

CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

1. Company's Philosophy on Code of Corporate Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. The Company continues to focus on good Corporate Governance, in line with the best practices in the areas of Corporate Governance.

Your Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Governance for your Company means being true to own belief and constantly strengthening and increasing stakeholders' values and return on investment by adopting principles of transparency, accountability and adherence of committed value creation principles. We are firm in the belief that Corporate Governance means commitment for achievement of value based growth and meeting the commitment within the predefined time frame without compromising with ethical standards, set paradigms, transparency in transactions and fixing of accountability.

In order to strengthen corporate governance practices, company has adopted a code of conduct for Board of Directors and senior management personnel of the Company, Policy on Board Diversity, Policy for determination of materiality, Policy on succession plan for appointment to the Board and Senior management,

Whistle Blower Policy, Risk Management Policy, Policy on preservation of documents and Archival Policy and Policy for determining Material Subsidiary of the Company. These policies and code of conduct are available on the website of the Company. The Company's corporate governance philosophy has been further strengthened through the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by insiders pursuant to SEBI (Prohibition of Insiders Trading) Regulations, 2015. The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

2. Board of Directors

The Company understands that good and quality governance is a powerful competitive differentiator and critical to economic and social progress. The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board of the Company is independent in making its decision and also capable and committed to address conflict of interest and impress upon the functionaries of the Company to focus on transparency, accountability, probity, integrity, equity and responsibility. Apart from that the Board also discharges its responsibilities / duties as mentioned under the provisions of Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred as Listing Regulations) and other applicable laws.

2.1 Composition:

The Composition of the Board as on March 31, 2016 is given herein below:

COMPOSITION OF BOARD OF DIRECTORS AS ON MARCH 31, 2016			
Category	Name of Directors	No. of Directors	% of total number of Directors
Promoter - Non Executive Director	Mr. Sanjay Dalmia	3	25%
	Mr. Anurag Dalmia		
	Mr. Neelabh Dalmia		
Non - Executive - Independent Director	Dr. B C Jain	6	50%
	Mr. K C Jani*		
	Mr. G. C. Srivastava		
	Mr. Mahesh Kumar Kheria		
	Mr. Sanjiv Tyagi		
Nominee Director-Representing Lending Institutions	Mrs. Padma Vinod Betai - Nominee IDBI	1	8.33%
Managing Director / Executive Director	Mr. R S Jalan - Managing Director	2	16.67%
	Mr. Raman Chopra - CFO & Executive Director (Finance)		
	TOTAL NO. OF DIRECTORS	12	100%

Note:

*As informed in the previous Annual Report, the Board of Directors had appointed Mr. K C Jani as an Additional Director under category of Independent Director with effect from September 18, 2014. Further, the Shareholders in their meeting held on July 23, 2015, had confirmed his appointment as an Independent Director till September 17, 2019.

The Board of GHCL Limited is having an optimum combination of executive and non-executive directors and the Board consists of 12 Directors, 10 of whom are Non - Executive Directors including one woman director. The Chairman of the Company is a Non -Executive Director and promoter of the Company and hence the requirement that at least one – half of the Board shall consist of Independent Directors is complied with as the Company has 6 Independent Directors. All of the Non-Executive Directors have extensive business experience and are considered by the Board to be independent in character and judgment of the management of the Company and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment.

The Board of Directors meets regularly to review strategic, operational and financial matters and has a formal schedule of matters reserved for its decision. It approves the interim and preliminary financial statements, budget, the annual financial plan, significant contracts and capital investment along with strategic decisions like Restructuring of Business, Debt and Human Resources etc. Wherever appropriate, the Board delegates its authority to Committees of Directors like Banking & Operations Committee, Project Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Audit Committee, CSR Committee, Business Strategy & Planning Committee, Risk Management Committee and Compliance Committee. Information is provided to the Board in advance of every meeting and the Chairman

ensures that all Directors are properly briefed on the matters being discussed. The Board reviews compliance reports of applicable laws in the Board meetings and also deliberates the compliance of code of conduct for Board Members and Senior Management.

With an objective to ensure maximum presence of our Independent Directors in the Board Meeting, dates of the Board Meeting are fixed in advance after consultation with individual directors and consideration of their convenience. The agenda and explanatory notes are circulated to the Directors at least seven days before the meeting. Wherever it is not practicable to attach any document to the agenda the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda is permitted after obtaining permission of the Chairman of the meeting. During the financial year ended March 31, 2016, four Board Meetings were held on May 22, 2015, July 30, 2015, October 31, 2015, and January 28, 2016. In order to facilitate our Institutional Director to submit reports to their institutions, your company provides soft copy of all presentations made to the Board immediately after the Board Meeting / Committee meeting. The gap between any two Meetings is not more than 120 days, ensuring compliance with the requirement of Regulation 17 of the Listing Regulations and the Companies Act 2013. The attendance of Directors at the Board Meeting held during the financial year ended March 31, 2016 is given herein below:

S. No.	NAME	DATE OF BOARD MEETING & ATTENDANCE				AGM ATTENDANCE (July 23, 2015)
		MAY 22, 2015	JULY 30, 2015	OCTOBER 31, 2015	JANUARY 28, 2016	
1	Mr. Sanjay Dalmia	Yes	Yes	Yes	Yes	No
2	Mr. Anurag Dalmia	Yes	Yes	Yes	Yes	Yes
3	Mr. Neelabh Dalmia	Yes	Yes	Yes	Yes	Yes
4	Dr. B C Jain	Yes	Yes	Yes	Yes	Yes
5	Mr. G. C. Srivastava	Yes	Yes	Yes	Yes	No
6	Smt. Padma Vinod Betai– Nominee IDBI Bank	No	Yes	Yes	No	Yes
7	Mr. Mahesh Kumar Kheria	Yes	Yes	Yes	Yes	No
8	Mr. Sanjiv Tyagi	Yes	Yes	Yes	Yes	No
9	Shri K C Jani	Yes	Yes	Yes	Yes	Yes
10	Shri Lavanya Rastogi	Yes	No	Yes	Yes	No
11	Mr. R. S. Jalan	Yes	Yes	Yes	Yes	Yes
12	Mr. Raman Chopra	Yes	Yes	Yes	Yes	Yes

Note:

Mr. Sanjay Dalmia and Mr. Anurag Dalmia Directors retiring by rotation and are eligible for re-appointment. Necessary information as required under Regulation 36 (3) of the Listing Regulations has been provided under the notice of the AGM.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 (1) of the Listing Regulations across all the listed Companies in which he/she is a Director. The necessary disclosure regarding Directorship and Committee positions have been made by the Directors who are on the Board of the Company as on March 31, 2016 and the same is reproduced herein below:

Sl. No.	Name of the Director	Director Identification Number (DIN)	No. of Directorship in other Indian Public Limited Companies*	No. of committee positions held as Chairman in other Public Companies**	No. of Committee positions held as Member in other Public Companies**
1	Mr. Sanjay Dalmia	00206992	-	-	-
2	Mr. Anurag Dalmia	00120710	-	-	-
3	Mr. Neelabh Dalmia	00121760	-	-	-
4	Dr. B C Jain	00319666	-	-	-
5	Mr. K C Jani	02535299	2	-	1
6	Mrs. Padma Vinod Betai	00937921	1	-	-
7	Mr. Mahesh Kumar Kheria	00161680	-	-	-
8	Mr. G. C. Srivastava	02194331	1	-	-
9	Mr. Lavanya Rastogi	01744049	3	-	-
10	Mr. Sanjiv Tyagi	00225812	3	-	-
11	Mr. R S Jalan	00121260	-	-	-
12	Mr. Raman Chopra	00954190	1	-	-

Note: *For the purpose of considering the limit of the number of directorship and chairman/member of committees, Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 are excluded which is in line with the requirement of relevant conditions of Regulation 26 of the Listing Regulations. Director's shareholding is given in an annexure to the Board's report.

**For the purpose of determination of limit of committees, only chairmanship / membership of the Audit Committee and the Stakeholders' Relationship Committee has been considered.

During the financial year ended March 31, 2016, the Company has not entered into any material transactions with its Non-Executive Directors except related party transactions which are reported in annual report. The Company has also received declaration from Independent Directors confirming their independence, accordingly requirement of Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations are duly complied with.

The Audit Committee of the Board of the Company has reviewed the financial statements of its subsidiary.

At present, Company do not have any operating subsidiary in India hence, provisions related to appointment of an Independent Director of the Company on the Board of the Indian Subsidiaries is not applicable to the Company.

2.2 Independent Directors' Meeting

- During the year under review, the Independent Directors met on October 31, 2015, inter alia, to discuss:
- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties effectively.

All the Independent Directors were present at the Meeting.

2.3 Directors' Profile:

The brief profile of each Director of the Company is given below:

Mr. Sanjay Dalmia:

Mr. Sanjay Dalmia (DOB - March 17, 1944) is Non-executive Chairman (Promoter) of the Company. Mr. Dalmia is an eminent Industrialist and is an Ex-member of Rajya Sabha (Upper house of Parliament). He is also the Chairman of the Project Committee and a member of Nomination & Remuneration Committee of the Company.

Mr. Anurag Dalmia:

Mr. Anurag Dalmia (DOB - May 11, 1956) is a Non-executive Director (Promoter) of the Company. Mr. Dalmia is an eminent Industrialist and had also represented PHD Chambers of Commerce and Industry and Confederation of Indian Textile Industry. Mr. Dalmia is the Chairman of Business Strategy & Planning Committee and also a member of the Project Committee of the Company.

Mr. Neelabh Dalmia:

Mr. Neelabh Dalmia (DOB – August 16, 1983) is a Non-executive Director (Promoter) of the Company. He is Bachelor of Science in Business from Indiana University, Kelley School of Business, Bloomington, Indiana with majors in Finance and Entrepreneurship. He had also completed Masters of Business Administration (MBA) from Kelley School of Business, Indiana University, USA. He is a member of Audit Committee, Stakeholders Relationship Committee, CSR Committee, Risk Management Committee, Compliance Committee, Business Strategy & Planning Committee and Banking and Operations Committee of the Company.

Mrs. Padma Vinod Betai

Mrs. Padma Vinod Betai (DOB – September 7, 1964) is a Nominee Director of the Company representing IDBI Bank Limited. She is a Director of the Company since September 6, 2015. Mrs. Betai is Fellow member of Institute of Chartered Accountants of India (ICAI) and her area of specialization is Banking and Finance. She is a member of Project Committee of the Company.

Dr. B C Jain

Dr. B C Jain (DOB – October 8, 1938) is a Non-Executive Independent Director of the Company. He is a Director of the Company since April 19, 1986. Dr. Jain is LL.B, ACCS, Ph. D. and Fellow member of Institute of Chartered Accountants of India (ICAI) and his area of specialization is Finance, Banking and Accounting. He was on the Board of Union Bank of India, Central Bank of India and Bank of India. He has also been the Central Council Member of ICAI and the Member of Peer Review Board of ICAI. He is

also Joint Secretary of Uttar Pradesh Cricket Association. Dr. Jain is the Chairman of Audit Committee and a member of Nomination and Remuneration Committee of the Company.

Mr. G C Srivastava

Mr. G C Srivastava (DOB – September 20, 1947) is a Non-Executive Independent Director of the Company. He is a Director of the Company since May 10, 2008. Mr. Srivastava is an ex-IRS. He is having very rich experience in Tax and Accounting. Mr. Srivastava is a member of the Audit Committee of the Company.

Mr. Mahesh Kumar Kheria

Mr. Mahesh Kumar Kheria (DOB – July 18, 1955) is a Non-Executive Independent Director of the Company. He is a Director of the Company since February 27, 1998. Mr. Kheria is a graduate in commerce and his area of specialization is Finance & Marketing. He has very wide industrial experience and long association with the Company. Mr. Kheria is the Chairman of the Stakeholders Relationship Committee, a member of the Audit Committee and also the Risk Management Committee of the Company. Mr. Kheria is also the Ombudsperson to administer and effectively implement the “Whistle Blower Policy” of the Company.

Mr. Sanjiv Tyagi

Mr. Sanjiv Tyagi (DOB – February 25, 1959) is a Non-Executive Independent Director of the Company. He is a Director of the Company since April 30, 2009. He is a graduate in arts and PG Diploma in Hotel Management from the prestigious Oberoi School of Hotel Management. He had worked with Oberoi Group, Holiday Inn, Radisson, Unitech etc. He has very rich experience in the Industry and his area of specialization is Management. Mr. Tyagi is the Chairman of CSR Committee and also a member of Nomination and Remuneration Committee of the Company.

Mr. K C Jani

Mr. K C Jani (DOB – January 18, 1954) is a Non-Executive Independent Director of the Company. He is a Director of the Company since September 18, 2014. Mr. Jani is B. E (Chemical) and had served as an Executive Director of IDBI Bank Limited. He has very wide experience in the Banking industry and his area of specialization is Banking and Finance. He is the Chairman of Nomination and Remuneration Committee of the Company.

Mr. Lavanya Rastogi

Mr. Lavanya Rastogi (DOB – March 8, 1981) is a Non-Executive Independent Director of the Company. He is a Director of the Company since November 24, 2014. Mr. Lavanya is an alumnus of Harvard Business School, and as a thought leader in the field of entrepreneurship, leadership and global economy. Mr. Lavanya Rastogi is currently the CEO and Chief Mentor OSSCube, a global leader in Technology Solutions, headquartered in USA. In 2009 Academy for Global Business Advancement (AGBA) awarded him the “Distinguished Young Entrepreneur Award”. He is active face in many trade association and industry chambers including NASSCOM, North Carolina Technology Association (NCTA), FICCI, Austin Technology Council (ATC), Entrepreneurs’ Organization (EO), India

American Chamber of Commerce (IACCGH), World Affairs Council of Houston, etc. He is a member of Business Strategy & Planning Committee of the Company.

Mr. R S Jalan

Mr. R S Jalan (DOB - October 10, 1957) is Managing Director of the Company. He is a graduate in Commerce and Fellow member of Institute of Chartered Accountants of India and having a very wide experience in Corporate Finance and Textiles business. Mr. R S Jalan has more than three decades of Industrial experience. He is the Chairman of Compliance Committee and also a member of Stakeholders Relationship Committee, Banking & Operations Committee, CSR Committee, Business Strategy & Planning Committee and Risk Management Committee of the Company.

Mr. Raman Chopra

Mr. Raman Chopra (DOB – November 25, 1965) is CFO & Executive Director (Finance) of the Company. He is a graduate in Commerce and Fellow member of Institute of Chartered Accountants of India. Mr. Chopra is having wide experience in Corporate Finance and Textiles. Presently, he is in charge of Financial & Secretarial functions covering financial accounting, management accounting, taxation, secretarial, legal, IT and corporate finance areas. Mr. Chopra has more than 28 years of Industrial experience. Before elevated to Executive Director (Finance) with effect from April 1, 2008, he was CFO of the Company from October 30, 2007. Before taking charge of finance, he had successfully established the Home Textile plant at Vapi. He is a member of Compliance Committee, Stakeholders Relationship Committee, Banking & Operations Committee, Business Strategy & Planning Committee and Risk Management Committee of the Company.

3. Committees of the Board

(i) Audit Committee

The Board of Directors had constituted the Audit Committee as early as in 2000 and as on March 31, 2016 there were four non-executive directors including three Independent Directors having expertise in financial and accounting areas. Mr. Bhuneshwar Mishra, Secretary of the Company acts as Secretary to the Committee. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee’s purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company’s financial statements, the appointment, independence and performance of the statutory auditors and the internal auditors.

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Terms of Reference:

The role of the Audit Committee shall include the following:

- a. 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.
- b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fee and also approval for payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
 - c. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;
 - Matters required to be included in the Director's Responsibility statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report.
 - d. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - e. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right 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 right issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - f. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - g. Approval or any subsequent modification of transactions of the company with related parties;
 - h. Scrutiny of inter-corporate loans and investments;
 - i. Valuation of undertakings or assets of the company, wherever it is necessary;
 - j. Evaluation of internal financial controls and risk management systems;
 - k. Reviewing with the management, performance of the statutory and internal auditors' and adequacy of internal control systems.
 - l. Reviewing the adequacy of internal audit function, 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.
 - m. Discussion with internal auditors any significant findings and follow up there on.
 - n. 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.
 - o. 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.
 - p. 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.
 - q. To review the functioning of the Whistle Blower mechanism;
 - r. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
 - s. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 - t. Recommending to the Board, the appointment / re-appointment of the Cost Auditors and Secretarial Auditor.
 - u. Any other activities as per the requirement of Regulation 18 of the Listing Regulations and applicable provisions of the Companies Act, 2013.
- Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meeting held after the Audit Committee Meetings for deliberation and the full minutes of the same are placed before the following Board Meeting for record. The Chairman of the Audit Committee apprises the Board on the recommendations made by the Committee. Further, at the beginning of the financial year, the Committee discuss the plan for the internal audit and statutory audit. Dates of the Audit Committee Meetings are fixed in advance and agenda along with explanatory notes are circulated at least seven days before the meeting. Wherever it is not practicable to attach any document to the agenda the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.
- During the financial year ended March 31, 2016, the Audit Committee of the Board met four times and the gap between any two meetings of the Audit Committee is not more than 120 days, ensuring compliance with the requirement of Regulation 18 of the Listing Regulations and the Companies Act 2013. The adequate quorums were present at every Audit Committee Meeting. The Composition of Audit Committee and attendance of members at the meetings are given herein below:

Category	Name of the Audit Committee members			
	Dr. B C Jain -Chairman of the Committee	Mr. Neelabh Dalmia	Mr. G C Srivastava	Mr. Mahesh Kumar Kheria
	Independent Director (Expertise in Finance, Banking & Accounting)	Non-executive Director (Expertise in Finance & Industry)	Independent Director (Expertise in Tax & Accounting)	Independent Director (Expertise in Finance & Marketing)
Date of the Meeting				
May 22, 2015	Yes	Yes	Yes	Yes
July 30, 2015	Yes	Yes	Yes	Yes
October 31, 2015	Yes	Yes	Yes	Yes
January 28, 2016	Yes	Yes	Yes	Yes
Whether attended Last AGM (Yes/No)	Yes	Yes	No	No

Note: Managing Director, Executive Director (Finance), Statutory Auditors and concerned employees for Internal Audit/ accounts were invitees to the Audit Committee Meetings whenever required.

The Company has complied with the requirements of Regulation 18 of the Listing Regulations as regards composition of the Audit Committee. Dr. B C Jain, Chairman of the Audit Committee is a qualified Chartered Accountant and an expert in Finance, Banking and Accounting. He was present in the 32nd Annual General Meeting held on July 23, 2015 to answer the queries of shareholders.

As required under Regulation 18 (3) of the Listing Regulations, the Audit Committee had reviewed the following information:

- Management Discussion and Analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by management.
- Management letter(s)/letters of Internal control, weaknesses issued by the Statutory Auditors.
- Internal Auditor's Reports relating to internal control weaknesses and
- Appointment, removal and terms of remuneration of the Chief internal auditors.

(ii) Nomination & Remuneration Committee:

The Company is transparent in compensation policy of Directors. The Nomination & Remuneration Committee of the Company was constituted as early as in 1995. Nomination & Remuneration Committee of the Board has been constituted as per Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. As on March 31, 2016, Nomination & Remuneration Committee comprises of four non-executive directors including three Independent Directors and also the Chairman of this Committee is an Independent Director.

In line with the requirement of Section 178(2) of the Companies Act, 2013 read with Regulation 19(4) of the Listing Regulations, the Nomination and Remuneration Committee shall be responsible for following activities:

1. To identify persons who are qualified:
 - (a) to become directors and
 - (b) who may be appointed in senior management in accordance with the criteria

laid down by the company. The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

2. To recommend to the Board the appointment and removal of person identified under point (1) above;
3. To formulate the criteria for evaluation of performance of Independent Directors and Board of Directors;
4. 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.
5. To devise a policy on Board diversity of Board of Directors.
6. Any other activities as per the requirement of Regulation 19 of the Listing Regulations and the Companies Act, 2013.

The Nomination & Remuneration Committee sets the overall policy on remuneration and the other terms of employment of Executive Directors of the Company as well as the sitting fee and commission to the Non-Executive Directors within the overall ceiling fixed by members of the Company and recommends the same for the approval of the Board. The Committee recommends remuneration package of Executive Directors to the Board by reference to individual performance, experience and market conditions with a view to provide a remuneration package which is appropriate for the responsibilities involved. In reviewing the overall remuneration of the Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

The shareholders in their meeting held on July 23, 2015 had approved Employees Stock Option Scheme, which is implemented and relevant disclosures are made at appropriate place in this annual report. The Nomination & Remuneration Committee monitors the Employees Stock Option Scheme.

The executive summary of the Nomination & Remuneration Committee Meeting is placed before the immediate next Board Meeting held after the Nomination & Remuneration Committee, for deliberation and the full minutes of the same are

placed before the following Board Meeting for record. Dates of the Nomination & Remuneration Committee Meeting are fixed in advance and agenda and explanatory notes are circulated to the Directors at least seven days before the meeting.

During the financial year ended March 31, 2016, the Nomination & Remuneration Committee met on May 22, 2015. The Nomination & Remuneration Committee of the Board comprises of Non-Executive Directors and the details of meeting attended by the Directors are as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE NOMINATION & REMUNERATION COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2016				
Category of Director	Name of the Nomination & Remuneration Committee Members			
		Mr. K C Jani – Chairman of the Committee	Mr. Sanjay Dalmia	Dr. B C Jain
	Non-Executive - Independent Director (Expertise Corporate Finance, Restructuring of liabilities)	Non- Executive Director (Industrialist)	Non - Executive - Independent Director (Expertise in Finance Banking & Accounting)	Non -Executive - Independent Director (Expertise in Management)
Date of the Meeting				
May 22, 2015	Yes	Yes	Yes	Yes
Whether attended Last AGM (Yes/ No)	Yes	No	Yes	No

Remuneration Policy:

The Nomination & Remuneration Policy of the Company is annexed with this report. This policy has also been posted on the website of the Company. Committee considers the following guidelines which are essential to follow while formulating the Remuneration Policy:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel, senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

Payment of remuneration to the Managing Director and Whole Time Director(s) are governed by the Uniform Remuneration Package approved by the Board and the Shareholders. Their Remuneration structure comprises salary / commission linked to profits, perquisites and allowances, contribution to Provident Fund and Superannuation Fund and premium on Gratuity Policy etc.

The Non - Executive Directors do not draw any remuneration from the Company other than the sitting fee and such commission as may be determined by the Board from time to time within the overall approval given by the shareholders and pursuant to the relevant provisions of the Companies Act, 2013. The commission payable to the Non - Executive Directors is limited to a fixed amount per year as determined

and approved by the Board, the sum of which is within the limit of 1% of net profit for the year, calculated as per the provisions of the Companies Act, 2013. The actual amount of commission payable to each Non - Executive Director is decided by the Board, upon recommendation of the Nomination & Remuneration Committee, on the following criteria:-

- Number of board meeting, audit committee meeting, nomination & remuneration committee meeting, project committee meeting, CSR committee meeting, risk management committee meeting and business strategy & planning committee meeting attended by Director during the financial year;
- Overall contribution and roll outside the Meeting;
- Role and responsibilities towards growth of the Company.

Details of remuneration, commission and sitting fee paid/ payable to the Directors of the Company for the financial year ended March 31, 2016 are given below:

Non-Whole time Directors	(in Rupees)	
	Sitting Fees	Commission
Mr. Sanjay Dalmia	1,60,000	22,16,667
Mr. Anurag Dalmia	1,40,000	22,00,000
Mr. Neelabh Dalmia	3,00,000	24,66,667
Dr. B. C. Jain	3,40,000	24,66,667
Mr. G. C. Srivastava	3,20,000	24,50,000
Mrs. Padma Vinod Betai – Nominee IDBI Bank*	80,000	11,00,000
Mr. Sanjiv Tyagi	2,20,000	22,33,332
Mr. Mahesh Kumar Kheria	3,20,000	24,50,000
Mr. K C Jani	2,00,000	22,16,667
Mr. Lavanya Rastogi	1,40,000	16,50,000
TOTAL	22,20,000	2,14,50,000

Note:

Commission payable to all or any one of the Non- Whole Time Directors shall in aggregate not exceed 1% per annum of the net profit of the Company calculated under the provisions of the Companies Act, 2013.

* Commission and Sitting fee paid to the Institutions which they represent.

Managing Director / Whole Time Director (in Rupees)			
Name	Salary and other perquisites	Commission	Total
Mr. R S Jalan, Managing Director	2,29,30,000	2,49,00,000	4,78,30,000
Mr. Raman Chopra, CFO & Executive Director (Finance)	1,29,79,804	1,47,00,000	2,76,79,804
Total	3,59,09,804	3,96,00,000	7,55,09,804

- (a) The agreement with the Whole Time Directors is for a period of five years. Either party to the agreement is entitled to terminate the agreement by giving six calendar months prior notice in writing to the other party.
- (b) Salary and perquisites Includes Company's contribution to Provident Fund, Superannuation Fund, LTA paid and premium on Gratuity Policy.

(iii) Stakeholders Relationship Committee:

The Board had constituted the Stakeholders Relationship Committee. The committee expedite the process of redressal of complaints like non-transfer

of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc. The committee regularly viewed the complaints filed online at SEBI Complaints Redressal System (SCORES) and action taken report (ATR) thereon. Generally the Committee meet once in a week to expedite all matters relating to Shareholders / Investors Grievances received and pending during the previous week. Total forty six meetings of the Stakeholders Relationship Committee held during the financial year ended March 31, 2016.

The composition of Committee as on March 31, 2016 is as under:

Sl. No.	Name of Directors	Status
1	Mr. Mahesh Kumar Kheria	Chairman
2	Mr. Neelabh Dalmia	Member
3	Mr. R S Jalan	Member
4	Mr. Raman Chopra	Member

The Company consider its shareholders as 'owners' and take all effective steps to resolve their complaints as soon as possible. All complaints are resolved within 15 days except those which are of legal nature. The Company received 5 shareholders complaints from Stock Exchanges and/or SEBI that inter-alia include non-receipt of dividend, share transfer (including Demat etc.) and non - receipt of annual report. The Complaints were duly attended and the Company has furnished necessary documents / information to the shareholders.

Status of total complaints received (including 5 complaints received from Stock Exchanges / SEBI) during the financial year ended March 31, 2016:

Sl. No.	Type of Complaints	No. of Complaints pending as on March 31, 2015	Total No. of Complaints received during the financial year ended March 31, 2016	Total No. of Complaints resolved during the financial year ended March 31, 2016	No. of Complaints pending as on March 31, 2016
1	Non-receipt of dividend	1	111	112	0
2	Share transfer including Demat request	0	24	24	0
3	Non receipt of Annual Report	0	52	52	0
	Total	1	187	188	0

Note: There is no complaint pending as on March 31, 2016 except the complaints pending at court or at the end of shareholders due to non-submission of the information desired by RTA.

The Stakeholders Relationship Committee reviews the summary of the complaints received and appropriate action is taken promptly. No requests for share transfer or payment of dividend are pending except those that are disputed or sub-judice.

Mr. Bhuvneshwar Mishra, General Manager & Company Secretary of the Company is the Secretary to the Committee and also the Compliance Officer of the Company.

(iv) Banking and Operations Committee

The Board had constituted the Banking and Operations Committee to expedite the day to day functioning and exercise of delegated powers of the Board. This Committee meets as per the requirement of business, to expedite all matters relating to operations and granting authority for various functional requirements such as issue of Power of Attorney, arranging /

negotiating of term loans, working capital loan, short term loan, dealings with Central / State Governments including their agents and various statutory / judicial / regulatory / local / commercial / excise / customs / port / sales tax / income tax / electricity board etc. and other authorities on behalf of the Company in line with the delegated authority of Board of Directors from time to time.

The composition of the Banking and Operations Committee as on March 31, 2016 is as under:

Sl. No.	Name	Status
1	Mr. Neelabh Dalmia - Director	Member
2	Mr. R S Jalan - Managing Director	Member
3	Mr. Raman Chopra - Executive Director (Finance)	Member

(v) Project Committee

This Committee was constituted to review and recommend proposals relating to new projects, expansion, modernization, diversification, acquisitions, various kind of compromise, arrangement or amalgamation, restructuring of business of the Company and/or its subsidiaries. The composition of the Project Committee as on March 31, 2016 is as under:

Sl. No.	Name	Status
1	Mr Sanjay Dalmia - Non-executive Director	Chairman
2	Mr. Anurag Dalmia – Non-executive Director	Member
3	Mr. Neelabh Dalmia – Non-executive Director	Member
4	Mrs. Padma Vinod Betai - Nominee Director – IDBI Bank	Member

(vi) Corporate Social Responsibility (CSR) Committee

The Board of Directors had voluntarily constituted the Corporate Social Responsibility (CSR) Committee in their meeting held on January 28, 2013. Subsequently it is made mandatory, pursuant to Section 135 of the Companies Act, 2013. This Committee was constituted to strengthen and monitor CSR policy of the Company. Further, CSR Committee of the Board meets the criteria prescribed by Section 135 of the Companies Act, 2013, which states that every CSR Committee of the Board shall be consisting of three or more directors, out of which at least one director shall be an Independent Director.

During the financial year ended March 31, 2016, the CSR Committee met only once on May 19, 2015. The CSR Committee of the Board comprises of following three Directors and the details of meeting attended by the Directors are as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE MEETING HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2016			
	Name of the CSR Committee Members		
Category of Director	Mr. Sanjiv Tyagi - Chairman of the Committee	Mr. Neelabh Dalmia	Mr. R S Jalan
	Non- Executive - Independent Director (Expertise in Management)	Non-executive Director (Expertise in Finance & Industry)	Managing Director (Specialization in Operations, Finance, Marketing & HR)
Date of the Meeting			
May 19, 2015	Yes	Yes	Yes

(vii) Compliance Committee

The Board of Directors had constituted the Compliance Committee in their meeting held on October 18, 2014. This Committee was mainly constituted as per the guidance note on Clause 36 of the Listing Agreement issued by the NSE / BSE. As per provisions of Regulation 30 of the Listing Regulations, the Board of Directors is under an obligation to make disclosure of any events or information which in its opinion is material. Accordingly, Compliance Committee is empowered by the Board for the purpose of

determining materiality of an event or information and for the purpose making disclosures to the stock exchanges under Regulation 30 of the Listing Regulations.

During the financial year ended March 31, 2016, the Compliance Committee met on May 19, 2015, August 4, 2015 and September 10, 2015. The Compliance Committee of the Board comprises of following members including three Directors & one Company Secretary and the details of meeting attended by the Directors are as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE COMPLIANCE COMMITTEE MEETING HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2016				
	Name of the Compliance Committee Members			
	Mr. R S Jalan - Chairman	Mr. Neelabh Dalmia	Mr. Raman Chopra	Mr. Bhuneshwar Mishra
Category of Members	Managing Director (Specialization in Operations, Finance, Marketing & HR)	Non-executive Director (Expertise in Finance & Industry)	CFO & Executive Director (Finance)	General Manager and Company Secretary
Date of the Meeting				
May 19, 2015	Yes	Yes	Yes	Yes
August 4, 2015	Yes	Yes	Yes	Yes
September 10, 2015	Yes	Yes	Yes	Yes

(viii) Business Strategy & Planning Committee

During the year, the Board of Directors had constituted the “Business Strategy & Planning Committee” in their meeting held on January 27, 2015. The Committee was constituted to evaluate & explore various options for growth / expansion in Soda Ash, Home Textiles

and Spinning Divisions of the Company. In order to achieve desired level of milestones, the Board felt necessary to have dedicated team who can give their focussed attention for the proposed scope of work.

The Business Strategy & Planning Committee of the Board comprises of five Directors comprises

of Executive & Non-executive Directors. The composition of the Business Strategy & Planning Committee as on March 31, 2016 is as under:

Sl. No.	Name	Status
1	Mr. Anurag Dalmia – Non-executive Director	Chairman
2	Mr. Neelabh Dalmia – Non-executive Director	Member
3	Mr. Lavanya Rastogi – Independent Director	Member
4	Mr. R S Jalan – Managing Director	Member
5	Mr. Raman Chopra – CFO & Executive Director (Finance)	Member

(ix) Risk Management Committee

In compliance with the provisions of Regulation 21 of the Listing Regulations and other applicable provisions, if any, the Board of Directors had voluntarily constituted the Risk Management Committee. The Company satisfies the requirement of Regulation 21 of the Listing Regulations, which states that the majority of Committee shall consist of members of the

Board of Directors; senior executives of the Company may be members of the said committee but Chairman of the Risk Committee shall be member of the Board of Directors. The Company is having well defined Risk Management Policy and Risk Management Framework. Risk Management Policy of the Company has been posted on the website of the Company.

The Risk Management Committee will, periodically, review the various risks associated with the Company and report the same to the Audit Committee and the Board of Directors, on a quarterly basis.

The composition of the Risk Management Committee as on March 31, 2016 is as under:

Sl. No.	Name	Status
1	Mr. Mahesh Kumar Kheria – Independent Director	Chairman
2	Mr. Neelabh Dalmia – Non-executive Director	Member
3	Mr. R S Jalan – Managing Director	Member
4	Mr. Raman Chopra – CFO & Executive Director (Finance)	Member

4. General Body Meeting:

a) Annual General Meetings: The last three Annual General Meetings (AGM) of the Company were held within the Statutory Time period and the details of the same are reproduced herein below:

Financial Year	Date	Time	Venue
2014-15	July 23, 2015	9.30AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad-380 006
2013-14	August 21, 2014	9:30AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad-380 006
2012-13	September 26, 2013	9:30AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad-380 006

b) Special Resolutions:

The information regarding Special Resolution passed in the previous three Annual General Meetings are as follows:

AGM	Date of AGM	Information regarding Special Resolutions
32 nd AGM	July 23, 2015	a) Approval of Employees Stock Option Scheme 2015 & Issue of Securities. b) Approval of extending benefits of Employees Stock Option Scheme- 2015 to the employees of subsidiary/associate company(ies).
31 st AGM	August 21, 2014	Authorisation to borrow money exceeding aggregate of the Paid up Capital and Free Reserves of the company.
30 th AGM	September 26, 2013	No Special Resolution

c) Extraordinary General Meeting (EGM)

No Extraordinary General Meeting (EGM) was held during the last three financial years i.e. 2015-16, 2014-15 and 2013-14.

d) Postal Ballot

No Special Resolution was passed in the last year through postal ballot and at present no Special Resolution is proposed to be conducted through postal ballot. Hence, the provisions relating to postal ballot are not required to be complied with.

e) Special Resolution related to the item no. 8 & 9 of the Notice of the 32nd Annual General Meeting were passed with the requisite majority by combined result of the Remote e-voting and polls through ballot paper by the shareholders.

5. Means of communication:

PUBLICATION OF UNAUDITED QUARTERLY / HALFYEARLY RESULTS AND RELATED MATTERS								
Sl. No.	Particulars		Quarter - I	Quarter - II	Quarter - III	Quarter - IV	Financial Year ended March 31, 2016 (Audited)	
1	English Newspapers in Which quarterly results were published / to be published	The Economic Times (Ahmedabad edition)	July 31, 2015	November 2, 2015	January 29, 2016	May 20, 2016	May 20, 2016	
		The Hindu - Business Line	July 31, 2015	November 2, 2015	January 29, 2016	May 20, 2016	May 20, 2016	
2	Vernacular Newspapers in which quarterly results were published / to be published	The Economic Times – Gujarati	July 31, 2015	November 2, 2015	January 29, 2016	May 20, 2016	May 20, 2016	
3	Website Address of the Company on which financial results are posted	www.ghcl.co.in						
4	Website Address of the Stock Exchange(s) on which financial results are posted.		Quarter - I	Quarter - II	Quarter - III	Quarter - IV	Financial Year ended March 31, 2016 (Audited)	
		Name of Stock Exchange(s)	Website Address(es)	Date of Filing of Results				
		National Stock Exchange of India Limited (NSE)	www.nseindia.com	July 30, 2015	October 31, 2015	January 28, 2016	May 19, 2016	May 19, 2016
		BSE Limited (BSE)	www.bseindia.com	July 30, 2015	October 31, 2015	January 28, 2016	May 19, 2016	May 19, 2016
5	Presentation made to institutional investors or to the analysts	During the year under review, conference call were facilitated on August 3, 2015, November 2, 2015 and February 1, 2016, to discuss the financials and / or other business update of the Company, with the investors / analysts. Copy of the presentation as well as transcripts regarding said Investors' conference held with the management were filed with the Stock Exchanges and the same were also uploaded with the website of the Company.						

6. General shareholder's Information:

Sl. No.	Particulars	Details		
1	Annual General Meeting	Tuesday, July 19, 2016	9.30 AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad - 380006
2	Financial Calendar			
	Financial Reporting for - Quarter - I (ending June 30, 2016)	By 2 nd week of August 2016		
	Financial Reporting for - Quarter - II (ending September 30, 2016)	By 2 nd week of November 2016		
	Financial Reporting for - Quarter - III (ending December 31, 2016)	By 2 nd week of February 2017		
	Financial Reporting for - Quarter - IV (ending March 31, 2017)	By 4 th week of May 2017		
Financial Year of the Company is for a period of 12 months commencing from 1 st April and ending on 31 st March.				
3	Date of Book Closure	Wednesday, July 13, 2016 to Tuesday, July 19, 2016 (both days inclusive)		
4	Dividend Payment Date	Dividend of ₹ 3.50 per share (i.e. 35%) will be paid on or after Friday, July 22, 2016, if approved by the members in the ensuing Annual General Meeting		
5	Listing on Stock Exchanges	Name & Address of Stock Exchanges	Stock Code	ISIN WITH NSDL & CDSL
		BSE Limited, (BSE) Phiroze Jeejeebhoy, Dalal Street, Mumbai - 400 001	500171	INE 539 A01019
		National Stock Exchange of India Limited, (NSE) "Exchange Plaza", Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	GHCL	INE 539 A01019
6	Listing fees:	Listing fee for all the aforesaid Stock Exchanges have been paid for the financial year ended March 31, 2016		
7	Details of Registrar and Share Transfer Agent	Link Intime India Private Limited (Formerly Intime Spectrum Registry Limited), C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078. Phone: 022 25963838, Fax: 022 25946969 (Email : rnt.helpdesk@linkintime.co.in)		

Sl. No.	Particulars	Details
8	Outstanding GDRs / ADRs / Warrants or any convertible instruments:	Not applicable
9	Commodity price risk or foreign exchange risk and hedging activities:	Senior management monitors commodity price risk & foreign exchange risk and based on the expert advice takes step for hedging.
10	Address for Correspondence	Share Transfer System: Company processes the share transfer and other related shareholders services through Registrar & Share Transfer Agent (RTA) on a weekly basis. The share transfer in physical form is registered within 15 days from the date of receipt, provided the documents are complete in all respects. The Company provides facility for simultaneous transfer and dematerialization of equity shares as per the procedures provided by NSDL/CDSL. For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or annual report or any other query relating to shares be addressed to Link Intime India Private Limited (Formerly Intime Spectrum Registry Limited), C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078. Phone: 022 25963838, Fax: 022 25946969 (Email : rnt.helpdesk@linkintime.co.in) For General Correspondence: GHCL Limited, "GHCL House" Opp. Punjabi Hall, Navrangpura, Ahmedabad - 380 009. Phone : 079 -26427818/26442677, 079-39324100, Fax: 079-26423623 (Email : secretarial@ghcl.co.in)
11	Dematerialization of Shares and Liquidity:	96.06% of the Company's total equity shares representing 9,60,75,566 shares were held in dematerialized form as on March 31, 2016. The trading in the Company's shares is permitted only in dematerialized form with effect from October 28, 2000 as per notification issued by SEBI.
12		As required under Regulation 36(3) of the Listing Regulations, particulars of Directors seeking appointment/ re- appointment are given in Notice to the ensuing Annual General Meeting.

7. Corporate Benefits to Shareholders

Dividend declared for last 10 years		
Financial Year	Dividend	Dividend (₹ per Share)
2005-06	24.00%	2.40
2006-07	27.00%	2.70
2007-08	24.00%	2.40
2008-09	20.00%	2.00
2009-10	20.00%	2.00
2010-11	20.00%	2.00
2011-12	20.00%	2.00
2012-13	20.00%	2.00
2013-14	20.00%	2.00
2014-15	22.00%	2.20

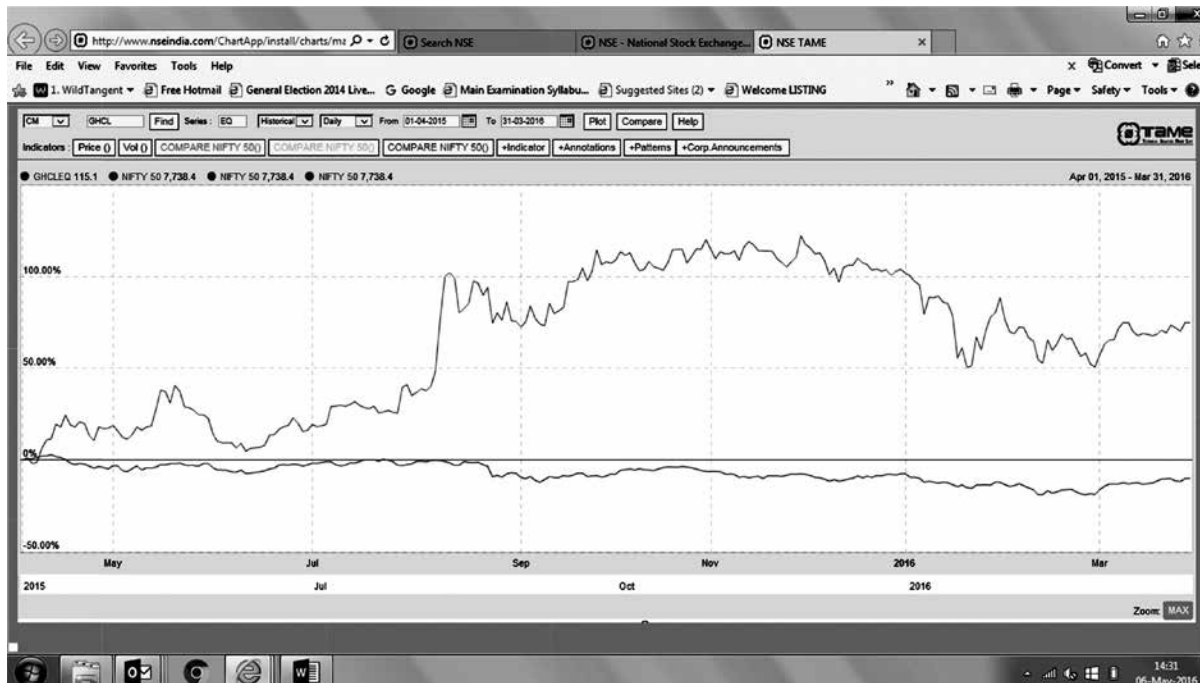
Equity share of paid up value of ₹ 10 per share

8. Month-wise stock market data (BSE & NSE) relating to equity shares of the company for the financial year ended March 31, 2016

MARKET PRICE DATA						
Month of the financial year 2015-16	BSE, MUMBAI			NSE, MUMBAI		
	Share Price		Traded Quantity	Share Price		Traded Quantity
	High	Low		High	Low	
April 2015	85.45	61.65	1723586	85.50	61.60	5227693
May 2015	93.65	70.25	2292024	93.70	72.15	7535736
June 2015	82.90	67.45	1126287	83.40	66.70	4563438
July 2015	97.60	76.85	3698743	97.40	76.70	11028482
August 2015	141.75	89.50	11436334	141.70	89.35	38231106
September 2015	148.70	108.00	4983087	148.60	107.85	18188085
October 2015	149.30	131.10	3644525	149.75	131.20	13203424
November 2015	148.00	132.50	2095573	148.40	133.05	8842339
December 2015	151.80	124.40	1609388	151.95	124.40	8001669
January 2016	135.50	96.85	1905785	135.30	96.40	6783059
February 2016	125.50	95.00	1073769	125.45	95.35	3316468
March 2016	118.40	98.10	875303	118.50	98.20	3649202



9. Performance in comparison to broad based indices such as NSE



10. Shareholders Reference

Unclaimed Dividend

Pursuant to Section 205A of the Companies Act, 1956 (corresponding to Section 124 of the Companies Act, 2013), unclaimed dividend for the financial year 2007-08 have been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government and no claim shall lie with the Company in respect of the unclaimed dividend transferred to IEPF for the financial year 2007-08. The Company used to send individual reminders to all the members at their registered address whose dividend have remained unclaimed, before transferring the monies to the IEPF. The information on unclaimed dividend is also posted on the website of the Company.

The dividend for the following years remaining unclaimed for seven years, will be transferred by the Company to IEPF according to the schedule given below. Shareholders who have not so far encashed their dividend warrant (s) or have not received the same are requested to seek issue of duplicate warrant (s) by writing to Link Intime India Private Limited confirming non – encashment / non - receipt of dividend warrant (s).

Financial Year	Date of AGM	Due for Transfer to IEPF
2008-09	31-12-2009	December 2016
2009-10	09-09-2010	September 2017
2010-11	02-09-2011	September 2018
2011-12	20-09-2012	September 2019
2012-13	26-09-2013	September 2020
2013-14	21-08-2014	August 2021
2014-15	23-07-2015	July 2022

No. of Shares held of ₹ 10 each between		No. of share holders	% of total share holders	No. of shares	% of total shares
From	To				
1	500	48882	88.10%	7535397	7.53%
501	1000	3434	6.19%	2911824	2.91%
1001	2000	1506	2.72%	2383901	2.38%
2001	3000	515	0.93%	1329478	1.33%
3001	4000	216	0.39%	788506	0.79%
4001	5000	212	0.38%	1020752	1.02%
5001	10000	306	0.55%	2308864	2.31%
10001	Above	412	0.74%	81740564	81.73%
		55483	100.00%	100019286	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH 2016

Category	No. of shares held	% of share holding
A Promoters & Promoters Group Holding		
1 Promoters		
Indian Promoters	12812988	12.81%
Foreign Promoters	5507900	5.51%
2 Others		
Trust	152000	0.15%
Sub-Total	18472888	18.47%
B Non-promoters Holding		
3 Institutional Investors		
Mutual Funds and UTI	61949	0.06%
Banks, Financial Institutions	399560	0.40%
Insurance Companies (including LIC)	5026406	5.03%

Category	No. of shares held	% of share holding
Foreign Portfolio Investors (including FII's)	17420971	17.42%
Foreign Mutual Fund	382347	0.38%
Sub-Total	23291233	23.29%
4 Non-institutional Investors		
Bodies Corporate	27594692	27.59%
Indian public (Individuals & HUF)	28629686	28.62%
NRIs, OCBs, Foreign Companies & Foreign Nationals	1539392	1.54%
Other Directors & relatives	105943	0.11%
Others (Trusts & Clearing Members)	385452	0.38%
Sub-Total	58255165	58.24%
Grand Total	100019286	100.00%

Plant Locations:

Soda Ash Plant	Village: Sutrapada Near Veraval, Dist. Junagarh – 362 275 Gujarat
Salt Works & Refinery	(a) Ayyakaramulam, Kadinalvayal-614 707. Distt Nagapattinam, Tamilnadu (b) Nemeli Road Thiruporur-603110, Tamilnadu
Textile Division	(a) Samayanallur P.O, Madurai–625 402. (b) Thaikesar Alai P.O, Manaparai–621 312 (c) S. No. 191, 192, Mahala Falia, Village Bhilad, Vapi - 396191 Valsad District, Gujarat, India
Energy Division	(a) Muppandal, Irukkandurai Village Sankaneri Post Radhapuram Taluk, Tirunelveli District Tamilnadu (b) Chinnaputhur Village, Dharapuram Taluk, Erode, District, Tamil Nadu (c) Tirumanagalakurichi Village, Kayathar, Kovilpatti Taluk, Tuticorin Dist, Tamilnadu

11. Management Discussion and Analysis Report form part of this Annual Report

The complete reports on Management Discussion and Analysis report are placed in the separate section of the Annual Report.

12. Disclosures:

12.1 Disclosure on materially significant related party transactions

No transactions of a material nature have been entered into by the Company with its promoters, Directors, or the management or relatives etc. that may have potential conflict of interest of the Company. However, the management furnishes the details of related party transactions on quarterly basis before the Audit Committee

/ Board of Directors meetings, which are in conformity with the accounting standards. The particulars of transactions between the Company and the related parties for the year ended March 31, 2016, are disclosed in the notes to the accounts in this Annual Report. None of these transactions are likely to have any conflict with the Company's interest.

12.2 Details of non - compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on the matter related to capital markets, during the last three years.

GHCL Limited has complied with all the requirement of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on the matter related to capital markets, during the last three years except the following:

- As reported in the previous annual report, Company and its officials had challenged the order of SEBI's Adjudication Officer (AO) dated October 25, 2013. Hon'ble SAT had granted partial relief to the promoter entities by reducing the penalty but did not accept the appeal of the company and its officials, in its order dated July 31, 2014. Following the direction of SAT, company, its officials and promoters have made the payment to SEBI and matter is closed.
- In other matter also, which were earlier reported in the previous annual report, related to AO order dated August 6, 2013 in which AO had imposed a penalty of ₹ 1.25 Cr. against Company. The Company was not in agreement with AO's order, hence aforesaid order was challenged before Hon'ble Securities Appellate Tribunal (SAT). Hon'ble SAT vide its order dated October 30, 2014 set aside the penalty of ₹ 1.25 Cr. imposed on the Company and accordingly appeal were allowed and hence matter is closed.

12.3 Vigil Mechanism / Whistle Blower Policy

Regulation 22 of the Listing Regulations & Sub-section (9 & 10) of Section 177 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, inter-alia, provides, for all listed companies to establish a vigil mechanism called "Whistle Blower Policy" for directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

As a conscious and vigilant organization, GHCL Limited believes in the conduct of the affairs of its constituents in a fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In its endeavour to provide its employee a secure and a fearless working environment, GHCL Limited has established the "Whistle Blower Policy", which has made effective from October 1, 2014. Mr. Mahesh Kumar Kheria, Independent Director of the Company and also a member of the Audit Committee is Ombudsperson. The Whistle Blower policy and establishment of Vigil Mechanism have been appropriately communicated within the Company. The Whistle Blower Policy is also posted on the website of the Company.

The purpose of the policy is to create a fearless environment for the directors and employees to report any

instance of unethical behaviour, actual or suspected fraud or violation of GHCL's code of conduct or Ethics Policy to the Ombudsperson. It protects directors and employees wishing to raise a concern about serious irregularities within the Company.

The details of Ombudsperson is given below:

Name: Mr. Mahesh Kumar Kheria

Email ID: mkheria@rediffmail.com

Mobile No.: 09313743974

Address: A-45, Sector-51, Noida-201301

In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he or she can make a direct appeal to the Chairman of the Audit Committee.

12.4 Disclosures regarding web link of the Company

Policy for determining material subsidiaries and RPT Policy on materiality and dealing with related party of the Company are posted on the Company's website (URL: <http://ghcl.co.in/investors>).

12.5 Details of compliance with mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and adoption of the non-mandatory requirements of Regulation 27(1) of the Listing Regulations.

The Company is in compliance with all the mandatory provisions related to Corporate Governance pursuant to the requirement of the Listing Regulations read with other applicable provisions, if any.

The status of compliance with non-mandatory requirements of Regulation 27(1) of the Listing Regulations are as under:

- (a) **Non-Executive Chairman's Office:** A non-executive Chairman may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Company is having non-executive Chairman. The Company does not incur expenses for maintaining Chairman's office.
- (b) **Shareholders' Rights:** As the half-yearly (including quarterly) financial performance are published in the newspapers and are also posted on the Company's website. The Company also used to report significant events to the stock exchanges from time to time. Hence, the same are not being sent to the shareholders.
- (c) **Audit Qualifications:** During the period under review, there is no audit qualifications in the Company's financial statements. GHCL continues to adopt best practices to ensure a regime of unqualified financial statements.
- (d) **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non-executive Director

and his position is separate from that of the Managing Director / CEO of the Company.

- (e) **Reporting of Internal Auditor:** The Company is having independent Internal Auditors (separate from the employees) for all the division. The Internal Auditors used to send their reports to the CFO / person authorised for this purpose and in turn the reports were circulated to the members of the Audit Committee for their perusal.

13. Code for Prevention of Insider Trading Practices

In compliance with the SEBI regulation on prevention of Insider Trading, the Company has placed a comprehensive code of conduct for its directors, designated employees of the Company and their immediate relatives. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations. Subsequently, the Company has its code in line with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015.

14. Code of Conduct:

GHCL Limited has well defined policy framework which lays down procedures to be adhered to by all Board Members and Senior Management for ethical professional conduct. The Code outlines fundamental ethical considerations as well as specified considerations that need to be maintained for professional conduct. The Annual Report contains the declaration to this effect that the Code of Conduct has been complied by the Board Members and Senior Management. The Code of Conduct is also posted on the website of the company www.ghcl.co.in.

15. Functional website of the Company as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to the requirement of Regulation 46 of the Listing Regulations, the Company maintains a functional website of the Company and website address of the Company is www.ghcl.co.in. Website of the Company provides the basic information about the Company e.g. details of its business, financial information, various policies, shareholding pattern & other details relevant to the shareholders and the Company is regularly updating the Information provided on its website.

16. Reconciliation of Share Capital Audit (earlier known as Secretarial Audit)

A qualified practicing Company Secretary has carried out Audit every quarter to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that total issued / paid up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

DECLARATION

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company, which is posted on the Website of the Company. The Board Members and Senior Management Personnel have affirmed to the compliance with the Code of Conduct for the financial year ended March 31, 2016.

For GHCL LIMITED

sd/-

R S Jalan
Managing Director

sd/-

Raman Chopra
CFO & Executive Director (Finance)

Certificate under Regulation 17 (8) of the SEBI (LODR) Regulations, 2015**The Board of Directors****GHCL Ltd.**

We the undersigned certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2016 and that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee-
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For GHCL LIMITED

sd/-

R S Jalan
Managing Director
Date: May 19, 2016

sd/-

Raman Chopra
CFO & Executive Director (Finance)

AUDITORS' CERTIFICATE

To the Members of
GHCL LIMITED

We have examined the compliance of regulations of corporate governance by GHCL Limited ('the Company'), for the financial year ended 31st March, 2016, as stipulated in regulations Part C of Schedule V of the SEBI (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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For and on behalf of

JAYANTILAL THAKKAR & CO
Chartered Accountants
(Firm Reg. No. 104133W)

(C. V. THAKKER)
Partner
Membership No: 006205

Place : New Delhi
Date : May 19, 2016

For and on behalf of

RAHUL GAUTAM DIVAN & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 120294W)

(RAHUL DIVAN)
Partner
Membership No: 100733