



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Corporate Governance for our Company is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it Shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the six core values of customer value, ownership mindset, respect, integrity, one team and excellence.

Statement on Company's Philosophy on Code of Governance

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organisation. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered at extremely competitive prices. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance Teams, Auditors and the Senior Management. Our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity.

At ORL, we believe that as we move closer towards our aspirations of being a global corporation, our Corporate Governance standards must be globally benchmarked. Therefore, we have institutionalized the right building blocks for future growth. The building blocks will ensure that we achieve our ambition in a prudent and sustainable manner. ORL not only adheres to the prescribed Corporate Governance practices as per the Listing Regulations as prescribed by SEBI, but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfillment of stated goals and objectives.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

At ORL, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation.

The Company has defined guidelines and an established framework for the meetings of the Board and Board Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board Committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews Related Party Transactions, possible risks and risk mitigation measures and financial reports from the Chief Financial Officer. Frequent and detailed interaction sets the agenda and provides the strategic road map for the Company's future growth. The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued secretarial standards on important aspects like Board Meetings, General Meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. The Company substantially adheres to these standards. Our Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').



2. BOARD OF DIRECTORS

Composition

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board of Directors, as on 31 March, 2018, comprised 6 Directors, of which 5 were non-executive directors. The Company Board includes a non-executive independent Chairman and 2 independent directors. All Directors possess relevant qualifications and experience in general corporate management, finance, banking and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors. All independent directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the governance guidelines for board effectiveness adopted by the Company. Formal letters of appointment have been issued to the independent directors. The terms and conditions of their appointment are disclosed on the Company's website. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees [Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the Listing Regulations], across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors. None of the Directors holds office in more than 20 companies and in more than 10 public companies. All Directors are also in compliance of the limit on independent directorships of listed companies as prescribed in Regulation 25 (1) of the Listing Regulations.

Category and Attendance of Directors

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Director	Category	No. of Board Meetings Attended during 2017-18	Attendance at AGM held on 25 September, 2017	No. of Directorships* (As on 31 March, 2018)			No. of committee positions in Mandatory Committees* (As on 31 March, 2018)		
				Chairman	Member	Total	Chairman	Member	Total
Dr. Vijay Sharma (Chairman) DIN- 00880113	Independent, Non-Executive	5	Yes	-	-	-	-	-	-
Mr. R. S. Bajoria DIN- 00033727		5	No	-	1	1	-	-	-
Ms. Barbara Potisk Eibensteiner DIN- 06505772 (Resigned on 8 August, 2017)	Non-Independent, Non-Executive	1	N.A.	-	-	-	-	-	-
Ms. Verena Buzzi DIN- 07901672 (Appointed on 8 August 2017)		1	No	-	-	-	-	-	-
Mr. Reinhold Steiner DIN- 06674749		1	No	-	-	-	-	-	-
Mr. Erwin Jankovits DIN- 07089589		1	No	-	-	-	-	-	-
Mr. Parmod Sagar (Managing Director & CEO) DIN- 06500871	Non-Independent, Executive	5	Yes	-	-	-	-	-	-

* Excludes Directorships in Associations, Private Limited Companies, Foreign Companies, Government Bodies and Companies registered under Section 8 of the Companies Act, 2013. Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for committee positions.

The Company held 5 board meetings during 2017-18 and the gap between two meetings did not exceed 120 days. The dates on which the board meetings were held: 30 May, 2017; 8 August, 2017; 12 September, 2017, 10 November, 2017 and 12 February, 2018.



Board Procedure

The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. The information as required under Part A of Schedule II to the Listing Regulations is made available to the Board. The Board also reviews the declaration made by the Company Secretary regarding compliance with all applicable laws, on a quarterly basis.

Code of Conduct

The Company has adopted the ORL Code of Conduct for all the directors, including the non-executive directors and employees of the company. The Code of Conduct for the non-executive directors of the Company incorporates the duties of independent directors as laid down in the Companies Act, 2013. The Code is posted on the Company's web site. All Board members and senior management personnel [as per Regulation 26 (3) of the Listing Regulations] have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director & CEO form part of this Report. Apart from receiving sitting fee that they are entitled to under the Companies Act, 2013 as non-executive directors and reimbursement of expenses incurred in the discharge of their duties, none of the non-executive directors has any other material pecuniary relationship or transactions with the Company, its promoters, its directors, its senior management or its subsidiaries and associates. None of the directors are inter-se related to each other. The directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

Separate Meeting of Independent Directors

A separate meeting of independent directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 30 May, 2017, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director, CEO and Non-Executive Directors and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Both the Independent Directors of the Company attended the meeting of Independent Directors. Dr. Vijay Sharma chaired the meeting.

Board and Director Evaluation and criteria for evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the performance evaluation process for the Board, its Committees and Directors. The criteria for Board evaluation include inter-alia, degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning. Criteria for evaluation of individual directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director. Criteria for evaluation of the Committees of the Board include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in the Board's Report.

Familiarization Programme for Directors including Independent Directors

The Board members, including Independent Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the board and board committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the directors. Site visits to the plant location are organized for the directors to enable them to understand the operations of the Company.



3. AUDIT COMMITTEE

Terms of reference

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, are as follows:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Review with the management the quarterly and annual financial statements and the auditor's report thereon, before submission to the Board for approval.
- Discuss with the 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.
- Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Review with the management, performance of the statutory and internal auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- Evaluate internal financial controls and risk management systems.
- Scrutinize inter-corporate loans and investments.
- Discuss any significant findings with internal auditors and follow-up thereon.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Look into the reasons for substantial defaults in payments to shareholders and creditors.
- Approve transactions, including any subsequent modifications, of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Review the functioning of the Whistle Blower Mechanism.
- Oversee compliance with legal and regulatory requirements.
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate and
- Generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Companies Act, 2013.

Composition and Attendance during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate, with Dr. Vijay Sharma, Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of Meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2017-18
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	5
Mr. R. S. Bajoria, Member	Independent, Non-Executive	5
Mr. Erwin Jankovits, Member	Non- Independent, Non-Executive	1



The Audit Committee met five times during the year and the gap between two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings were held were: 30 May, 2017; 8 August, 2017; 12 September, 2017, 10 November, 2017 and 12 February, 2018. Necessary quorum was present at the above Meetings.

During the year, the Audit Committee reviewed key audit findings covering operational, financial and compliance under Risk mitigation plans covering key risks affecting the Company were presented to the Committee. The meetings of the Audit Committee are usually attended by the Managing Director, the Chief Financial Officer, the Company Secretary and a representative of the Statutory Auditors. The Company Secretary acts as the secretary to the Committee. The Chairman of the Audit Committee, Dr. Vijay Sharma was present at the Annual General Meeting of the Company held on 25 September, 2017.

4. NOMINATION AND REMUNERATION COMMITTEE

Terms of reference

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

- Recommend to the Board the setup and composition of the Board, including formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
- Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise a policy on Board diversity.
- Recommend to the Board the appointment or re-appointment of Directors.
- Recommend to the Board, the appointment of Key Managerial Personnel (KMP) and executive team members.
- Carry out the evaluation of every Director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.
- Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend the Remuneration Policy for the Directors, KMP, executive team and other employees.
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team of the Company.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/ EDs, KMP and executive team.
- Review matters related to voluntary retirement and early separation schemes for the Company.
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members.
- Oversee familiarization programmes for Directors.
- Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.
- Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.

Composition and Attendance during the year

The composition of the Committee and the details of Meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2017-18
Mr. R. S. Bajoria, Chairman	Independent, Non-Executive	2
Dr. Vijay Sharma, Member	Independent, Non-Executive	2
Mr. Erwin Jankovits, Member	Non- Independent, Non-Executive	0



The Committee met two times during the year, on 8 August, 2017 and 12 February, 2018. The Chairman of the Nomination and Remuneration Committee, Mr. R. S. Bajoria due to his pre-occupation was not present at the Annual General Meeting of the Company held on 25 September, 2017.

Details of remuneration paid

▪ Remuneration Paid to the Managing Director

(Amount in Rs. Lacs)

Particulars	Mr. Parmod Sagar- Managing Director & CEO
Salary	91.36
Perquisites and Allowances	129.68
Retirement Benefits	10.96
Total	232.00

The Company pays remuneration by way of Salary, Benefits, Perquisites and Allowances (fixed component) to Mr. Parmod Sagar, Managing Director & CEO.

▪ Remuneration Paid to the Non-Executive Directors

The Company pays sitting fee and also reimburses the out-of-pocket expenses incurred for attending the meetings of the Board/Committee only to Non-Executive Independent Directors, Non-Executive Non-Independent Directors of the Company decided to forgo their sitting fees. Sitting fee for attending the board meeting was Rs. 75,000/- and audit committee meeting was Rs. 25,000/- per meeting, no sitting fee paid for attending other committee meeting. The sitting fees paid during the financial year 2017-18 are as follows:

(Amount in Rs. Lacs)

Name of Director	Sitting Fees
Dr. Vijay Sharma	5.00
Mr. R. S. Bajoria	5.00

Apart from sitting fees as mentioned above, Non- Executive Directors, including Independent Directors are not entitled to any remuneration from the Company. None of the Directors hold any shares in the Company except Mr. Parmod Sagar, Managing Director & CEO who holds 13,698 equity shares of the Company as on 31 March, 2018.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of reference

The terms of reference of the Stakeholders Relationship Committee are as follows:

- Review statutory compliance relating to all security holders.
- Consider and resolve the grievances of security holders of the Company, including complaints related to transfer of securities, non-receipt of annual report/ declared dividends/ notices/ balance sheet.
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Oversee and review all matters related to the transfer of securities of the Company.
- Approve issue of duplicate certificates of the Company.
- Review movements in shareholding and ownership structures of the Company.
- Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent.
- Recommend measures for overall improvement of the quality of investor services.
- Set forth policies relating to and oversee implementation of the Code of Conduct for Prevention of Insider Trading.
- Review the concerns received under the ORL Code of Conduct.



Composition and Attendance during the year

The Stakeholders Relationship Committee met once during the year, on 12 February, 2018. The composition of the Stakeholders Relationship Committee and the details of the meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2017-18
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	1
Mr. R. S. Bajoria, Member	Independent, Non-Executive	1
Mr. Parmod Sagar, Member	Non- Independent, Executive	1

Name, designation and address of the Compliance Officer

Mr. Sanjay Kumar
 Company Secretary
 SP-148 A+B, RIICO Industrial Area,
 Bhiwadi, Dist-Alwar, Rajasthan-301019
 Tel. No.: +91 1493 222 266
 Fax No.: +91 1493 222 267
 Email : cssanjay@orlindia.com

Shareholders may also correspond with the Company on the email address: investor@orlindia.com. A total of 7 cases were reported as complaints. All complaints were resolved and no complaint was pending on 31 March, 2018. No request for dematerialization of share was pending as on 31 March, 2018.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of reference

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The terms of reference of the Committee are as follows:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Oversee the Company's conduct with regard to its Corporate and social obligations and its reputation as a responsible corporate citizen.
- Oversee activities impacting the quality of life of various stakeholders.
- Attend to such other matters and functions as may be prescribed from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. The Annual Report on CSR activities for the year 2017-18 forms a part of the Board's Report.

Composition and Attendance during the year

The composition of the CSR Committee and the details of the meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2017-18
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	4
Mr. R. S. Bajoria, Member	Independent, Non-Executive	4
Mr. Erwin Jankovits, Member	Non- Independent, Non-Executive	0
Mr. Parmod Sagar, Member	Non- Independent, Executive	4

The Committee met four times during the year on: 30 May, 2017; 8 August, 2017, 10 November, 2017 and 12 February, 2018



7. RISK MANAGEMENT COMMITTEE

Terms of reference

The Company has constituted a Risk Management Committee as required under the Companies Act, 2013 and Listing Regulations. The terms of reference of the Committee are as follows:

- Review the risk identification and management process developed by management to confirm it is consistent with the Company's strategy and business plan;
- Review management's assessment of risk at least annually and provide an update to the board in this regard;
- Inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk;
- Oversee and monitor management's documentation of the material risks that the Company faces and update as events change and risks shift;
- Assess the steps management has implemented to manage and mitigate identifiable risk, including the use of hedging and insurance;
- Oversee and monitor management's review, at least annually, and more frequently if necessary, of the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks);
- Constitute sub-committee (team of the Company personals) to identify the risk to take action and report the same to the committee;
- Review the following with management, with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
 - Management's tolerance for financial risks;
 - Management's assessment of significant financial risks facing the Company;
 - The Company's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks and
 - To review with the Company's counsel, legal matters which could have a material impact on the Company's public disclosure, including financial statements.

The Board has adopted the Risk Management Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company.

Composition and Attendance during the year

The composition of the Risk Management Committee and the details of the meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2017-18
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	4
Mr. R. S. Bajoria, Member	Independent, Non-Executive	4
Mr. Parmod Sagar, Member	Non- Independent, Executive	4

The Committee met four times during the year on: 30 May, 2017; 8 August, 2017, 10 November, 2017 and 12 February, 2018



8. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

Date, Date and Time	Venue	Special Resolution
Thursday, 24 September, 2015 at 11.30 A.M.	“Modi Hall”, PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	None
Monday, 26 September, 2016 at 11.30 A.M.		
Monday, 25 September 2017 at 11.30 A.M.		

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders. No Extra-Ordinary General Meeting of the shareholders was held during the year. During the year under review, following resolutions were put through by Postal Ballot:

Date of Postal Ballot Notice	Type of Resolution	Particular	Votes cast in favor		Votes cast against		Date of declaration of results
			No. of votes	%'age of total vote cast	No. of votes	%'age of total vote cast	
19 April, 2017	Ordinary Resolution	To modify and ratify material related party transaction from RHI, Ag for the year 2016-2017	1,18,85,968	99.962	4,511	0.038	27 May, 2017
		Approval of Material Related Party Transaction with RHI, Ag.	1,18,77,264	99.962	4,561	0.038	
15 March, 2018	Special Resolution	Amendment in the Memorandum of Association of the Company	9,41,88,975	99.997	3,000	0.003	26 April, 2018
		Shifting of registered office of the Company	9,41,88,935	99.997	3,040	0.003	

The Company successfully completed the process of obtaining approval from its members for resolutions on the items detailed above. Mr. Naresh Verma of M/s. Naresh Verma & Associates, Company Secretaries was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Procedure for postal ballot

In compliance with the SEBI (LODR) Regulations, 2015 and Sections 108,110 and other applicable provisions of the Companies Act, 2013, read with the related rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engages the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting. The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members/list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the e-mail addresses registered with their depository participants (in case of electronic shareholding)/the Company's registrar and share transfer agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandate under the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the name of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode were requested to vote before close of business hours on the last day of e-voting.

The scrutinizer submits his report to the Chairman/Managing Director, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman/Managing Director /Authorized Officer. The results are also displayed on the website of the Company, www.orientrefractories.com, besides being communicated to the stock exchanges, depository and registrar & transfer agent. The date of declaration of the results by the Company was deemed to be the date of passing of the resolution.



9. DISCLOSURES

During the year 2017-18

- A. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at the following web link: <http://www.orientrefractories.com/pdfs/Policy%20For%20Related%20Party%20Transaction.pdf>
- B. There were no materially significant related party transactions, i.e. transactions of the Company of material nature with its promoters, their subsidiaries, the Directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large. Declarations have been received from the senior management personnel to this effect.
- C. The Company does not have subsidiary company so there is no policy on material subsidiaries.
- D. The Company has complied with the requirements of the Stock Exchanges/ SEBI and statutory authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by these authorities.
- E. The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to Managing Director & CEO / CFO certification for the Financial Year ended 31 March, 2018.
- F. The Company has a well-defined risk management framework in place. The Company periodically places before the Risk Management Committee, Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
- G. The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.
- H. In preparation of financial statements, the Company has followed the Accounting Standards as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as applicable. The Accounting Policies followed by the Company to the extent relevant, are set out elsewhere in this Annual Report.
- I. The Company has complied with all the mandatory and non-mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46 (2) relating to the dissemination of information on the website of the Company. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under:
 - The financial statements of the Company are with unmodified audit opinion.
 - The Chairman of the Board is a Non-Executive Independent Director and his position is separate from that of the Managing Director.
 - The Internal Auditor reports to the Audit Committee.

10. MEANS OF COMMUNICATION

- A. The quarterly and the half yearly results, published in the format prescribed by the Listing Regulations read with the Circular issued there under, are approved and taken on record by the Board of Directors of the Company within 45 days of the close of the relevant quarter. The approved results are forthwith uploaded on the designated portals of the Stock Exchanges where the Company's shares are listed viz., NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Online Portal of BSE Ltd. (BSE). The results are also published within 48 hours in The Business Standard (in English and in Hindi) and also displayed on the Company's website, www.orientrefractories.com.



- B. The Company publishes the audited annual results within the stipulated period of sixty days from the close of the financial year as required by the Listing Regulations. The annual audited results are also uploaded on NEAPS and BSE Online Portal of NSE and BSE respectively. The results are also published within 48 hours in The Economics Times (in English and in Hindi) and also displayed on the Company's website.
- C. Official news releases is uploaded on NEAPS and BSE Online Portal of NSE and BSE respectively and posted on the Company's website.
- D. Comprehensive information about the Company, its business and operations and press releases can be viewed on the Company's website. The "Investor Relations" section on the website gives information relating to financial results, annual reports, shareholding pattern, and presentations made to analysts and at Annual General Meetings. Information about unclaimed dividends is also available in this section.
- E. The quarterly Shareholding Pattern and Corporate Governance Report of the Company are filed with NSE through NEAPS and with BSE through BSE Online Portal. They are also displayed on the Company's website under the "Investor Relations" section.
- F. Material events or information, as detailed in Regulation 30 of the Listing Regulations, are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE through BSE Online Portal. They are also displayed on the Company's website under the "Investor Relations" section.
- G. Management Discussion and Analysis Report forms a part of the Annual Report.

11. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Delhi. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28113DL2010PLC210819. As the Company has shifted its registered office to Mumbai in the state of Maharashtra, a new CIN will be allotted to the Company in due course of time.

Annual General Meeting Date, Time and Venue:

Monday, 10 September 2018 at 2.30 P.M. at Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri, Mumbai-400059.

As required under Regulation 36 (3) of the Listing Regulations, particulars of the Directors seeking re-appointment/ appointment are given in the Explanatory Statement to the Notice of the Annual General Meeting attached to this report.

Financial Calendar	:	April to March		
Date of book closure	:	Tuesday, 28 August, 2018 to Tuesday, 4 September, 2018 (both days inclusive)		
Dividend payment date	:	By 30 September, 2018		
Listing on Stock Exchanges	:	The Company's Equity Shares are listed on the following Stock Exchanges:		
		<table><tr><td>BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 (Stock Code-534076)</td><td>The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1 G Block, Bandra-Kurla Complex Bandra (E) Mumbai 400 051 (Stock Code-ORIENTREF)</td></tr></table>	BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 (Stock Code-534076)	The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1 G Block, Bandra-Kurla Complex Bandra (E) Mumbai 400 051 (Stock Code-ORIENTREF)
BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 (Stock Code-534076)	The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1 G Block, Bandra-Kurla Complex Bandra (E) Mumbai 400 051 (Stock Code-ORIENTREF)			

The Company has paid the listing fees to these Stock Exchanges for the year 2018-19.

Demat International Security Identification Number (ISIN) in NSDL and CDSL for Equity Shares : INE743M01012

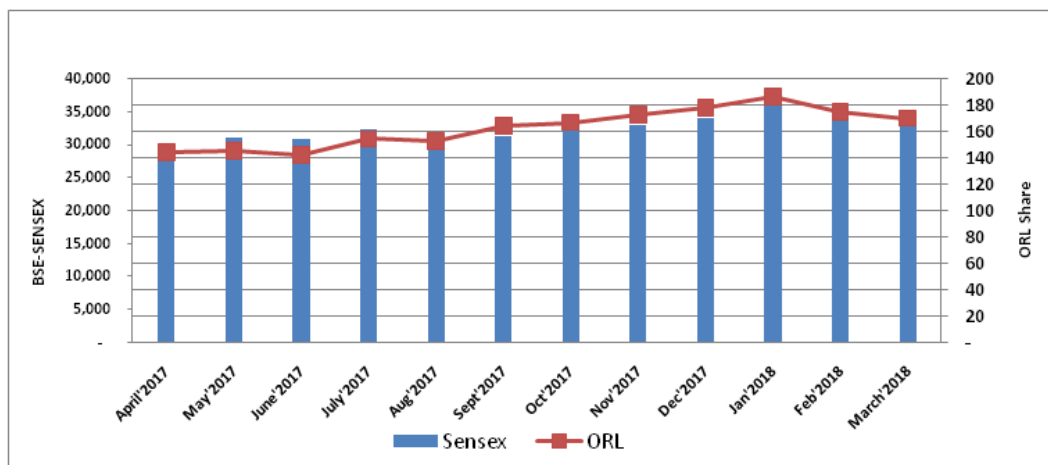


Market Information:

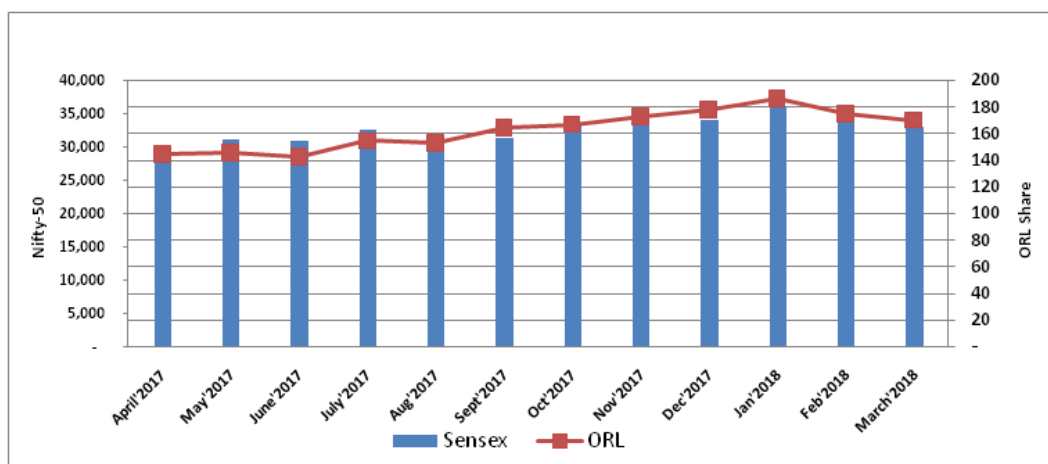
Market price data: High/ low, Number and Value of shares traded during each month in the last financial year:

Month	BSE Ltd.					The National Stock Exchange of India Ltd.				
	High Price (Rs.)	Low Price (Rs.)	No. of Shares Traded	No. of Shares Traded	Total Turnover (Rs. in Lacs)	High Price (Rs.)	Low Price (Rs.)	No. of Shares Traded	No. of Shares Traded	Total Turnover (Rs. in Lacs)
April'2017	132.75	130.00	2,31,138	5,230	319.50	144.75	129.25	18,59,519	24,514	2,582.68
May'2017	131.00	124.55	2,71,949	6,074	377.20	146.00	124.45	18,46,509	54,396	2,547.39
June'2017	138.45	130.00	1,06,529	4,156	147.46	142.40	133.30	9,00,846	26,472	1,246.04
July'2017	146.00	137.85	2,08,958	3,705	311.57	154.50	137.15	17,56,970	23,672	2,618.28
August'2017	133.25	126.55	3,23,232	2,644	460.78	152.65	124.90	13,41,289	15,750	1,871.08
September'2017	163.45	139.00	3,66,051	5,069	567.67	164.00	136.60	21,54,165	28,280	3,330.29
October'2017	161.50	143.25	2,90,654	5,359	445.94	166.90	141.55	15,31,170	23,270	2,344.01
November'2017	172.65	152.00	2,67,478	4,977	431.13	172.70	151.30	17,14,915	21,833	2,765.36
December'2017	175.00	156.30	1,66,460	2,340	273.62	177.70	155.50	9,88,917	12,682	1,632.49
January'2018	186.80	161.60	1,75,549	2,888	307.17	186.30	160.50	21,48,518	20,434	3,717.00
February'2018	174.70	152.00	1,27,060	1,438	211.31	174.65	148.00	7,31,383	12,204	1,217.91
March'2018	170.00	152.25	2,52,901	910	417.45	170.00	151.15	5,81,411	13,298	932.02

Performance of ORL Share Price in comparison with BSE Sensex



Performance of ORL Share Price in comparison with Nifty-50





Share Registrar and Transfer Agent:

Skyline Financial Services Private Limited
 D-153 A, 1st Floor,
 Okhla Industrial Area, Phase-I,
 New Delhi-110 020
 Telephone : +91-11-40450193-97
 Fax : +91-11-26812682
 E-mail : admin@skylinerta.com, grievances@skylinerta.com
 Website : www.skylinerta.com

Share Transfer System:

Documents for transfer of shares in physical form can be lodged with Skyline Financial Services Private Limited at its registered address. The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects.

Secretarial Audit

- M/s. Naresh Verma & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2017-18. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the Rules made there under, SEBI (LODR) Regulations applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- Pursuant to Regulation 40 (9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the CEO and CFO have given appropriate certifications to the Board of Directors.

Distribution of shareholding as on 31 March, 2018

Shareholding of Nominal Value: Re.1/-

S. No.	Share holding Nominal Value (in Rs.)	Number of Shareholders	% age to total numbers	Shareholding amount (in Rs.)	%' age to total amount
1.	Up to 5,000	14,641	95.76	91,79,502.00	7.64
2.	5,001 to 10,000	328	2.15	24,02,772.00	2.00
3.	10,001 to 20,000	191	1.25	27,52,103.00	2.29
4.	20,001 to 30,000	47	0.31	11,58,769.00	0.96
5.	30,001 to 40,000	22	0.14	7,73,836.00	0.64
6.	40,001 to 50,000	7	0.05	3,24,817.00	0.27
7.	50,001 to 1,00,000	19	0.12	12,17,573.00	1.01
8.	1,00,000 and above	35	0.23	10,23,29,828.00	85.18
Total		15,290	100.00	12,01,39,200.00	100.00



Shareholding pattern as on 31 March, 2018

S. No.	Category of the Shareholders	No. of Shareholders	Total Holding	% to Capital
1.	Promoter and Promoter Group Foreign-[Dutch US Holding B.V.]	1	8,36,37,771	69.62
2.	Institutions			
(a)	Mutual Fund	7	61,83,437	5.15
(b)	FII/Foreign Portfolio Investors	16	61,64,567	5.13
(c)	Alternate Investment Funds	1	36,048	0.03
(d)	Financial Institutions/Banks	6	70,405	0.06
3.	Non-Institutions			
(a)	Individual Shareholders holding Nominal Share Capital up to Rs. 2.00 Lacs	14,041	1,65,08,296	13.74
(b)	Individual Shareholders holding Nominal Share Capital above Rs. 2.00 Lacs	1	217,275	0.18
(c)	NBFC registered with RBI	6	90,648	0.08
(d)	Bodies Corporate	293	28,92,585	2.41
(e)	Non Resident Indians	497	6,66,980	0.56
(f)	Resident Indian HUF	396	4,70,367	0.39
(g)	Trusts	2	19,703	0.02
(h)	Clearing Members/House	22	1,90,578	0.16
(i)	Orient Refractories Limited - Unclaimed Suspense Account	1	29,90,540	2.49
	Total	15,290	12,01,39,200	100.00

Corporate benefits to investors' dividend declared for the last 6 years

Financial year	Type of dividend	Dividend per Share (in Rs.)
2016-17	Final Dividend	2.50
2015-16		1.45
2014-15		1.40
2013-14		1.25
2012-13		1.00
2011-12	Interim Dividend	1.00

Note: Final Dividend of Rs. 2.50 per share, recommended by the Board of Directors on 17 May, 2018, is subject to approval of shareholders at the ensuing AGM.

Unclaimed Dividend

Section 124 of the Companies Act, 2013 mandate that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to the IEPF:

Financial Year	Date of declaration	Due date for transfer	Amount* (in Rs. Lacs)
2016-17	25 September, 2017	2 October, 2024	92.24
2015-16	26 September, 2016	3 October, 2023	49.61
2014-15	24 September, 2015	1 October, 2022	50.06
2013-14	26 September, 2014	3 October, 2021	44.16
2012-13	26 September, 2013	3 October, 2020	35.92
2011-12	10 May, 2012	16 June, 2019	35.92

*Amount unclaimed as on 31 March, 2018



Unclaimed Suspense Demat Account

In accordance with Regulation 39 of the Listing Regulations, an Unclaimed Suspense Demat Account has been opened with Stock Holding Corporation of India Limited and all equity shares in physical form lying unclaimed pursuant to issued shares on demerger of the Company have been dematerialized and credited to said Demat account. Whenever any request for said unclaimed shares is received, equity shares either in electronic or physical forms is issued to the claimant concerned after debiting said Demat account.

Particulars	No. of shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares credited to Unclaimed Suspense Demat Account as on 1 April, 2017	1,478*	30,68,770
Number of shareholders who approached issuer for transfer of shares from suspense account during the financial year 2017-18	11	78,230
Number of shareholders to whom shares were transferred from suspense account during the financial year 2017-18	11	78,230
Aggregate number of shareholders and the outstanding shares in the suspense account lying on 31 March, 2018	1,467	29,90,540

* [After consolidation of folios, folios reduced from 1,600 to 1,478]

The voting rights on the shares in the suspense accounts as on 31 March, 2018 shall remain frozen till the rightful owners of such shares claim the shares.

Wherever shareholders have claimed the shares, after proper verification, the share certificates were dispatched to them or credited the shares to the respective beneficiary account.

Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Percentage of shares held in physical and dematerialized form as on 31 March, 2018:

Electronic form with NSDL	:	94.67%
Electronic form with CDSL	:	3.78%
Physical form	:	1.55%

The Company's shares are regularly traded on BSE Ltd. and the National Stock Exchange of India Ltd. in the electronic form.

Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

During the year, the Company has managed Commodity Price Risk or Foreign Exchange Risk and Hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through forward contracts in Foreign Currency. The details of foreign currency exposure are disclosed in Note No. 24 (C) to the Financial Statements.

Plant location:

SP-148 A+B, RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019

Investor correspondence address:

- (a) Orient Refractories Limited, Secretarial Department, SP-148 A+B, RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019 or
- (b) Skyline Financial Services Private Limited, Unit: Orient Refractories Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020

On behalf of the Board of Directors

Place: Gurugram
Date : 31 July, 2018

Sanjay Kumar
Company Secretary
(ACS:17021)

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)



To,
THE MEMBERS
ORIENT REFRACTORIES LIMITED

**Declaration by the Managing Director under Para D of Schedule V of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I, Parmod Sagar, Managing Director & CEO of Orient Refractories Limited hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31 March, 2018.

On behalf of the Board of Directors

Place: Gurugram
Date : 31 July, 2018

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
THE MEMBERS,
ORIENT REFRACTORIES LIMITED

We, Naresh Verma & Associates, Company Secretaries, have examined the compliance of conditions of Corporate Governance by the company, for the year ended on 31 March, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

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

Auditors' Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31 March, 2018.

Other matters and Restriction on Use

This report 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.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Naresh Verma & Associates
Company Secretaries

Place: Gurugram
Date : 31 July, 2018

Naresh Verma
CP:4424, FCS: 5403