

## CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED MARCH 31, 2018

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company's philosophy on Corporate Governance envisages the attainment of a high level transparency and accountability in the functioning of the Company and the efficient conduct of its business, including its interaction with employees, shareholders, depositors, creditors, consumers, financial institutions and other lenders. Accountability improves decision making and transparency helps to explain the rationale behind decisions which in turn helps in building confidence in the Company.

Your Company firmly believes that for a Company to succeed on a sustained basis, it must maintain global standards of Corporate Conduct. It also believes that Corporate Governance is not simply a matter of creating checks and balances; it is about creating an outperforming organisation, which leads to increasing employee and customer satisfaction.

### 2. BOARD OF DIRECTORS:

#### Composition and Category of Directors

As on March 31, 2018, the strength of the Board was Twelve members comprising of Four Executive Directors and Eight Non-Executive Directors. There are Seven Independent Directors including One Woman Director on the Board of the Company. Accordingly, the composition of Board is in conformity with the requirements of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 ('LODR' or 'Listing Regulations'). The Directors of the Company are highly experienced professionals in their fields and brings in a wide range of skills and experience to the Board.

The composition of the Board of Directors of the Company as on March 31, 2018 is as under:

Sr. No.	Category	Name of Director
I.	Promoter and Executive Director	Mr Deepak C. Mehta <i>Chairman &amp; Managing Director</i>
II.	Promoter and Non-Executive Director	Mr Ajay C. Mehta* <i>Director</i>
III.	Executive Directors	Mr Umesh Asaikar Mr Maulik D. Mehta Mr Sanjay Upadhyay
IV.	Non-Executive and Independent Directors	Mr Nimesh Kampani Mr Sudhin Choksey Mr Sudhir Mankad Dr. Richard H. Rupp Mr Sandesh Kumar Anand Dr. Swaminathan Sivaram Prof. Indira Parikh

\*Mr Ajay C Mehta resigned as Managing Director effective from December 1, 2017. He remains on the Board as Non-Executive Director.

#### Board Meetings

During the year under review, 6 (six) Board Meetings were held on April 28, 2017, August 8, 2017, November 10, 2017, December 11, 2017, January 18, 2018 and March 16, 2018. The maximum time gap between the two Board Meetings was not more than one hundred twenty days as prescribed under the Listing Regulations.

### Attendance of Directors at the Board Meetings held during the year ended March 31, 2018, and at the last Annual General Meeting and the directorship, chairmanship and membership in committees of the Directors in other Companies as on March 31, 2018:

Name of the Director	No. of Board Meetings held during the year/ tenure of Director	No. of Board Meetings Attended	Attendance at Last AGM	No. of other Directorship Held	No. of Committee position in other Public Companies [Chairman (C)/Member (M)]
Mr Deepak C. Mehta	6	6	YES	2	2(M)
Mr Ajay C. Mehta	6	3	YES	2	1(C) & 1(M)
Mr Maulik D. Mehta	6	6	YES	-	-
Mr Nimesh Kampani	6	5	YES	7	1(C) & 6(M)
Mr Sudhin Choksey	6	6	YES	2	1(C)
Mr Sudhir Mankad	6	5	YES	7	1(C) & 4(M)
Dr. Richard H. Rupp	6	3	NO	-	-
Mr S. K. Anand	6	6	YES	3	2(C)
Dr. S. Sivaram	6	3	YES	5	1(M)
Mr Umesh Asaikar	6	5	YES	-	-
Prof. Indira Parikh	6	4	YES	8	7(M)
Mr Sanjay Upadhyay	6	6	YES	2	1(C)

(1) Number of other directorships held by Directors as mentioned above excludes directorships in Private Limited Companies, Section 8 Companies, Foreign Companies, Membership of Managing Committee of various chambers/bodies and alternate directorships.

(2) In accordance with the provisions of the Listing Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies (excluding Deepak Nitrite Limited) have been considered.

### Selection of Independent Directors

The selection of eminent people for appointment as Independent Directors on the Board is considered by the Nomination and Remuneration Committee. 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 person and recommend the same to the Board. The Board considers the Committee's recommendation and takes appropriate decision.

### Disclosure of relationships between Directors inter-se

Mr Maulik D. Mehta is son of Mr Deepak C. Mehta, Chairman and Managing Director and nephew of Mr Ajay C. Mehta, Director of the Company.

### Familiarisation program for Independent Directors

The Company has conducted a Familiarisation Program for Independent Directors. The details for the same have been disclosed on the website of the Company at [http://deepaknitrite.com/pdf/investor/DNL\\_Familiarisation%20program.pdf](http://deepaknitrite.com/pdf/investor/DNL_Familiarisation%20program.pdf).

### Performance Evaluation

The Nomination and Remuneration Committee of Directors has laid down criteria for performance evaluation of Independent Directors and the same has been approved by the Board of Directors. The criteria for performance evaluation of Independent Directors has been disclosed in the Directors' Report.

### Separate Meeting of Independent Directors

As per requirements of the Secretarial Standard-1 on Meetings of Board of Directors, a separate meeting of Independent Directors is required to be held once in a Financial Year.

Separate meeting of Independent Directors was held on June 26, 2017, inter alia to:

- Review performance of Non-Independent Directors and the Board of Directors as a whole;
- Review performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors;
- Assess the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## 3. COMMITTEES OF BOARD OF DIRECTORS:

### (i) Audit Committee:

#### Composition of Audit Committee

The Audit Committee comprises of the following members:

Name of Member	Designation	Category
Mr Sudhin Choksey	Chairman	Independent Director
Mr Sudhir Mankad	Member	Independent Director
Mr S. K. Anand	Member	Independent Director

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Listing Regulations. All members of the Audit Committee are financially literate and Mr Sudhin Choksey possesses financial / accounting expertise.

The Statutory Auditors, Internal Auditors and other relevant Senior Management persons are invited to attend the meetings of Audit Committee. Mr Sudhin Choksey, Chairman of the Audit Committee, was present at the last Annual General Meeting held on June 26, 2017.

The Company Secretary acts as a Secretary to the Committee.

### Brief Description of Terms of Reference of the Audit Committee

The terms of reference of the Audit Committee are wide enough to cover the matters prescribed under provisions of Section 177(4) and under Part C of Schedule II of the Listing Regulations viz. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company; Approval and subsequent modification of transactions of the Company with related parties; Scrutiny of Inter-Corporate Loans and Investments; Evaluation of Internal Financial Control and Risk Management Systems; Oversee the Vigil Mechanism; Monitoring the end use of funds raised through public offers and related matters; Recommend remuneration of Cost Auditor of the Company; 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; 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, with particular reference to: (a) 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 (b) Changes, if any, in accounting policies and practices and reasons for the same (c) Major accounting entries involving estimates based on the exercise of judgment by management (d) Significant adjustments made in the financial statements arising out of audit findings (e) Compliance with listing and other legal requirements relating to financial statements (f) 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, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate

recommendations to the Board to take up steps in this matter; Review and monitor the auditor's independence and performance, and effectiveness of audit process; Valuation of undertakings or assets of the Company, wherever it is necessary; 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; To review the functioning of the 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.

#### Meetings and Attendance thereat

Four meetings of the Audit Committee were held during the year under review on April 27, 2017, August 8, 2017, November 10, 2017 and January 18, 2018.

Attendance at the Audit Committee Meetings was as under:

Name of Member	No. of Audit Committee Meetings held	No. of Audit Committee Meetings attended
Mr Sudhin Choksey	4	4
Mr Sudhir Mankad	4	4
Mr S. K. Anand	4	4

#### (ii) Nomination and Remuneration Committee: Composition

The Nomination and Remuneration Committee comprises of the following members:

Name of Member	Designation	Category
Mr Sudhir Mankad	Chairman	Independent Director
Mr S. K. Anand	Member	Independent Director
Mr Sudhin Choksey	Member	Independent Director
Prof. Indira Parikh	Member	Independent Director

The Committee's composition meets with the requirement of Section 178 of the Companies Act, 2013 and requirements of the Listing Regulations.

The Company Secretary acts as a Secretary to the Committee.

#### Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as under:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.
- To 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 other employees.
- Such other functions as may be prescribed under the Companies Act, 2013 and Rules made thereunder and the Listing Regulations.

#### Meetings and Attendance thereat

During the Financial Year 2017-18, the Nomination and Remuneration Committee met on April 28, 2017 and all the Members of the Committee as on that date except Mr Sudhir Mankad, were present at the said meeting.

Mr Sudhir Mankad, Chairman of the Nomination and Remuneration Committee, was present at the previous Annual General Meeting of the Company held on June 26, 2017.

#### (iii) Stakeholders' Relationship & Investors Grievance Committee: Composition

The Stakeholders' Relationship & Investors Grievance Committee comprises of the following Directors:

Name of Member	Designation	Category
Mr S. K. Anand	Chairman	Independent Director
Mr A. C. Mehta	Member	Non-Executive Director
Mr Umesh Asaikar	Member	Executive Director & CEO

Mr Arvind Bajpai, Company Secretary, is the Compliance Officer.

#### Terms of Reference

The brief terms of reference of the Committee are to look into redressal of complaints like transfer of shares, non receipt of dividends, non-receipt of Annual Report etc. received from shareholders/investors, and improve the efficiency in stakeholders and investors services, wherever possible.

#### Investors Grievance

Continuous efforts are being made to ensure that investor's grievances are expeditiously redressed to the satisfaction of the investors.

The Company and Link Intime India Pvt. Ltd. (Registrar & Share Transfer Agent) attend to all the grievances of the investors promptly on their receipt, whether received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs etc.

#### Status of Shareholders' Complaints during the Financial Year 2017-18:

Number of Pending Complaints at the beginning of the Financial Year	01
Number of Complaints received during the Financial Year	28
Number of Complaints resolved during the Financial Year	29
Number of Complaints pending at the end of the Financial Year	Nil
Number of complaints not solved to the satisfaction of shareholders	Nil

#### Meetings and Attendance thereat

During the Financial Year 2017-18, the Stakeholders' Relationship & Investors Grievance Committee met on June 26, 2017 and all the Members of the Committee as on that date except Mr S.K. Anand, were present at the said meeting.

#### (iv) Corporate Social Responsibility Committee: Composition

Pursuant to the requirement of Section 135 of the Companies Act, 2013, your Company has a duly constituted Corporate Social Responsibility Committee in place.

The Corporate Social Responsibility Committee comprises of the following members:

Name of Member	Designation	Category
Mr Sudhir Mankad	Chairman	Independent Director
Dr. S. Sivaram	Member	Independent Director
Mr D. C. Mehta	Member	Chairman & Managing Director
Mr Umesh Asaikar	Member	Executive Director & CEO

#### Terms of Reference

The terms of reference of Corporate Social Responsibility Committee are as under:

- To formulate and recommend to the Board a Corporate Social Responsibility Policy ("CSR Policy").
- Recommend the amount of expenditure to be incurred on the activities listed in CSR Policy.
- Monitor the CSR Policy of the Company from time to time.
- Such other roles and functions as may be prescribed in the Companies Act, 2013 and Rules made thereunder.

#### Report on CSR activities

As required under the Companies Act, 2013 and Rules made thereunder, the information on the CSR activities undertaken by the Company during the year ended March 31, 2018 is annexed to the Directors' Report.

#### Meetings and Attendance thereat

During the Financial Year 2017-18, the Corporate Social Responsibility Committee met on April 7, 2017 and March 5, 2018.

Attendance at the Corporate Social Responsibility Committee Meetings was as under:

Name of Member	No. of CSR Committee Meetings held	No. of CSR Committee Meetings attended
Mr Sudhir Mankad	2	2
Dr. S. Sivaram	2	2
Mr D. C. Mehta	2	2
Mr Umesh Asaikar	2	2

#### (v) Project Committee: Composition

A Project Committee has been constituted by the Board which meets from time to time to review projects of the Company.

The Project Committee comprises of the following Directors:

Name of Member	Designation	Category
Mr S. K. Anand	Chairman	Independent Director
Dr. R. H. Rupp	Member	Independent Director
Dr. S. Sivaram	Member	Independent Director

#### Terms of Reference

The Project Committee is constituted inter alia to evaluate the proposed projects / expansion plans and recommend them to the Board for approval and also to review the progress of ongoing projects.

#### Meetings and Attendance thereat

During the Financial Year 2017-18, the Project Committee Meeting met on March 16, 2018 and all the Members of the Committee as on that date were present at the said meeting.

#### (vi) Risk Management Committee: Composition

The Company has a comprehensive Risk Management Framework and the same is periodically reviewed by the Board of Directors of the Company. A Risk Management Committee has been constituted by the Board to monitor and review the Risk Management Framework of the Company.

The Risk Management Committee comprises of the following Directors & Senior Executive:

Name of Member	Designation	Category
Mr D. C. Mehta	Chairman	Chairman & Managing Director
Mr S. K. Anand	Member	Independent Director
Mr Umesh Asaikar	Member	Executive Director & CEO
Mr Sanjay Upadhyay	Member	Director-Finance & CFO
Dr. P. K. Garg	Member	President – BC

#### Terms of Reference

The terms of reference of the Risk Management Committee are inter alia to ensure that appropriate methodology, processes and systems are in place to monitor, evaluate and report risks associated with the business of the Company; to review the adequacy of the existing measures to mitigate risks covering various functions of the Company; to evaluate and approve mitigation measures that may be recommended by the Risk Manager(s) in respect of any function and review the action taken for its implementation on an ongoing basis; to review and recommend to the Board, amendment of any of the provisions of the Risk Management Framework.

#### 4. REMUNERATION OF DIRECTORS:

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as Annexure - E to the Directors' Report. The said Policy is directed towards rewarding performance, based on review of achievements periodically and is in consonance with the existing industry practice.

The details of Managing Directors' & Executive Directors' Remuneration for the Financial Year 2017-18 are as under:

(₹ In Lakhs)

Name	Salary & Allowances	Perquisites	Retirement Benefits	Commission / Variable Pay	Total
Mr Deepak. C. Mehta	255.06	12.53	38.17	200.00	505.76
Mr Ajay. C. Mehta*	57.04	8.12	7.63	0.00	72.79
Mr Umesh Asaikar	328.94	48.16	48.19	45.44	470.73
Mr Maulik D. Mehta	66.67	12.99	12.02	11.34	103.02
Mr Sanjay Upadhyay	134.04	26.81	20.57	24.25	205.67

\* Mr Ajay C Mehta resigned as Managing Director effective from December 1, 2017. He remains on the Board as Non-Executive Director.

Service contracts with Mr D.C. Mehta, Chairman & Managing Director, Mr Sanjay Upadhyay, Director- Finance & CFO and Mr Maulik Mehta, Whole-time Director is for a period of five years from the date of their respective appointments.

Mr Umesh Asaikar has been re-appointed as Executive Director & CEO for a period from May 9, 2018 to May 31, 2020, subject to the approval of shareholders.

Mr A. C. Mehta, Mr Umesh Asaikar, Mr Sanjay Upadhyay and Mr Maulik Mehta are liable to retire by rotation.

There is no provision for payment of severance fees.

The Company does not have any Stock Options Scheme.

The remuneration of Managing Director comprises of salary, allowances, perquisites and other benefits. In addition, the Managing Director is also paid a Commission, calculated with reference to the Net Profits of the Company in a particular Financial Year, as may be determined by the Board of Directors, subject to the overall ceiling stipulated in Section 197 and other relevant provisions of the Companies Act, 2013.

The remuneration of Executive Directors comprise of fixed pay and variable pay which ranges from 0% to 20% of cost to the Company for a particular Financial Year based on performance rating depending upon their individual and also the Company's performance as per policy of the Company.

The Non-Executive Directors of the Company are paid sitting fees for attending meetings of the Board or Committees thereof. Apart from the sitting fees, the Non-Executive Directors are also paid commission not exceeding 1% of the Net Profits of the Company for a particular year, computed in accordance with the provisions of Companies Act, 2013. The amount of Commission is determined on the basis of the attendance of the Non-Executive Director at the Board, Committee or General Meeting(s) of the Company during the particular year, the number of memberships/chairmanships held of Committees of the Board and the time devoted on various matters of the Company.

The details of remuneration paid/payable to Non-Executive Directors for the Financial Year 2017-18 are as under:

(Figures in ₹)

Name	Sitting Fees	Commission	Total
Mr Nimesh Kampani	1,95,000	4,50,000	6,45,000
Mr Sudhin Choksey	3,45,000	6,50,000	9,95,000
Mr Sudhir Mankad	3,30,000	6,50,000	9,80,000
Dr. R. H. Rupp	1,20,000	9,00,000	10,20,000
Mr S. K. Anand	4,05,000	6,50,000	10,55,000
Dr. S. Sivaram	1,80,000	4,00,000	5,80,000
Prof. Indira Parikh	1,65,000	3,00,000	4,65,000
Mr Ajay C Mehta*	60,000	-	60,000

\* Mr Ajay C Mehta resigned as Managing Director effective from December 1, 2017. He remains on the Board as Non-Executive Director.

The details of Equity Shares of the Company held by Non-Executive Directors as on March 31, 2018 are as under:

Sr. No.	Name of Non-Executive Director	No. of shares held
1	Mr Ajay C Mehta	Nil
2	Mr Nimesh Kampani	Nil
3	Mr Sudhin Choksey	Nil
4	Dr. R. H. Rupp	Nil
5	Mr Sudhir Mankad	Nil
6	Mr S. K. Anand	Nil
7	Dr. S. Sivaram	Nil
8	Prof. Indira Parikh	Nil

## 5. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings held:

Meeting	Date	Time	Venue	No. of Special Resolution Passed
44 <sup>th</sup> AGM	August 7, 2015	10.30 A.M.	Hotel Surya Palace, Sayajigunj, Vadodara 390 020	-
45 <sup>th</sup> AGM	August 5, 2016	10.30 A.M.	Hotel Surya Palace, Sayajigunj, Vadodara 390 020	-
46 <sup>th</sup> AGM	June 26, 2017	10.30 A.M.	Hotel Surya Palace, Sayajigunj, Vadodara 390 020	-

### Postal Ballot conducted during the year and procedure thereof:

During the year under review and upto the date of this Report, Postal Ballot exercise was undertaken in the month of December 2017 and result of the Postal Ballot was declared on January 18, 2018. The details and voting pattern of the Resolutions passed through the said Postal Ballot exercise are as under:

Sr. No.	Resolution	Special / Ordinary	No. of Valid Votes received	No. and % of Votes in Favour	No. and % of Votes Against
1	Issue of Equity Shares through QIP	Special	86964203	86957052 (99.99%)	7151 (0.01%)

The Company had provided e-voting facility as an alternate, to its Members to enable them to cast their vote electronically. Mr Dinesh Joshi, Practicing Company Secretary, Partner of M/s. KANJ & Associates, Company Secretaries, Pune was the Scrutinizer for the above Postal Ballot exercise.

No Special Resolution is proposed to be passed through Postal Ballot.

## 6. DISCLOSURE:

### Related Party Transactions

During the year, there were no materially significant Related Party Transactions of the Company which have potential conflict with the interests of the Company at large. However, some transactions, in the ordinary course of business and on arm's length basis were entered into by the Company with the Related Parties. Disclosure on Related Party Transactions as per Accounting Standard 18 issued by the Institute of Chartered Accountants of India, are given in Note No. 34 in the Notes to the Financial Statements for the year ended March 31, 2018.

The Board has approved a policy on materiality of Related Party Transactions which has been uploaded on the Company's website.

The weblink to the said policy is as under:

[http://deepaknitrite.com/pdf/investor/DNL\\_Policy%20on%20Materiality%20of%20Related%20Party%20Transactions.pdf](http://deepaknitrite.com/pdf/investor/DNL_Policy%20on%20Materiality%20of%20Related%20Party%20Transactions.pdf)

### Details of non-compliance

There is no non-compliance by the Company nor any penalty or stricture imposed on the Company by any Stock Exchanges, SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

### Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has established a vigil mechanism for Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. During the year under review, no personnel was denied access to the Audit Committee.

The Whistle Blower Policy is placed on the website of the Company and weblink to the same is as under:

[http://deepaknitrite.com/pdf/investor/DNL\\_Whistle%20Blower%20Policy.pdf](http://deepaknitrite.com/pdf/investor/DNL_Whistle%20Blower%20Policy.pdf)

### Details of Compliance with Mandatory requirements and adoption of Non-mandatory / discretionary requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations.

### Policy for Material Subsidiaries

In accordance with the provisions of the Listing Regulations, the Company has framed a policy for Material Subsidiaries in order to determine the Material Subsidiaries and to provide governance framework for such subsidiaries. The said policy has been placed on the website of the Company and weblink to the same is as under:

[http://deepaknitrite.com/pdf/investor/DNL\\_Policy%20on%20Material%20Subsidiaries.pdf](http://deepaknitrite.com/pdf/investor/DNL_Policy%20on%20Material%20Subsidiaries.pdf)

### Disclosure of Commodity price risks and commodity hedging activities:

Please refer to Management Discussion & Analysis Report.

The Company has complied with the Corporate Governance Requirements specified in Regulations 17 to 27 and Regulation 46.

### Details of Directors seeking appointment or re-appointment:

The details of Directors seeking appointment or re-appointment forms part of Notes to the Notice convening the 47<sup>th</sup> Annual General Meeting of the Company.

### Demat Suspense Account – Unclaimed Share Certificates

In terms of the provisions of the Listing Regulations, the Company has transferred the shares issued pursuant to the public issues or any other issue, the certificates of which remained unclaimed, to an Unclaimed Suspense Account and these shares are being held by the Company in Demat form on behalf of the beneficial owners of the said shares.

The disclosures with respect to the Demat Suspense Account are as under:

Particulars	Number of Shareholders	Number of Shares
Aggregate Number of Shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year:	312	340040
Number of Shareholders who approached the Company for transfer of shares from Suspense Account during the year	2	83410
Number of Shareholders to whom shares were transferred from Suspense Account during the year	2	83410
Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year	310	256630

The voting rights on these shares shall remain frozen till rightful owner of such shares claims the shares.

## 7. MEANS OF COMMUNICATION:

The Quarterly and Half Yearly results are published in widely circulating national and local dailies such as, The Business Standard (English); The Indian Express and The Financial Express (English and Gujarati). These are not sent individually to the shareholders.

The Company's results are displayed on the Company's website at [www.deepaknitrite.com](http://www.deepaknitrite.com). The website also displays official news releases.

Presentation(s) were made to the institutional investors and to the Analysts during the year under review.

**8. CODE OF CONDUCT:**

The Company has framed and adopted a Code of Conduct for the members of the Board and the Senior Management (“the Code”) in terms of requirements of the Listing Regulations. The Code has been circulated to all the members of the Board and Senior Management and the same is also posted on the Company’s website at [www.deepaknitrite.com](http://www.deepaknitrite.com). The Code lays down the general principles designed to guide all Directors and members of the Senior Management for ethical conduct of business and compliance of laws.

All Directors and members of the Senior Management have affirmed their adherence to the provisions of the Code. A declaration to that effect signed by the Executive Director & CEO is given below:

**DECLARATION**

As per requirements of the Listing Regulations, this is to confirm that all the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2017-18.

Mumbai  
May 4, 2018

**Umesh Asaikar**  
Executive Director & CEO

**9. CEO / CFO CERTIFICATION:**

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of requirements of the Listing Regulations. The Chief Executive Officer and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board.

**10. GENERAL SHAREHOLDER INFORMATION:****Annual General Meeting:**

Day & Date : Friday, August 3, 2018

Time : 10:00 a.m.

Venue : Grand Mercure Vadodara Surya Palace, Opp. Parsi Agiyari, Sayajigunj, Vadodara 390 020, Gujarat.

Financial Year : April 1 to March 31

Date of Book Closure : Friday, the July 27, 2018 to Friday, August 3, 2018.

Dividend Payment Date : Within the statutory time limit of 30 days, subject to Shareholder’s approval.

**Financial Calendar:****Results for the Quarter ending Tentative Time of Reporting**

June 30, 2018	On or before August 14, 2018
September 30, 2018	On or before November 14, 2018
December 31, 2018	On or before February 14, 2019
Audited Annual Accounts for the year ended March 31, 2019	On or before May 30, 2019

**Listing on Stock Exchanges:**

The Company’s Equity Shares are listed on the following Stock Exchanges:

Name: BSE Limited (BSE)

Address: Pheroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

Name: National Stock Exchange of India Limited (NSE)

Address: Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051.

Listing fees for Financial Year 2018-19 has been paid to both the Exchanges.

The Securities of the Company have not been suspended from trading during the Financial Year.

Stock Code for Equity Shares (BSE): 506401

Stock Symbol for Equity Shares (NSE): DEEPAKNTR

ISIN Number for Equity Shares (NSDL & CDSL): INE288B01029

**Market Price Data of Equity Shares:**

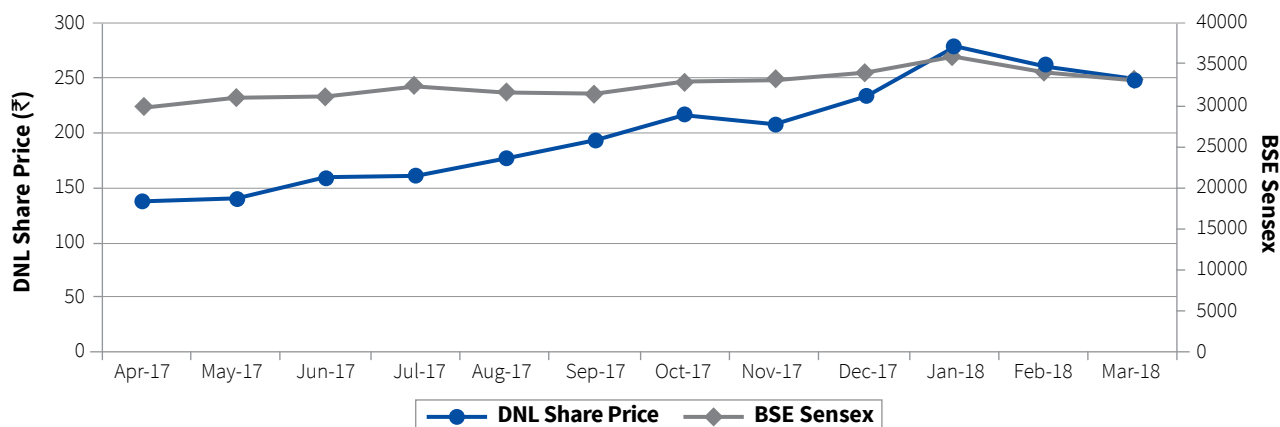
Monthly High & Low during the Financial Year 2017-18 at BSE and NSE:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2017	149.25	129.10	149.00	129.20
May, 2017	149.50	133.00	149.35	132.20
June, 2017	185.00	138.80	185.25	138.80
July, 2017	194.80	155.00	194.6	160.05
August, 2017	183.00	143.75	182.90	142.20
September, 2017	204.60	166.10	204.40	168.00
October, 2017	234.00	192.15	233.70	192.50
November, 2017	230.00	207.40	229.90	207.10
December, 2017	244.00	196.00	243.25	196.50
January, 2018	298.80	227.00	298.00	226.75
February, 2018	281.80	222.00	282.00	221.00
March, 2018	265.40	229.00	263.00	228.00

Source: Respective Websites of BSE and NSE.



### DNL Share Price Vs BSE Sensex



### Distribution of Shareholding as on March 31, 2018:

Range	No. of Holders	%	No. of Shares	%
1 – 500	25802	78.64	3344929	2.45
501 – 1000	2728	8.31	2266396	1.66
1001 – 5000	3232	9.85	7694310	5.64
5001 – 10000	593	1.81	4223902	3.10
10001 & above	456	1.39	118863504	87.15
<b>TOTAL</b>	<b>32811</b>	<b>100.00</b>	<b>136393041</b>	<b>100.00</b>

### Shareholding Pattern as on March 31, 2018:

Category of Shareholders	No. of Shares	% to Equity Capital
Promoters & Promoter Group	60898467	44.65
Mutual Fund	17060856	12.51
Financial Institutions, Banks, Insurance Companies	865124	0.63
Foreign Portfolio Investor	15199212	11.14
Bodies Corporate	13184875	9.67
Non Resident Individuals	765768	0.56
Resident Individuals	25567129	18.75
Others	2851610	2.09
<b>TOTAL</b>	<b>136393041</b>	<b>100.00</b>

The Company has not issued any GDRs/ADRs.

### Dematerialisation of Equity Shares:

Electronic holding by Members comprises 98.82 % of the paid up equity capital of the Company as on March 31, 2018 held through National Securities Depository Limited and Central Depository Services (India) Limited.

### Share Transfer System:

Share transfers are processed and Share Certificates duly endorsed are delivered within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. All requests for dematerialisation of securities are processed and the confirmation is given to the Depositories within 15 days.

Pursuant to Regulation 40(9) of the Listing Regulations, certificates, on half yearly basis have been issued by a Practising Company Secretary for due compliance of share transfer formalities by the Company. Pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulation, 1996, certificates have been received from a Practising Company Secretary for timely dematerialisation of shares and for reconciliation of the share capital of the Company on a quarterly basis.

**Registrar and Share Transfer Agent:****Contact details of Link Intime India Private Limited:****Mumbai Office:**

C-101, 247 Park, L.B.S.Marg, Vikhroli (West),  
Mumbai - 400 083.  
Tel: 022 - 4918 6270  
Toll free number: 1800 1020 878  
Email: rnt.helpdesk@linkintime.co.in

**Vadodara Office:**

B-102-103, Shangrila Complex, 1<sup>st</sup> Floor, Opp. HDFC Bank,  
Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020.  
Tel: 0265 - 2356 573 / 2356 794  
Fax: 0265 - 2356 791  
E-mail: vadodara@linkintime.co.in

**Address for Correspondence and Investor Assistance:**

Deepak Nitrite Limited\*  
9/10, Kunj Society,  
Alkapuri,  
Vadodara - 390 007

Telephone Numbers : (0265) 235 1013, 233 4481  
Fax No. : (0265) 233 0994  
E-mail : investor@deepaknitrite.com  
Website : www.deepaknitrite.com

Contact Person: Mr Arvind Bajpai

\*Effective from June 1, 2018, the Registered Office of the Company will be shifted to the following new address:

**New Address for Correspondence and Investor Assistance:**

Deepak Nitrite Limited  
Aaditya-1, Chhani Road,  
Vadodara - 390 024

Telephone Numbers : (0265) 276 5200, 396 0200  
Fax No. : (0265) 276 5344  
E-mail : investor@deepaknitrite.com  
Website : www.deepaknitrite.com

Shareholders holding shares in electronic mode should address all their correspondence related to change of address or bank details or NECS mandate to their respective Depository Participants.

**Unclaimed/Unpaid Dividend:**

As per the provisions of Section 124 of the Companies Act, 2013, the Company is required to transfer unclaimed dividends, matured deposits and interest accrued thereon remaining unclaimed and unpaid for a period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set by the Central Government.

Given below are the due dates for transfer of unclaimed and unpaid dividend to the Investors Education & Protection Fund (IEPF) by the Company:

Financial Year	Dividend Payment Date	Proposed Date for transfer to IEPF*
2010-2011	August 10, 2011	August 9, 2018
2011-2012	August 9, 2012	August 8, 2019
2012-2013	August 5, 2013	August 4, 2020
2013-2014	August 11, 2014	August 10, 2021
2014-2015	August 10, 2015	August 9, 2022
2015-2016	August 8, 2016	August 7, 2023
2016-2017	June 30, 2017	June 29, 2024

\* Indicative dates, actual date may vary.

**Commodity Price risk or Foreign Exchange risk and hedging activities:**

During the year ended March 31, 2018, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 39 to the Annual Accounts.

**Plant Locations:**

- Nitrite & Nitroaromatics Division  
4-12 GIDC Chemical Complex,  
Nandesari - 391 340.  
Dist. Vadodara
- Roha Division  
Plot Nos. 1, 2, 26 & 27,  
MIDC Dhatav, Roha, Dist. Raigad - 402 116
- Taloja Chemicals Division  
Plot Nos. K/9-10, MIDC Taloja,  
Dist. Raigad - 410 208
- Hyderabad Specialities Division :  
Plot Nos. 70A & B, 90-F and 22  
Phase I, Industrial Development Area,  
Jedimetla, Tal. Qutbyullapur Mandal,  
Dist. Ranga Reddy, Hyderabad - 500 055
- Dahej Division  
Plot No. 12/B/2, GIDC, Dahej,  
Dist. Bharuch, Gujarat - 392 130



### Certificate of Compliance with the Corporate Governance Requirements

To,  
The Members,  
Deepak Nitrite Limited,  
9/10, Kunj Society, Alkapuri,  
Vadodara - 390 007,  
Gujarat.

We have examined the compliance of conditions of Corporate Governance by DEEPAK NITRITE LIMITED ("the Company") having CIN L24110GJ1970PLC001735 for the Financial Year ended March 31, 2018 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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, as applicable.

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

Place: Pune  
Date: May 3, 2018

**Dinesh Joshi**  
Designated Partner,  
KANJ & CO. LLP,  
Company Secretaries  
FCS No: 3752  
C P No: 2246