

ANNEXURE 2 CORPORATE GOVERNANCE

THE COMPANY'S PHYLOSOPHY ON CORPORATE GOVERNANCE

JD Orgochem Limited strives for attainment of good performance in terms of all its stakeholders' value creation. Corporate governance is considered as an important tool for shareholders protection and maximization of their long term values.

The Company aims towards attainment of high level of transparency, integrity, accountability and fairness in all facets of its operations. The Company believes that good Corporate Governance contributes to a sustainable economic development of corporations by enhancing their performance and increasing shareholders' value. Your Company has complied with the requirements of Corporate Governance as laid down under Clause 49 of the Listing Agreement with the Stock Exchange.

A. BOARD OF DIRECTORS

As on March 31, 2015, your Company's Board of Directors consist of 6 (Six) Directors having varied experience in different areas and are leading professionals in respective fields.

The Composition of Board of the Company is in compliance with Clause 49 of the Listing Agreement. The Composition of Board comprises of 50% i.e half of the Board as Independent Directors along with one woman director since the Chairman of the Company is an Executive Director.

The Board comprises of 1 (one) Executive Promoter Director, 2 (two) Non - Executive Promoter Directors 2 (two) Independent Directors and 1(one) Additional Woman Director under Independent Category.

Sr. No.	Name of the Director	Category (Executive/ Non-Executive)	DIN	Number of Board Meetings attended	Whether attended last AGM held on September 24, 2014	Other Directorships held (including in private companies at the year end)	Number of Committee Membership/ Chairmanship in other domestic Companies as at the year end
1	Shri Sharadchandra S. Kothari	Promoter Executive Director	00184421	4	YES	3*	-
2	Shri Mahendra K. Kothari	Promoter Non-Executive Director	00183613	4	YES	5**	-
3	Shri Shrikant K. Kothari	Promoter Non-Executive Director	00184811	4	YES	-	-
4	Shri Jay K. Manek (resigned w.e.f. March 26, 2015)	Independent Director	00184770	4	YES	1***	-
5	Shri Lalit K. Chaudhari (resigned w.e.f. May 28, 2014)	Independent Director	02172746	1	#	-	-
6	Shri Dinkar M. Naik (resigned w.e.f. May 28, 2014)	Independent Director	02601369	1	#	1	-
7	Shri Mitesh D. Sejpal	Independent Director	06562026	3	YES	5****	-
8	Shri Umesh T. Chandan	Independent Director	00184677	3	YES	-	-
9	Smt. Falguni K. Manek (appointed w.e.f. March 31, 2015)	Independent Director	07162562	#	#	-	-



* In 2 Private Companies and 1 Public company

**In 3 Private Companies and 1 Non Profit Organisation company

***In 1 Public Company

**** in 5 Private Companies

Shri Lalit K. Chaudhari and Shri Dinkar M. Naik resigned on May 28, 2014. Smt. Falguni K. Manek being appointed on March 31, 2015, her attendance in Annual General Meeting is not applicable.

None of the directors except Shri. Mahendra K. Kothari and Shri. Shrikant K. Kothari are related to each other in terms of provisions of the Companies Act, 2013.

During the Financial Year 2014-15, there were 4 (four) meetings of the Board of Directors and the gap between the two meetings did not exceed 120 days as per the requirements of the Companies Act, 2013. The meetings were held on May 28, 2014, August 08, 2014, November 14, 2014 and January 30, 2015 respectively.

Audit Committee

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the provisions of Clause 49 of the Listing Agreement, the Board had constituted an Audit Committee. Shri Jay K. Manek (Independent Director) is the Chairman of the Committee. Shri Mahendra K. Kothari (Non Executive Director) and Shri Umesh T. Chandan (Independent Director) are the other members. Shri Lalit K. Chaudhari had resigned as Director of the Company on May 28, 2014, therefore, the Committee had been reconstituted for the financial year 2014-15. During the financial year 2014 -15, 4 (four) meetings of the Audit Committee were held on May 28, 2014, August 08, 2014, November 14, 2014 and January 30, 2015 respectively.

Sr. No.	Dates on which the Audit Committee Meetings were held	Attendance of Directors			
		Shri Lalit K. Chaudhari*	Shri Jay K. Manek	Shri Mahendra K. Kothari	Shri Umesh T. Chandan
1.	May 28, 2014	Attended	Attended	Attended	-
2.	August 08, 2014	N.A.	Attended	Attended	Attended
3.	November 14, 2014	N.A.	Attended	Attended	Attended
4.	January 30, 2015	N.A.	Attended	Attended	Attended

The terms of reference of the Audit Committee is as set out in Clause 49 of the Listing Agreement with BSE Limited read with Section 177 of the Companies Act, 2013 and applicable rules thereof.

* Shri Lalit K. Chaudhari resigned on May 28, 2014, hence his attendance in subsequent Audit Committee is not applicable.

Nomination and Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 read with the provisions of Clause 49 of the Listing Agreement, the Board has constituted the Nomination and Remuneration Committee. Shri Jay K. Manek (Independent Director) is the Chairman of the Committee. Shri Mitesh D. Sejpal (Independent Director) and Shri Umesh T. Chandan (Independent Director) are the other members of the Committee. Shri Lalit K. Chaudhari resigned as Director of the Company on May 28, 2014, the Committee was reconstituted for the financial year 2014-15.

During the Financial Year 2014-15, 1 (one) meeting of the Nomination and Remuneration Committee was held on January 30, 2015

Sr. No.	Dates on which the Nomination and Remuneration Committee Meeting were held	Attendance of Directors			
		Shri Lalit K. Chaudhari*	Shri Jay K. Manek	Shri Mitesh D. Sejpal	Shri Umesh T. Chandan
1	January 30, 2015	N.A.	Attended	Attended	Attended

* Shri Lalit K. Chaudhari resigned on May 28, 2014, hence his attendance in subsequent Nomination and Remuneration Committee is not applicable.

The Chairman of the Nomination and Remuneration Committee was present at the 40th Annual General Meeting held on September 24, 2014. The terms of reference of the Nomination and Remuneration Committee is as set out in Clause 49 of the Listing Agreement with BSE Limited read with Section 178 of the Companies Act, 2013 and applicable rules and schedules thereof. The committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The committee is governed by the same rules regarding meetings as are applicable to the Board

Nomination and Remuneration Policy

The Board has on the recommendation of the Nomination and Remuneration Committee adopted the following policies:

1. Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees.
2. Policy For Determining Qualifications, Positive Attributes, Independence of an Independent Director and Criteria For Evaluation is annexed to Directors' Report (**Annexure - 4 & 4.1**)

Details of remuneration to all the directors are as follows:

Sr. No.	Name of Director	Category	Salary and Perquisites	Commission	Sitting Fees
1	Shri Sharadchandra S.Kothari	Promoter Executive Director	-	-	-
2	Shri Mahendra K. Kothari	Promoter Non-Executive Director	-	-	16,000
3	Shri Shrikant K. Kothari	Promoter Non-Executive Director	-	-	8,000
4	Shri Jay K. Manek (resigned w.e.f. March 26, 2015)	Independent Director	-	-	18,000
5	Shri Lalit K. Chaudhari (resigned w.e.f. May 28, 2014)	Independent Director	-	-	4,000
6	Shri Dinkar M. Naik (resigned w.e.f. May 28, 2014)	Independent Director	-	-	2,000
7	Shri Mitesh D. Sejpal	Independent Director	-	-	8,000
8	Shri Umesh T. Chandan	Independent Director	-	-	14,000
9	Smt. Falguni K. Manek (appointed w.e.f. March 31, 2015)	Independent Director	-	-	-

Apart from the above remuneration, there were no material pecuniary relationship or transactions by the Company with Non Executive Directors as well as Independent Directors, during the Financial Year 2014-15.

Stakeholders Relationship Committee

In compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement the Company had changed the nomenclature of Share Transfer/Investors Grievances Committee to Stakeholders Relationship Committee at its Board meeting held on May 28, 2014. Shri. Umesh T. Chandan is the Chairman of the Committee, Shri. Sharadchandra S. Kothari and Shri. Mahendra K. Kothari are the members of the Committee. Shri Lalit K. Chaudhari who was a Member, resigned as Director of the Company on May 28, 2014.

During the Financial Year 2014-15, 16 (Sixteen) meetings of the Committee were held on April 30, 2014, May 21, 2014, June 11, 2014, July 02, 2014, July 30, 2014, August 20, 2014, August 27, 2014, September 13, 2014, November 12, 2014, November 19, 2014, December 24, 2014, January 07, 2015, January 21, 2015, February 11, 2015, February 25, 2015 and March 18, 2015 which were attended by the members as under:-

Sr. No.	Dates on which the Stakeholder Relationship Committee Meetings were held	Attendance of Directors			
		Shri Lalit K. Chaudhari*	Shri Umesh T. Chandan	Shri Sharadchandra S. Kothari	Shri Mahendra K. Kothari
1	April 30, 2014	Attended	Attended	-	-
2	May 21, 2014	Attended	Attended	-	-
3	June 11, 2014	N.A.	Attended	Attended	Attended
4	July 02, 2014	N.A.	Attended	Attended	Attended
5	July 30, 2014	N.A.	Attended	Attended	Attended
6	August 20, 2014	N.A.	Attended	Attended	Attended
7	August 27, 2014	N.A.	Attended	Attended	Attended
8	September 13, 2014	N.A.	Attended	Attended	Attended
9	November 12, 2014	N.A.	Attended	Attended	Attended
10	November 19, 2014	N.A.	Attended	Attended	Attended
11	December 24, 2014	N.A.	Attended	Attended	Attended
12	January 07, 2015	N.A.	Attended	Attended	Attended
13	January 21, 2015	N.A.	Attended	Attended	Attended
14	February 11, 2015	N.A.	Attended	Attended	Attended
15	February 25, 2015	N.A.	Attended	Attended	Attended
16	March 18, 2015	N.A.	Attended	Attended	Attended



* Shri Lalit K. Chaudhari resigned on May 28, 2014, hence his attendance in subsequent Stakeholder Relationship Committee is not applicable.

During the year under review, No complaints were received from shareholders.

All valid share transfers received during the year under review have been acted upon and no such transfer is pending.

Corporate Social Responsibility Committee:

In compliance with the Section 135 of the Companies Act, 2013 the Board had constituted Corporate Social Responsibility Committee. Shri Mitesh D. Sejpal is the Chairman of the Committee. Shri Sharadchandra S. Kothari and Shri Umesh T. Chandan are the other members of the Committee.

Terms of Reference of this Committee are as follows:

1. To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders.
2. To directly or indirectly take up programmes that benefit the communities in and around its work centres and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace.
3. To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

Since the Company is a loss making entity, it has not undertaken any CSR activity.

B. GENERAL BODY MEETINGS

Details of Previous three Annual General Meeting (AGM) is as follows:

AGM	YEAR	VENUE	DATE	TIME	NO. OF SPECIAL RESOLUTION PASSED
38 th	2011-12	301, Sumer Kendra, P. B. Marg, Worli, Mumbai – 400 018.	September 28, 2012	10.00 am	NIL
39 th	2012-13	301, Sumer Kendra, P. B. Marg, Worli, Mumbai – 400 018.	September 24, 2013	10.00 am	NIL
40 th	2013-14	301, Sumer Kendra, P. B. Marg, Worli, Mumbai – 400 018.	September 24, 2014	10.00 am	<ul style="list-style-type: none"> • Appointment of Shri. Sharadchandra S. Kothari as the Managing Director of the Company. • Adoption of new set of Articles of Association.

During the Financial Year 2014-15, the Company had not passed any special resolution through Postal Ballot.

C. CODE OF CONDUCT

The Board of Directors has revised and adopted the revised Code of Conduct for Directors and Senior Management Personnel. The said Code has been communicated to the Directors and the Members of the Senior Management.

D. MATERIAL RELATED PARTY TRANSACTIONS

There were related party transactions entered by the Company during the financial year 2014 -15, which were on arm's length basis and in ordinary course of business, as per Section 188 of the Companies Act, 2013 and applicable Rules thereof. However, Company did not enter into any material related party transactions under Clause 49 of the Listing Agreement.

E. NON-COMPLIANCES BY COMPANIES, PENALTIES, STRICTURES IMPOSED BY STOCK EXCHANGES/SEBI OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS.

There were no penalties and strictures imposed by Stock Exchanges/SEBI or any Statutory Authority on matter related to capital markets during the last three years.

F. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable in preparation of the financial statements.

G. MATERIAL SUBSIDIARY COMPANY

The Company does not have any material subsidiary as defined under Clause 49 of the Listing Agreement.

H. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The details regarding Whistle Blower Policy/Vigil Mechanism is provided in the Directors' Report.

I. MANDATORY COMPLIANCES UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Company had complied with all the mandatory requirements under Clause 49 of the Listing Agreement in respect of Corporate Governance.

J. ADOPTION OF THE NON MANDATORY REQUIREMENTS UNDER CLAUSE 49 OF THE LISTING AGREEMENT

1. The Company has Executive Chairman hence the norms regarding payment of expenses incurred by a Non executive Chairman in execution of his duties is Not applicable.
2. Company does not provide a half yearly declaration of financial performance including summary of the significant events in last six months each household of shareholders.
3. Company is moving towards a regime of unqualified financial statements
4. The Company has not appointed separate persons for the post of Chairman and Managing Director/CEO

K. MEANS OF COMMUNICATION

The financial results of the Company during the year are reported as mentioned below:

Quarterly results normally published/proposed to be published in Newspapers	In English – Free Press Journal In Marathi - Navshakti
Details of Company Website where results are displayed	www.jdorgochem.com
Whether it displays official news release and the presentations, if any made to institutional investors or to the analysts	Yes

L. GENERAL SHAREHOLDERS INFORMATION:

1 41st Annual General Meeting:

Date and Time : Tuesday, September 29, 2015 at 10.00 a.m.

Venue : 301, Sumer Kendra,
P. B. Marg, Worli,
Mumbai : 400 018.

2 Financial Calendar :

First Quarterly results on or before August 14, 2015
Second Quarterly results on or before November 15, 2015
Third Quarterly Results on or before February 15, 2016
Audited Yearly Results on or before May 30, 2016

3 Date of Book Closure: September 23, 2015 to September 29, 2015 (both days inclusive)

4 Delisted : NSE Ltd.

5 Listing : BSE Ltd.

6 Stock Code : 524592

7 ISIN Code : INE263B01022

8 CIN : L24100MH1973PLC016908

M. DEMATERIALIZATION OF SHARES

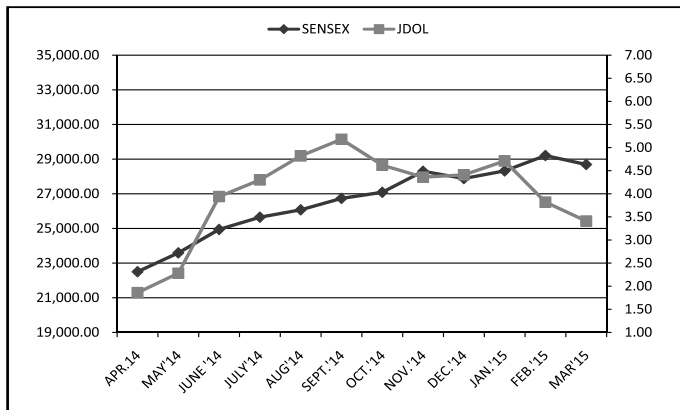
As on March 31, 2015, 1,24,21,430 Equity Shares of the Company are dematerialized form constituting 93.75% of total paid up share capital of the Company.

N. OUTSTANDING GDR/ADR – Not Applicable



O. MONTHLY HIGH AND LOW DURING EACH MONTH OF THE FINANCIAL YEAR 2014-15 AND SENSEX COMPARISON BSE LIMITED

MONTH	BSE (₹)	
	HIGH	LOW
April 2014	2.07	1.55
May 2014	2.69	1.94
June 2014	5.62	2.62
July 2014	4.77	3.45
August 2014	5.30	4.30
September 2014	6.25	4.47
October 2014	5.07	4.19
November 2014	5.19	3.42
December 2014	4.80	3.74
January 2015	5.55	4.13
February 2015	4.33	3.41
March 2015	4.12	3.10



P. SHARE TRANSFER SYSTEM

All the share related work is undertaken by our Registrar and Share Transfer Agent, M/s. Sharepro Services (India) Private Limited, Mumbai. Stakeholder Relationship Committee approves the share transfer, transmission, split and consolidation, amongst others of the Shares. The Shareholders'/Investors' Grievances are also addressed by the Company's Registrars and Transfer Agent.

Q. RECONCILIATION OF SHARE CAPITAL:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out reconciliation of share capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

R. SHAREHOLDING PATTERN AS ON MARCH 31, 2015:

Sr. No.	Particulars	No. of Shares Held	% of Shares Held
1.	Promoters	84,57,886	63.83
2.	Mutual Funds & UTI	5,300	0.04
3.	Banks/ Financial Institutions	42,357	0.32
4.	Foreign Financial Institutions	8,500	0.06
5.	Foreign Financial Bank	800	0.01
6.	Private Corporate Bodies	5,05,493	3.82
7.	Indian Public	38,41,015	28.99
8.	NRIs/OCBs	56,700	0.43
9.	Any Other-(Non-promoter Director and Relatives of Directors)	3,200	0.02
10.	Trust	3,28,749	2.48
	Total	1,32,50,000	100.00

S. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015:

No. of Shares	No. of Shareholders	% of Total Shareholders	Total No. of Shares	% of Total Shares
Upto - 500	8,695	89.70	12,09,529	9.13
501 - 1,000	497	5.13	4,22,539	3.19
1,001 - 2,000	231	2.38	3,60,298	2.72
2 001 - 3,000	82	0.85	2,08,472	1.57
3,001 - 4,000	34	0.35	1,19,440	0.90
4,001 - 5000	53	0.55	2,51,500	1.90
5,001 - 10,000	39	0.40	2,87,965	2.17
10,001- above	62	0.64	1,03,90,257	78.42
TOTAL	9693	100.00	86,89,700	100.00

T. FOLLOWING NON-EXECUTIVE DIRECTORS HELD SHARES OF THE COMPANY AS UNDER:

Sr. No.	Name of the Directors	No. of Shares
1	Shri Mahendra K. Kothari	NIL
2	Shri Shrikant K. Kothari	NIL
3	Shri Jay K. Manek (resigned w.e.f. March 26, 2015)	NIL
4	Shri Lalit K. Chaudhari (resigned w.e.f. May 28, 2014)	300
5	Shri Dinkar M. Naik (resigned w.e.f. May 28, 2014)	NIL
6	Shri Mitesh D. Sejpal	NIL
7	Shri Umesh T. Chandan	300
8	Smt. Falguni K. Manek (resigned w.e f August 10, 2015)	NIL

U. PLANTS / FACTORIES:

Sr. No.	Plant/Factories	Address
1	Patalganga Unit	Plot No. A-4/2, MIDC Industrial Area, Patalganga, Taluka - Khalapur, District - Raigad, Pin Code - 410 220, Maharashtra

