendance of Directors and other Directorships held by them

The Board meetings are generally held at the Corporate Office. The Board meets atleast once in a quarter and additional meetings are held, when necessary. The agenda, explanatory notes and related papers are circulated at least seven days prior to the date of the Board meeting for consideration by the Board. Adequate information is circulated as part of the agenda papers and also placed at the table to enable the Board to take an informed decision. The Board periodically reviews the compliance of all applicable laws by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any. Committees of the Board usually meet the day before the Board meeting or whenever the need arises for transacting the business. The recommendations of the Committees are placed before the Board for necessary approval.

The Board of Directors met five times during the financial year 2016-17, i.e., on May 17, 2016, August 16, 2016, October 26, 2016, November 05, 2016 and February 03, 2017. The maximum gap between any two meetings was less than one hundred and twenty days.

None of the Directors are members of more than ten Board level Committees nor are they Chairman of more than five Committees in which they are members. The below table gives the details of the composition of the Board, attendance and details of Committee memberships and Committee chairmanships.

Name of the Directors	Category	Attendance Particulars		No. of other Directorships and Committee Memberships/Chairmanships		
		No. of Board Meetings Attended	AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Shri Pradip Kumar Khaitan, Chairman	Independent Non-Executive	4	No	9	5	2
Shri Gaurav Dalmia, Non-Executive Vice Chairman	Non - Independent Non-Executive	3	No	5	2	1
Shri Gautam Dalmia, Non-Executive Vice Chairman	Promoter Non - Independent Non-Executive	3	No	4	2	0
Shri Puneet Yadu Dalmia, Managing Director	Promoter Non - Independent Executive	4	No	4	0	0
Shri D. N. Davar	Independent Non-Executive	4	No	8	8	4
Shri. V. P. Sood	Independent Non-Executive	5	Yes	0	0	0
Smt. Sudha Pillai	Independent Non-Executive	5	No	6	5	1

Name of the Directors	Category	Attendance Particulars		No. of other Directorships and Committee Memberships/Chairmanships		
		No. of Board Meetings Attended	AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Shri Jayesh Doshi	Non - Independent Non-Executive	5	No	5	0	0
Shri Mahendra Singhi CEO & Whole Time Director	Non - Independent Executive	5	No	1	0	0
Shri Amandeep Whole Time Director	Non - Independent Executive	4	Yes	5	1	0

**Notes:**

- Other directorships include only the directorships in public limited companies.
- As required under the SEBI (LODR), Regulations, the disclosure includes membership/chairmanship of audit committee and stakeholders' relationship committee of Indian public companies (listed and unlisted), other than such committees of the Company.
- Shri Mahendra Singhi, Shri V.P Sood and Shri D.N. Davar holds 5000, 4500 and 1500 shares, respectively, of the Company.

**INDEPENDENT DIRECTORS**

Independent Directors play an important role in the governance process of the Board. The appointment process of Independent Directors is independent of the Company's management. While selecting Independent Directors, the Board ensures that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively. The terms and conditions of appointment of Independent Directors is posted on the Company's website at [http://www.oclindia.com/postal\\_doc/Appointment-Independent-Directors-25.08.2015-Final-Upload.pdf](http://www.oclindia.com/postal_doc/Appointment-Independent-Directors-25.08.2015-Final-Upload.pdf). Each of the Independent Directors has given a declaration that he meets the criteria of independence. None of the Independent Directors serve as Independent Director in more than seven listed companies.

**Remuneration of Directors**

The Non-Executive Directors are entitled to sitting fees for attending the Board of Directors meetings and the Committee meetings, profit related commission and reimbursement of expenses incurred by them for undertaking their duties as Directors of the Company.

The sitting fees within the limits prescribed under the Companies Act, 2013 is approved by the Board of Directors. The same is decided keeping in view the practice within the Group and market practice and is same for all the Directors.

The commission, within the limits prescribed under the Companies Act, 2013, to the Non-Executive Directors vary keeping in view the responsibility taken by each Director and the Chairmanship/membership of various Board Committees of the Company held by them respectively and same is decided by the Board of Directors.

The details of sitting fees and commission paid to the Non-Executive Directors during the financial year 2016-17 are as under:

(₹ In Crore)				
Sr. No.	Name of Director	Sitting Fees	Commission	Total
1.	Shri Pradip Kumar Khaitan	0.04	0.20	0.24
2.	Shri Gaurav Dalmia	0.02	0.10	0.12
3.	Shri Gautam Dalmia	0.03	0.00	0.03
4.	Shri D. N. Davar	0.11	0.16	0.27
5.	Shri V. P. Sood	0.11	0.10	0.21
6.	Smt. Sudha Pillai	0.07	0.10	0.17
7.	Shri Jayesh Doshi	0.04	0.00	0.04

During the year, the Company had paid ₹56 Lacs as professional fees to M/s Khaitan & Co., LLP, a firm in which Shri Pradip Kumar Khaitan, Chairman of the Company, is a partner.

There is no other pecuniary relationship/transaction of the Non-Executive Directors vis a vis the Company.

The Executive Directors of the Company, i.e., Shri Puneet Yadu Dalmia, Managing Director and Shri Amandeep, Whole Time Director are remunerated by way of salary and perquisites, as detailed below. Shri Mahendra Singhi, Chief Executive Officer and Whole Time Director of the Company does not receive any remuneration from the Company, being Chief Executive Officer and Whole Time Director of Dalmia Cement (Bharat) Limited (the Holding Company) and receiving remuneration from there.

	(₹ In Crore)	
	Shri Puneet Yadu Dalmia	Shri Amandeep
Tenure	April 1, 2015 to March 31, 2020	April 1, 2015 to March 31, 2020
Salary and Allowances	2.77	3.18
Value of Perquisites	0.00	6.62*
Contribution to PF and other funds	0.35	0.12
Commission	16.50	0.00

Out of the total perquisites, ₹6.53 Crore is the perquisite value of 36,000 Employee Stock Options granted by Dalmia Bharat Limited on February 03, 2016 at a price of ₹105.50/- per share being the exercise price representing discount of 20% on the price determined as 30 days average of the opening price as on May 18, 2012. The said 36,000 ESOPs were vested and exercised by Shri Amandeep on February 03, 2017.

The appointment may be terminated by either party by giving six months' notice. If the appointment is terminated by the Company, no severance fee is payable.

#### Code of Conduct

The Company's Board has laid down a code of conduct for all Board members and designated senior management of the Company. The code of conduct is available on the website of the Company [www.ocindia.com](http://www.ocindia.com). All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration signed by the Chief Executive Officer to this effect is attached to this Report.

#### Committees of the Board

The Company has five Board-level Committees mandated by the Companies Act and SEBI (LODR) Regulations namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Company also has one more Committee of Directors empowered to deal with all emergent matters arising out of the day-to-day business operations of the Company.

All decisions pertaining to the constitution of Committees, terms of reference, etc. are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year 2016-17 and the related attendance, are provided in following paragraphs.

#### Audit Committee

As on March 31, 2017, the Audit Committee comprised of four members namely, Shri D. N. Davar, Shri V. P. Sood and Smt. Sudha Pillai, Independent Directors and Shri Mahendra Singhi, Chief Executive Officer and Whole Time Director. Shri D. N. Davar is the Chairman of the Audit Committee. Smt. Sudha Pillai was inducted as a member of the Committee on October 26, 2016. The Audit Committee met six times during the financial year on May 17, 2016, August 16, 2016, October 25, 2016, November 05, 2016, January 18, 2017 and February 02, 2017. The particulars of attendance of the members at the Audit Committee meetings are as under:

Name of members	Category	Status	No. of meeting held	No. of meetings attended
Shri D. N. Davar	Independent	Chairman	6	5
Shri V. P. Sood	Independent	Member	6	6
Mrs. Sudha Pillai	Independent	Member	6	3
Shri Mahendra Singhi	Executive	Member	6	6

The Board has accepted all recommendations made by the Audit Committee from time to time during the year.

The representative(s) of the Statutory Auditors, Chief Financial Officer and the head of internal audit are regular invitees to the Audit

Committee meetings. Ms. Rachna Gorla, General Manager (Legal) & Company Secretary, is the Secretary to the Committee and attends all the Committee meetings.

All members of the Audit Committee have requisite accounting and financial management expertise. The Chairman of the Audit Committee could not attend the Annual General Meeting of the Company held on September 20, 2016 due to health reasons. However, he authorised and Shri V. P. Sood attended the Annual General Meeting on his behalf.

The functions of the Audit Committee of the Company include the following:

- The recommendation for appointment, remuneration and other terms of appointment of Statutory Auditors of the Company and approval of any other payment for services rendered by them.
- Oversee the Company's financial reporting process to ensure that the financial statements are correct, sufficient and credible;
- Reviewing, with the management, the annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by Management.
  - Significant adjustments made in the Financial Statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to Financial Statements.
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft Audit Report;
- 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, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor 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, reporting structure coverage and frequency of Internal Audit;
- Discussion with Internal Auditors of any significant findings and follow up there on;
- 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;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The following information is reviewed by the Audit Committee:
  - Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions submitted by Management;
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - The appointment, removal and terms of remuneration of the Internal Auditor and
  - Internal audit reports.

#### Nomination and Remuneration Committee

As on March 31, 2017, the Nomination and Remuneration Committee comprised of three members namely, Shri D. N. Davar and Shri V. P. Sood, Independent Directors and Shri Gautam Dalmia, Non-Executive Vice Chairman. Shri D. N. Davar is the Chairman of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee met three times during the financial year on May 17, 2016, August 16, 2016 and February 02, 2017. The particulars of attendance of the members at the Nomination and Remuneration Committee are as under:

Name of members	Category	Status	No. of meeting held	No. of meetings attended
Shri D. N. Davar	Independent	Chairman	3	3
Shri V. P. Sood	Independent	Member	3	3
Shri Gautam Dalmia	Promoter	Member	3	2

The Chairman of the Nomination and Remuneration Committee could not attend the Annual General Meeting of the Company held on September 20, 2016 due to health reasons. However, Shri V. P. Sood, member of the Committee, authorised by him, attended the Annual General Meeting.

The Committee is entrusted with the following functions:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and senior management. While formulating the aforesaid policy the Committee is to ensure that—
  - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devise a policy on diversity of Board of Directors.
- Identify persons who are qualified to become Directors and persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and/or removal.
- Whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Managing Director & Whole Time Director on an annual basis as well on their reappointment, wherever applicable.
- Recommend to the Board, the sitting fee (including any change) payable to the Non-Executive Directors for attending the meetings of the Board, Committees thereof, and, any other benefits such as commission, if any, payable to the Non-Executive Directors.

### Stakeholders' Relationship Committee

As on March 31, 2017, the Stakeholders' Relationship Committee comprised of three members namely, Shri V. P. Sood, Independent Director, Shri Puneet Yadu Dalmia, Managing Director and Shri Jayesh Doshi, Non-Executive, Non Independent Director. Shri V. P. Sood is the Chairman of the Stakeholders' Relationship Committee. The Stakeholders' Relationship Committee met once during the financial year on May 17, 2016 and all the members attended the meeting. Ms. Rachna Gorla, General Manager (Legal) & Company Secretary is the Compliance Officer.

The Chairman of the Stakeholders' Relationship Committee had attended the Annual General Meeting of the Company held on September 20, 2016.

The terms of reference to this Committee is to consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, in coordination with the Company's Registrars and Share Transfer Agent.

The details of complaints received and attended to during the financial year 2016-17 are as under:

Nature of Complaint	Pending as on April 01, 2016	Received during the year	Answered during the year	Pending as on March 31, 2017
1. Transfer / Transmission / Duplicate	0	1	1	0
2. Non-receipt of Dividend/Interest/ Redemption Warrants	0	0	0	0
3. Non-receipt of securities/electronic credits	0	1	1	0
4. Non-receipt of Annual Report	0	0	0	0
5. Others	0	1	1	0
<b>Total</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>

### Corporate Social Responsibility Committee

As on March 31, 2017, the Corporate Social Responsibility Committee comprised of three members namely, Shri V. P. Sood, Independent Director, Shri Mahendra Singhi, Chief Executive Officer and Whole Time Director. Shri V. P. Sood is the Chairman of the Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee met three times during the financial year on May 17, 2016, August 16, 2016 and January 18, 2017. The particulars of attendance of the members at the Corporate Social Responsibility Committee meetings are as under:

Name of members	Category	Status	No. of meeting held	No. of meetings attended
Shri V. P. Sood	Independent	Chairman	3	3
Shri Mahendra Singhi	Executive Non Independent	Member	3	3
Shri Amandeep	Executive Non Independent	Member	3	3

### Risk Management Committee

As on March 31, 2017, the Risk Management Committee comprised of three members namely, Shri D. N. Davar, Independent Director, Shri Mahendra Singhi, Chief Executive Officer and Whole Time Director and Shri Amandeep, Whole Time Director, Shri D. N. Davar is the Chairman of the Risk Management Committee. The Risk Management Committee met three times during the financial year on May 17, 2016, October 25, 2016 and January 18, 2017. The particulars of attendance

of the members at the Risk Management Committee meetings are as under:

Name of members	Category	Status	No. of meeting held	No. of meetings attended
Shri D. N. Davar	Independent	Chairman	3	3
Shri Mahendra Singhi	Executive Non Independent	Member	3	3
Shri Amandeep	Executive Non Independent	Member	3	3

The terms of reference to this Committee is to develop and implement a Risk Management Policy for the Company, including identification of elements of risks, if any, which may threaten the existence of the Company.

### Committee of Directors (Non mandatory)

The Committee of Directors is empowered to deal with all emergent matters arising out of the day-to-day business operations of the Company. As on March 31, 2017, the Committee comprised of three members namely, Shri D. N. Davar, Independent Director, Shri Puneet Yadu Dalmia, Managing Director and Shri Mahendra Singhi, Chief Executive Officer and Whole Time Director. Shri D. N. Davar is the Chairman of the Committee. The Committee did not meet during the financial year.

## General Body Meetings

The details of last three Annual General Meetings (AGMs) and special resolutions passed thereat are as under:

AGM	Date & Time	Location	Details of Special Resolutions passed
64th AGM	13th September 2014 at 4.30 P.M.	Company's Rest House at Rajgangpur - 770 017 (Odisha)	Special Resolution was passed u/s 180(1)(c) of the Companies Act, 2013 for borrowing not exceeding the aggregate of the paid up capital of the company and its free reserves by more than ₹1,400 Crores.
65th AGM	18th September 2015 at 3.30 P.M.	Company's Rest House at Rajgangpur - 770 017 (Odisha)	a. Special Resolution was passed u/s 196,197, 203 and schedule V of the Companies Act, 2013 for appointment of Shri Puneet Yadu Dalmia as Managing Director. b. Special Resolution was passed u/s 152, 196,197 and schedule V of the Companies Act, 2013 for appointment of Shri Amandeep as Whole Time Director and Chief Executive Officer (Cement Division).
66th AGM	20th September 2016 at 11.00 A.M	Company's Rest House at Rajgangpur - 770 017 (Odisha)	No Special Resolution was passed.

## Postal Ballot

During the financial year 2016-17, four resolutions were passed by the shareholders through postal ballot. The Board had approved the notice(s) of the postal ballot and appointed Mr. Mohan Ram Goenka, the Practicing Company Secretary, as scrutinizer, who had conducted the postal ballot exercise in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations. Shareholders were provided with the e-voting facility through NSDL for casting of their votes through postal ballot. The necessary intimations relating to the postal ballot and details of voting pattern were sent to the BSE Limited and National Stock Exchange of India Limited, the Stock Exchanges where the Company's shares are listed.

The details of resolutions passed by the shareholders through postal ballot and the voting pattern thereon are as under:

1. Date of the postal ballot notice: March 28, 2016

Date of declaration of result: May 20, 2016

Voting period: April 19, 2016 to May 18, 2016

Particulars	Type of resolution	Total no. of valid votes	Total votes cast in favor		Total votes cast against	
			No. of shares	% of votes cast	No. of shares	% of votes cast
Shifting of Registered Office	Special Resolution	42774458	42769201	99.99	5257	0.0123
Alteration in Object Clause	Special Resolution	42774448	42773177	99.99	1271	0.0031

2. Date of the postal ballot notice: May 17, 2016

Date of declaration of result: September 20, 2016

Voting period: August 21, 2016 to September 19, 2016

Particulars	Type of resolution	Total no. of valid votes	Total votes cast in favor		Total votes cast against	
			No. of shares	% of votes cast	No. of shares	% of votes cast
Raising of Funds	Special Resolution	42838404	42502431	99.22	335973	0.78

3. Date of the postal ballot notice: October 28, 2016

Date of declaration of result: December 03, 2016

Voting period: November 03, 2016 to December 02, 2016

Particulars	Type of resolution	Total no. of valid votes	Total votes cast in favor		Total votes cast against	
			No. of shares	% of votes cast	No. of shares	% of votes cast
Scheme of Merger and Amalgamation amongst OCL India Limited, Dalmia Cement East Limited, Dalmia Bharat Cement Holdings Limited, Shri Rangam Securities and Holdings Limited and Odisha Cement Limited	Resolution passed with requisite majority by public shareholders only	6403381	6402306	99.98	1075	0.02

Presently, following resolution is proposed to be passed through postal ballot:



1. Special Resolution seeking approval of shareholders to authorize the Board of Directors to raise funds by issue and allotment of further securities and to create necessary mortgage and/or charge therefor.

### Means of Communication

The Company follows a robust process of communicating with its stakeholders. The Company uses multiple channels of communications viz. on-line portals of stock exchanges and SEBI, annual reports, website, newspapers, etc.

The quarterly unaudited and annual audited financial results are disseminated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed, within the time limit prescribed in the SEBI (LODR) Regulations.

The quarterly unaudited and annual audited financial results are also published in the English/Hindi newspapers having Country wide circulation, i.e., Economic Times/Financial Express and also in newspapers having wide circulation in the Odisha, where registered office of the Company is situated, i.e., Sambad/Samaja/Samaya.

The said results are also posted on the Company's website, i.e., [www.oclindia ltd.in](http://www.oclindia ltd.in).

The Company also communicates the dates of Board meetings and General meetings, notice of postal ballot and e-voting, etc. as per the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations through Stock Exchanges, newspaper publications and by posting on the Company's website.

The Company discloses all material events and information through Stock Exchanges in accordance with the SEBI (LODR) Regulations read with Company's Policy for determination of materiality of events and information for disclosure to the Stock Exchanges, which is posted on the Company's website at [http://www.oclindia ltd.in/postal\\_doc/materialityevents2408.pdf](http://www.oclindia ltd.in/postal_doc/materialityevents2408.pdf)

### General Shareholder Information

#### Annual General Meeting

Date: August 30, 2017

Time: 11.00 a.m.

Venue: Registered Office\*

\*The Company is in the process of shifting of its registered office from the State of Odisha to the State of Tamil Nadu within the jurisdiction of the Registrar of Companies, Chennai. The process of shifting the registered office is expected to be completed soon. The Annual General Meeting will be held either at the existing registered office at Rajgangpur-770017, District Sundargarh, Odisha or at the new Registered Office proposed to be situated at Dalmiapuram - 621651, District Tiruchirappalli, Tamil Nadu.

The shareholders will be informed of the venue through the notice of the Annual General Meeting to be sent to each of them.

### Financial Year

The financial year followed by the Company is from 1st April to 31st March.

### Dividend Payment

The Board of Directors has recommended a dividend of ₹5/- (250%) per equity share of face value of ₹2/- each for the current financial year which will be paid to those shareholders whose names shall appear in the Register of the Members of the Company including those shareholders whose names shall appear as beneficial owners in the Depositories account, as on August 23, 2017. The dividend payout date is September 01, 2017 and same will be paid within thirty days from the date of declaration by the shareholders at the Annual General Meeting.

The Company has credited all the due amounts to the Investor Education and Protection Fund in compliance with the Companies Act, 2013.

### Listing

The Company's equity shares continue to be listed on the BSE Limited and National Stock Exchange of India Limited.

Name of the Stock Exchange	Address	Code for Equity shares
The BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	502165
The National Stock Exchange of India Limited	Exchange Plaza, 5th Floor, Plot No. C/1, G - Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	OCL

The Company's non-convertible redeemable debentures are listed on National Stock Exchange of India Limited:

Security Descriptionw	Scrip Code (NSE)
2000, 9.90% p.a Secured, Redeemable, Non - Convertible, Rated, Listed, Taxable Bonds in the nature of Debentures	OCL20
STRPP of ₹10 Lacs each fully paid up	OCL21
STRPP of ₹10 Lacs each fully paid up	OCL22
STRPP of ₹10 Lacs each fully paid up	

The Company has paid the listing fees for the financial year 2017-18 to BSE Limited as well as to National Stock Exchange of India Limited with respect to equity shares as well as non-convertible redeemable debentures.

The securities of the Company have never been suspended from trading.

### Stock Market Data

The market price data as per quotations of BSE Limited and National Stock Exchange of India Limited i.e., high, low and close during each month during the financial year 2016-17 in comparison to the broad-based indices, i.e., BSE Sensex and S&P CNX Nifty is as under:

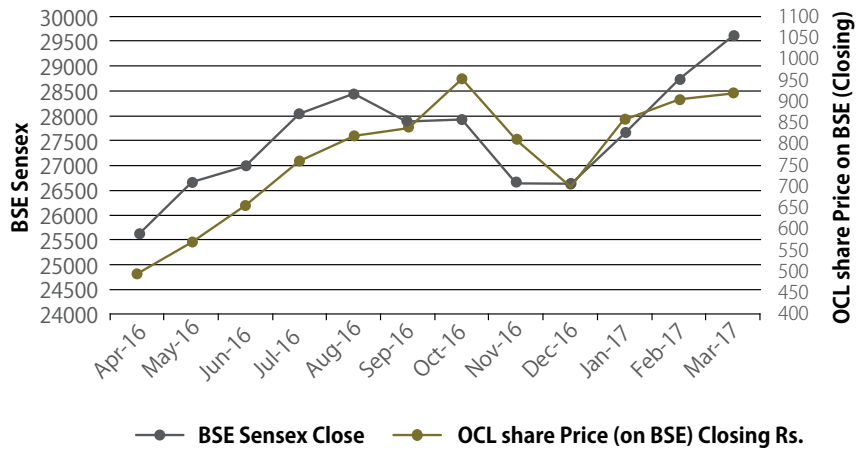
OCL share price on BSE vis a vis BSE Sensex April 2016 - March 2017

Months	BSE Sensex Close	OCL share price (on BSE)		
		High ₹	Low ₹	Close ₹
April 2016	25606.62	510.00	455.50	494.80
May 2016	26667.96	638.00	480.00	570.95
June 2016	26999.72	662.10	570.00	656.20
July 2016	28051.86	800.75	603.00	760.35
August 2016	28452.17	842.00	702.00	816.85
September 2016	27865.96	919.00	799.70	840.65
October 2016	27930.21	987.85	840.65	951.05
November 2016	26652.81	996.65	679.35	809.45
December 2016	26626.46	810.00	650.00	703.00
January 2017	27655.96	915.00	705.00	857.00
February 2017	28743.32	1037.00	852.80	904.85
March 2017	29620.50	937.35	880.00	920.15

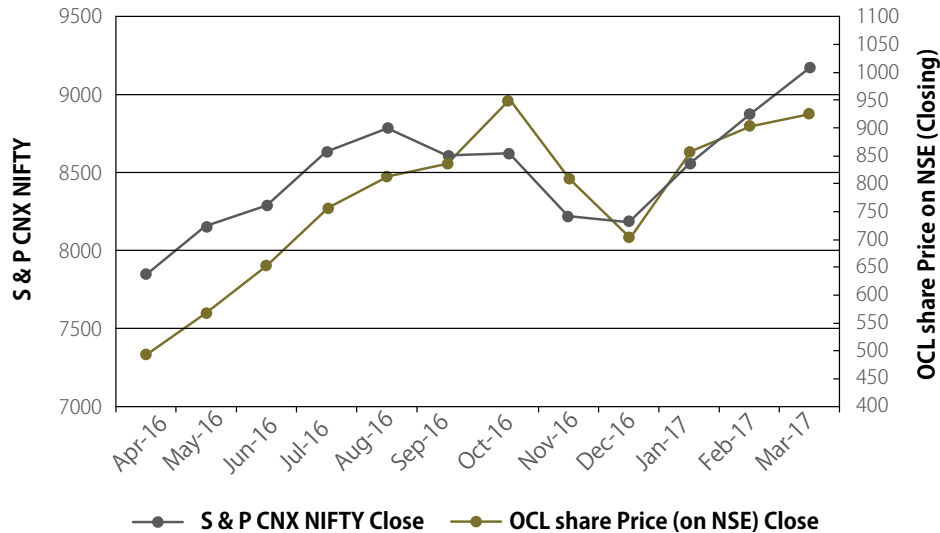
OCL share price on NSE vis a vis S&P CNX Nifty April 2016 - March 2017

Months	S & P CNX Nifty Close	OCL share price (on NSE)		
		High ₹	Low ₹	Close ₹
April 2016	7849.80	513.00	465.00	493.65
May 2016	8160.10	638.00	480.00	568.95
June 2016	8287.75	660.00	564.00	653.60
July 2016	8638.50	799.00	617.20	759.00
August 2016	8786.20	835.00	694.05	814.45
September 2016	8611.15	920.00	802.00	838.95
October 2016	8625.70	988.40	843.05	947.50
November 2016	8224.50	994.40	681.15	807.75
December 2016	8185.80	829.00	651.05	706.30
January 2017	8561.30	915.00	693.05	857.65
February 2017	8879.60	1031.40	851.00	906.75
March 2017	9173.75	944.00	880.10	926.75

OCL share Price on BSE vis a vis BSE Sensex



OCL share Price on NSE vis a vis S&P CNX Nifty





**Registrar and Transfer Agent**

The Company's Registrar and Transfer Agent is  
M/s C B Management Services (P) Limited  
P-22, Bondel Road, Kolkata- 700 019

**Share Transfer system**

The facility to hold the Company's shares in electronic form is available to the shareholders as the Company has joined both Depositories namely NSDL and CDSL.

Share transfer documents for physical transfer and requests for dematerialisation of shares are sent to the Company's registrars M/s C

B Management Services (P) Limited at P-22 Bondel Road, Kolkata- 700 019.

In terms of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to credit such shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, to demat account of IEPF Authority. As required under the said Rules, the Company has sent individual intimation to the shareholders whose shares are liable to be credited to demat account of IEPF Authority. The Company has also published necessary notice in the newspapers inviting attention of the shareholders to the said Rules.

**Distribution of Shareholding**

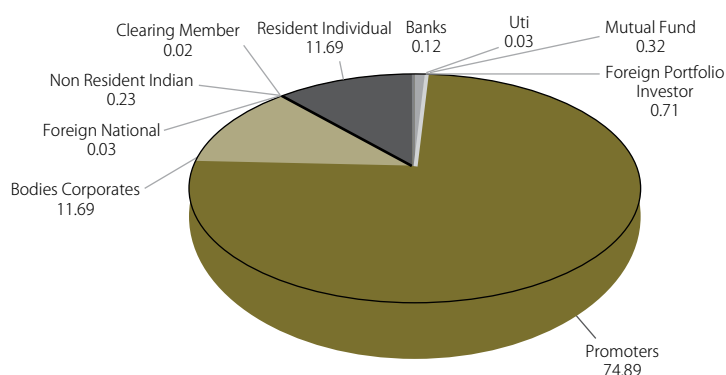
The distribution of the shareholding of the equity shares of the Company by size as on March 31, 2017.

Range	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 – 100	6254	56.23	236588	0.42
101 – 250	1556	13.99	274449	0.48
251 -500	1233	11.09	488750	0.86
501 -1000	926	8.33	711940	1.25
1001 – 2000	602	5.41	862251	1.52
2001 – 3000	202	1.82	519487	0.91
3001 – 4000	84	0.76	291280	0.51
4001 – 5000	67	0.60	306587	0.54
5001 – 10000	103	0.93	718051	1.26
10001 & above	95	0.85	52490837	92.25
	<b>11122</b>	<b>100</b>	<b>56900220</b>	<b>100</b>

The distribution of the shareholding of the equity shares of the Company by ownership as on March 31, 2017.

Category	No. of Shares		Total No. of Shares	% of Holding
	Physical	Demat		
Promoters	--	42610522	42610522	74.89
UTI	17500	--	17500	0.03
Mutual Fund	--	184738	184738	0.32
Banks	32245	38128	70373	0.12
Bodies Corporate	15429	6634340	6649769	11.69
Foreign National	4840	12240	17080	0.03
Non Resident Indians	19635	109194	128829	0.23
Clearing Member	--	10917	10917	0.02
Resident Individual	1267979	5540244	6808223	11.96
Foreign Portfolio Investor	300	401969	402269	.71
<b>Grand Total</b>	<b>1374031</b>	<b>55526189</b>	<b>56900220</b>	<b>100.00</b>

Note: The Promoters have pledged 29019113 equity shares (68.10% of their shareholding) of the Company.



## Dematerialisation of Shares

As on March 31, 2017, 97.59% shares of the Company are held in the dematerialised form. The Promoters of the Company hold their entire shareholding in dematerialised form.

## Outstanding GDRs/ADRs/Warrants/Convertible instruments

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments.

## Details of public funding obtained in the last three years

Nil

## Office/Plant locations

Registered office address and Corporate office address	Plant Locations
Registered Office*: OCL India Limited Rajgangpur - 770 017, District Sundargarh, Odisha	Cement and Refractory AT/PO: Rajgangpur Dist: Sundargarh Odisha 770017.
Corporate Office/ correspondence: 7 <sup>th</sup> , 11 <sup>th</sup> and 12 <sup>th</sup> Floor, Hanasalaya Building, 15, Barakhamba Road, New Delhi – 110 001	Kapilas Cement Works AT: Biswali, P.O.: Barunia, Dist: Cuttack Odisha 754082  Bengal Cement Works At village: Kulapachuria, PO: Beuncha, Via: Godapiasal, PS: Salboni, Dist: Paschim Midnipur, West Bengal, Pin-721 129.

\* Please see further details under the heading 'Annual General Meeting'.

## DISCLOSURES

### Related Party Transactions

The disclosures in compliance with the Accounting Standard on "Related Party Disclosure" are given at Note No. 42.15 of the Standalone Financial Statements.

No materially significant related party transactions, having potential conflict with the interests of the Company at large, have been entered into during the Financial Year 2016-17.

The Related Party Transactions Policy is posted at [http://www.oclindia.com/postal\\_doc/RelPartyPolicy.pdf](http://www.oclindia.com/postal_doc/RelPartyPolicy.pdf)

### Compliance

The Company is fully compliant with the applicable mandatory requirements of SEBI (LODR) Regulations, and also with other regulatory requirements on capital markets. No penalties/strictures have been imposed on it by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital markets during last three years.

The Company is complying with all the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations.

## Adoption of non-mandatory requirements

In terms of Regulation 27(1) read with Part E of Schedule II of SEBI (LODR) Regulations, the Company has adopted the following discretionary requirements -

1. The Non-Executive Chairman is allowed reimbursement of expenses incurred in performance of his duties. He has, however, not desired an office at the Company's expense.
2. The Company has appointed separate persons to the post of Chairman, Managing Director and Chief Executive Officer as under:
  - a. Shri P. K. Khaitan – Chairman
  - b. Shri Puneet Yadu Dalmia – Managing Director
  - c. Shri Mahendra Singhi – Chief Executive Officer and Whole Time Director
3. The Internal Auditors' Report is placed before the Audit Committee during its quarterly meetings.

## Whistle Blower Mechanism

The Company has framed Whistle Blower Mechanism and the same is posted at [http://www.oclindia.com/postal\\_doc/whistleblowerpolicy2408.pdf](http://www.oclindia.com/postal_doc/whistleblowerpolicy2408.pdf). All Stakeholders, Directors and Employees can have the direct access to the Audit Committee Chairman in appropriate cases.

## Policy on Material Subsidiary Companies

The Company has no Material Subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth of the Company in the immediately preceding accounting year.

The Audit Committee periodically reviews the financial performance of the subsidiary companies and the annual financial statements are tabled at the Audit Committee and Board meetings of the Company. The copies of minutes of the Board meetings of subsidiary companies are circulated to the Directors.

The Company has framed Policy on Material Subsidiary Companies and the same is posted on the Company's website at [http://www.oclindia.com/postal\\_doc/MaterialSubPolicy.pdf](http://www.oclindia.com/postal_doc/MaterialSubPolicy.pdf).

## Disclosure of commodity price risk or foreign exchange risk and hedging activities

The Company has in place the currency risk management policy duly approved by the Board of Directors. However, the Company does not deal in the commodity market.

## Unclaimed Suspense Account

The Company has a demat Unclaimed Suspense Account in terms of SEBI (LODR) Regulations. However, there are no shares in the said account.

## Disclosure of accounting treatment in preparation of Financial Statements

The accounting treatment(s) in preparation of Financial Statements is/are the same as prescribed in the Accounting Standards.

**Code for prevention of insider-trading practices**

In compliance with the SEBI regulations on prevention of insider trading, the Company has in place (1) Code of Conduct for Insider Trading detailing the disclosure requirements and procedure thereto, preservation of price sensitive information, trading while in possession of unpublished price sensitive information, prevention of misuse of

price sensitive information, etc.; and (2) Code of Fair Disclosure of unpublished price sensitive information detailing the principles of fair disclosure.

**CEO and CFO certification**

The CEO and CFO certificate on the Financial Statements for the financial year 2016-17 is attached at the end of the report.

## **DECLARATION**

**To**  
**The Members of OCL India Limited**

Based on the affirmation provided by the Directors and persons in Senior Management of the Company, it is declared that all the Board members and Senior Management personnel are complying with the Code of Conduct framed by the Company for the Directors and Senior Management.

**For OCL India Limited**

**Mahendra Singhi**  
**CEO and Whole Time Director**  
**DIN :00243835**

**Date: May 10, 2017**

## AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE

### TO THE SHAREHOLDERS OF OCL INDIA LIMITED

1. We have examined the compliance of conditions of Corporate Governance by OCL India Limited ("the Company") for the year ended on 31st March, 2017, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the stock exchanges.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.
4. 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 V. Sankar Aiyar & Co.**  
**Chartered Accountants**  
ICAI Firm Regn. No. 109208W

Place: New Delhi  
Dated: May 10, 2017

**(M. S. Balachandran)**  
**Partner**  
Membership No 024282

May 05, 2017

**The Audit Committee/Board of Directors**

OCL India Limited  
New Delhi

**Sub: - Certificate in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir(s),

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2017 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2017 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the auditors and the Audit Committee:-
  - a. that there are no significant changes in internal control over financial reporting during the financial year ended March 31, 2017;
  - b. that there are no significant changes in accounting policies during the financial year ended March 31, 2017; and
  - c. that there are no instances of significant fraud of which we have become aware.

Yours Sincerely,

For **OCL India Limited**

**(H. L. Agarwal)**

Senior Executive Director (Finance) & CFO

**(Mahendra Singhi )**

CEO & Whole Time Director

DIN : 00243835