

CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

(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 had 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, Policy for determining Material Subsidiary and BRR Policies etc. 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philosophy has been further strengthened through the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by insiders pursuant to SEBI (Prohibition of Insiders Trading)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. Role and responsibilities of Board of Directors is also extended towards strengthening of CSR activities and sustainability of the business. In addition to the above, Board is also responsible for the following:

- (i) To play an oversight role with an objective to ensure that companies have systems in place to effectively manage key risks, including the potential for reputational harm and legal liability associated with adverse social and environmental impacts.
- (ii) To establish and reinforce an overarching set of expectations with regard to the short- and long-term management of social and environmental risks.
- (iii) To make strategies on CSR and developing framework for its implantation.
- (iv) To ensure that the executive management has complied with the applicable statutory compliances related to CSR and other applicable laws.

2.1 Composition

The Composition of the Board as on March 31, 2019 is given herein below:

COMPOSITION OF BOARD OF DIRECTORS AS ON MARCH 31, 2019			
Category	Name of Directors	No. of Directors	% of total number of Directors
Promoter - Non Executive Director	Mr. Sanjay Dalmia	3	30.00%
	Mr. Anurag Dalmia		
	Mr. Neelabh Dalmia		
Non - Executive - Independent Director	Mrs. Vijaylaxmi Joshi	5	50.00%
	Mr. K C Jani		
	Mr. G. C. Srivastava		
	Mr. Mahesh Kumar Kheria		
Managing Director / Executive Director	Mr. Lavanya Rastogi	2	20.00%
	Mr. R S Jalan – Managing Director		
	Mr. Raman Chopra – CFO & Executive Director (Finance)		
	TOTAL NO. OF DIRECTORS	10	100%

Note:

1. During the year, Dr. B. C. Jain (age around 80 years), one of the independent director of the Company, had resigned from the directorship of the company with effect from July 18, 2018, due to his health conditions.
2. The tenure of directorship of Mr. Mahesh Kumar Kheria and Mr. G. C. Srivastava, Independent directors, have been completed on March 31, 2019.

3. During the year, the shareholders by passing ordinary resolutions through Postal Ballot / e-voting, appointed three new independent directors i.e. Mr Arun Kumar Jain (Ex-IRS), Dr. Manoj Vaish and Justice Ravindra Singh, as Non-Executive Independent Directors of the Company, for a term of 5 consecutive years with effect from April 1, 2019 and for a term upto March 31, 2024.
4. Pursuant to the requirement of Regulation 17 (1A) of the Listing Regulations and other applicable provisions, the shareholders by passing special resolution through Postal Ballot / e-voting, accorded their approval for continuation of directorship of Mr. Sanjay Dalmia, as Non-Executive Director and Chairman of the Company liable to retire by rotation with effect from April 1, 2019 notwithstanding that Mr. Sanjay Dalmia attains the age of 75 years on March 17, 2019.
5. The shareholders by passing special resolution through Postal Ballot / e-voting, re-appointed Mr. Lavanya Rastogi, independent director of the Company, for a second term of 5 consecutive years with effect from April 1, 2019 and for a term upto March 31, 2024.

The Board of GHCL Limited is having an optimum combination of executive and non-executive directors and the Board consists of 10 Directors, 8 of whom are Non - Executive Directors including one woman independent 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 5 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, 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 on the agenda is permitted after obtaining permission of the Chairman of the meeting and with the concurrence of Independent Directors. During the financial year ended March 31, 2019, four Board Meetings were held on April 25, 2018, July 18, 2018, October 31, 2018 and January 21, 2019. 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, 2019 is given herein below:

SL. NO.	NAME	DATE OF BOARD MEETING & ATTENDANCE				AGM ATTENDANCE (MAY 31, 2018)
		APRIL 25, 2018	JULY 18, 2018	OCTOBER 31, 2018	JANUARY 21, 2019	
1	Mr. Sanjay Dalmia	Yes	Yes	Yes	Yes	No
2	Mr. Anurag Dalmia	Yes	Yes	Yes	Yes	No
3	Mr. Neelabh Dalmia	Yes	Yes	Yes	Yes	Yes
4	Dr. B C Jain	Yes	N/A	N/A	N/A	Yes
5	Mr. G. C. Srivastava	Yes	Yes	Yes	Yes	No
6	Mrs. Vijaylaxmi Joshi	Yes	Yes	Yes	Yes	No
7	Mr. Mahesh Kumar Kheria	Yes	Yes	Yes	Yes	No
8	Shri K C Jani	Yes	Yes	Yes	Yes	Yes
9	Shri Lavanya Rastogi	Yes	Yes	Yes	Yes	No
10	Mr. R. S. Jalan	Yes	Yes	Yes	Yes	Yes
11	Mr. Raman Chopra	Yes	Yes	Yes	Yes	Yes

Note:

1. The word N/A denotes that person was not a member of the Board of the Company at the date of the relevant Board Meeting.
2. During the year, Dr. B. C. Jain (age around 80 years), one of the independent director of the Company, had resigned from the directorship of the company with effect from July 18, 2018, due to his health conditions.
3. Mr. Neelabh Dalmia and Mr. R. S. Jalan, directors retiring by rotation and are eligible for re-appointment. Necessary information for the above directors 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, 2019 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	Mr. K C Jani	02535299	1	-	1
5	Mr. Mahesh Kumar Kheria	00161680	N/A	N/A	N/A
6	Mr. G. C. Srivastava	02194331	N/A	N/A	N/A
7	Mr. Lavanya Rastogi	01744049	-	-	-
8	Mrs. Vijaylaxmi Joshi	00032055	1	-	1
9	Mr. R S Jalan	00121260	-	-	-
10	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. Name of the listed companies (including the categories of directorship) in which any of the above directors is director, have been given under the Director's profile.

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

During the financial year ended March 31, 2019, 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 as well as confirmation that "he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence". Accordingly, requirement of Section 149(6) of the Companies Act, 2013 read with Regulation 16(1) (b) & 25 (8) 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.

During the year, the Board of Directors accepted all the recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10 (j) of schedule V of the SEBI Listing Regulations.

2.2 Independent Directors' Meeting

During the year under review, the Independent Directors met on January 21, 2019, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors & Committees 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.

Apart from the above, the Independent Directors also discussed various aspect related to Independent Directors including Role and Responsibilities of Independent Directors. Mr. Bhuvneshwar Mishra, Sr. General Manager & Company Secretary presented detailed presentation on Role, Responsibility, Code of Conduct and other aspects for Independent Directors. Independent Directors act as a guide to the company and their roles broadly include improving corporate credibility and governance standards functioning as a watchdog, and playing a vital role in risk management.

All the Independent Directors were present at the Meeting.

2.3 Familiarisation Programme for Independent Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the

regulatory environment applicable to it. At the time of appointment of a Director (including Independent Director), a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained the compliance required from him under the Companies Act, 2013, Listing Regulations and other applicable laws. The Chairman and the Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. On the request of the individual director, site visits to various plant locations are organized by the company for the directors to enable them to understand the operations of the company. Further, on an ongoing basis as a part of Agenda of Board & Committee meetings, presentation are regularly made on various matters inter alia covering the Company's business and operations, industry and regulatory updates, forex strategy etc.

The details of familiarisation programmes for Independent Directors are available on the Company's website: www.ghcl.co.in/investors/policies & code of conduct/familiarisation programme for Independent Directors.

2.4 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. He is a Non-executive Director of the Company since inception of the Company. Mr. Dalmia is an eminent Industrialist and is an Ex-member of Rajya Sabha (Upper house of Parliament). He has a vast knowledge and experience in field of entrepreneurship, leadership and business. He is Promoter of the Company and under his guidance, the Company has achieved a new heights in terms of excellent growth in business and profitability, return on the equity shares and serving the interests of all the stakeholders. Mr. Dalmia also guides the Board members for creating a balance between the economic, environmental and social objectives of the Company. Mr. Sanjay Dalmia 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 is also representing PHD Chambers of Commerce and Industry. In the past, Mr. Anurag Dalmia had also represented Confederation of Indian Textile Industry. Mr. Dalmia is a member of the Project Committee of the Company.

Mr. Neelabh Dalmia:

Mr. Neelabh Dalmia (DOB - August 16, 1983) is a Director of GHCL Limited. He holds a Master of Business Administration (MBA) and a Bachelors of Science in Business Administration majoring in Finance & Entrepreneurship from the Kelley School of Business at Indiana University, USA. He has been leading and strategically guiding the company's overall growth sustainably.

His experience includes setting up green-field projects from planning, investment to implementation and in

mergers & acquisitions. He is today steering the group towards strategic investments in the business that will align with the company's long-term growth plans and create various opportunities for diversification and expansion. He has been a major contributor to initiate the company's move towards investing in captive green wind power in its portfolio and is looking further to enhance its green energy portfolio.

Mr. Neelabh Dalmia is a member of Stakeholders Relationship Committee, CSR Committee, Risk Management Committee, Compliance Committee, Project Committee and Banking and Operations Committee of the Company.

A passionate wildlife photographer, he spends his spare time traveling to India's forests with unique animal and bird habitats. His concern for the environment and the increasing inequity in Indian society led him to mentor and initiate GHCL's extensive corporate social responsibility (CSR) programmes. He thinks this will create immense value in the long run for the company via smoother functioning through local partnerships and generate tremendous economic and social value for the country.

Mr. Neelabh Dalmia is a Co-Chairman of the International Affairs Committee for ASEAN East Asia & Oceania of the PHD Chamber of Commerce and Industry (PHDCCI). PHDCCI is a leading Industry Chamber of India ever since its inception in 1905 and has been an active participant in the India growth Story through its Advocacy Role for the Policy Makers and Regulators of the Country.

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. At present, Mr. Jani is a Director on the Board of HTL Limited, TFS Business Advisors India Pvt. Ltd. and a Non-official Director of National Housing Bank. He is also a member of the Audit Committee of HTL Limited and National Housing Bank. He is the Chairman of Nomination and Remuneration Committee and also a member of the Audit 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. A distinguished alumnus of Harvard Business School, Lavanya is a thought leader in the field of entrepreneurship, leadership and global economy. Currently he is CEO of LV Futures Group - a diversified group with investments in areas of IT, Digital Media, Sports, Real Estate, Education & Health Care, headquartered in USA. In 2009, Academy for Global Business Advancement (AGBA) awarded him the "Distinguished Young Entrepreneur Award". He has been an 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.

Mrs. Vijaylaxmi Joshi

Mrs. Vijaylaxmi Joshi (DOB – August 1, 1958) is a Non-Executive Independent Director of the Company. She is a Director of the Company since April 20, 2017. Mrs. Vijaylaxmi Joshi is a 1980 batch IAS officer of the Gujarat cadre and she had served in various posts in the State and in the Centre including Joint and Additional Secretary in the Commerce Ministry; Secretary in the Ministry of Panchayati Raj. She had also been appointed as Officer on Special Duty in the Ministry of Drinking Water and Sanitation. Lastly, she was head of the Swachh Bharat Abhiyan, the Clean India programme. Under State level, she had also been deputed as Managing Director of Government Company such as Gujarat Mineral Development Corporation Ltd. At present, Mrs. Joshi is a Director on the Board and also a member of the Audit Committee of Adani Enterprises Limited. She is a member of the Audit Committee and also a member of Nomination and Remuneration Committee of the Company and Chairperson of CSR Committee. She does not hold any shares in the Company.

Mr. Arun Kumar Jain

Mr Arun Kumar Jain, Ex-IRS (DOB – January 4, 1956) and M. Sc., LL.B is a Non-Executive Independent Director of the Company, with effect from April 1, 2019. Mr. Jain is a retired Indian Revenue Service (IRS) and he had served in various posts under Department of Revenue including Chairman of Central Board of Direct Taxes. He is having a vast knowledge and experience in the field of taxation. With effect from April 1, 2019, Mr Arun Kumar Jain is appointed as the Chairman of the Stakeholders Relationship Committee and also a member of the Audit Committee and the Risk Management Committee of the Company. Mr. Jain is also the Ombudsperson to administer and effectively implement the “Whistle Blower Policy” of the Company.

At present, Mr. Jain is a Director on the Board of West End Housing Finance Ltd., M R Technofin Consultancy Pvt. Ltd., Electrotherm (India) Ltd. and West End Investment And Finance Consultancy Pvt. Ltd. Mr. Jain is also the Chairman of the Stakeholders' Relationship Committee of Electrotherm (India) Ltd. Mr. Jain is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He does not hold any shares in the Company.

Dr. Manoj Vaish

Dr. Manoj Vaish (DOB – May 24, 1961) is a Non-Executive Independent Director of the Company, with effect from April 1, 2019. Dr. Vaish is B.Com. (Hon.) from S.R.C.C. and M.B.A. (Major-Finance) from F.M.S., Delhi University and also Ph.D. He was awarded Dr. J. C. Ghosh Gold Medal for his MBA Examination. Dr. Vaish is having very rich experience of finance, forex and securities market and had served various organisations including BSE, Dun & Bradstreet, Deutsche Bank, NSDL Database Management Ltd. etc. He is also having good exposure of Financial Educations & Training, Sales & Marketing, Risk Management, Credit Ratings and e-governance etc.

Dr. Manoj Vaish is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He is not a member or Chairman of any Board or Committee in any other listed Company. He does not hold any shares in the Company.

Justice Ravindra Singh

Justice Ravindra Singh (DOB – July 2, 1953) is a Non-Executive Independent Director of the Company, with effect from April 1, 2019. Justice Ravindra Singh is B.Sc. and LL. B. He was an Advocate in Allahabad and elevated as judge of Allahabad High Court in 2004 and retired on 01.07.2015. He was designated as Senior Advocate by Supreme Court of India on 31.08.2016. Justice Ravindra Singh is having very rich legal experience and an icon in the legal arena. With effect from April 1, 2019, Justice Ravindra Singh is a member of the Audit Committee of the Company.

Justice Ravindra Singh is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He is not a member or Chairman of any Board or Committee in any other Company. He does not hold any shares in 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 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 30 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, CSR Committee, Stakeholders Relationship Committee, Banking & Operations 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, 2019, there were four independent directors having expertise in financial and accounting areas, as members of the Committee. Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Mr. Bhuvneshwar 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.

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. Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary, whichever is lower including existing loans / advances / investments existing as on date w.e.f April 1, 2019.
- v. 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, 2019, 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:

	Name of the Audit Committee members				
	Dr. B C Jain -Chairman of the Committee till July 17, 2018	Mrs. Vijaylaxmi Joshi	Mr. K C Jani – Chairman w.e.f. July 18, 2018	Mr. G C Srivastava	Mr. Mahesh Kumar Kheria
Category	Independent Director (Expertise in Finance, Banking & Accounting)	Independent Director - (Ex –IAS)	Non-Executive - Independent Director (Expertise in Finance, Banking & Corporate Governance)	Independent Director (Expertise in Tax & Accounting)	Independent Director (Expertise in Finance & Marketing)
Date of the Meeting					
April 25, 2018	Yes	Yes	Yes	Yes	N/A
July 18, 2018	N/A	Yes	Yes	Yes	Yes
October 31, 2018	N/A	Yes	Yes	Yes	Yes
January 21, 2019	N/A	Yes	Yes	Yes	Yes
Whether attended Last AGM (Yes/No)	Yes	No	Yes	No	No

Note:

1. Mr. Neelabh Dalmia, Non-Executive Director of the Company is permanent invitee to the Audit Committee. Managing Director, Executive Director (Finance), Statutory Auditors and concerned employees for Internal Audit/ accounts were invitees to the Audit Committee Meetings whenever required.
2. The Board of Directors had reconstituted the Audit Committee in their meeting held on July 18, 2018 and appointed Mr. K C Jani as Chairman of the Committee in place of Dr. B C Jain, who resigned on health ground and also appointed Mr. Mahesh Kumar Kheria as a member of the Committee.

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, then Chairman of the Audit Committee was a qualified Chartered Accountant and an expert in Finance, Banking and Accounting. He was present in the 35th Annual General Meeting held on May 31, 2018 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.
- Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, in terms of Regulation 32 (1):- **Not applicable**
- Annual statement of funds utilised for purposes other than those stated in the offer document/Prospectus/ notice in terms of Regulation 32 (7):- **Not applicable**

(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 is constituted as per Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. As on March 31, 2019, Nomination & Remuneration Committee comprises of three non-executive directors including two 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 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.

4. To devise a policy on diversity of Board of Directors.
5. To formulate the criteria for evaluation of performance of Independent Directors and Board of Directors.
6. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
8. Any other activities as per the requirement of Regulation 19 of the Listing Regulations and the Companies Act, 2013.

The Nomination and 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 executive summary of the Nomination and 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, 2019, the Nomination and Remuneration Committee met four times on April 25, 2018, June 9, 2018, October 31, 2018 and January 21, 2019. The Nomination and 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, 2019

	Name of the Nomination & Remuneration Committee Members			
	Mr. K C Jani – Chairman of the Committee	Mr. Sanjay Dalmia	Dr. B C Jain	Mrs. Vijaylaxmi Joshi
Category of Director	Non-Executive - Independent Director (Expertise in Finance, Banking & Corporate Governance)	Non-Executive Director (Industrialist)	Non - Executive Director (Expertise in Finance Banking & Accounting)	Non -Executive - Independent Director (Ex -IAS)
Date of the Meeting				
April 25, 2018	Yes	Yes	Yes	N/A
June 9, 2018	Yes	Yes	No	N/A
October 31, 2018	Yes	Yes	N/A	Yes
January 21, 2019	Yes	Yes	N/A	Yes
Whether attended Last AGM (Yes/ No)	Yes	No	Yes	N/A

Note:

1. The Board of Directors had reconstituted the Nomination and Remuneration Committee in their meeting held on July 18, 2018 and appointed Mrs. Vijaylaxmi Joshi as a member of the Committee in place of outgoing director Dr. B C Jain.

Remuneration Policy:

The Nomination & Remuneration Policy of the Company has been posted on the website of the Company. The Company's Compensation Policy and Practices have been formulated and maintained to meet the following objectives:

1. To attract, retain and motivate qualified and competent individuals at Director, Key Managerial and other employee levels to carry out company's business operations as assigned to them.
2. To ensure payment of salaries and perks that are comparable to market salary levels so as to remain competitive in the industry.
3. To revise the remuneration of its employees periodically for their performance, potential and value addition after systematic assessment of such performance and potential.
4. To ensure disbursement of salary and perks in total compliance to the applicable statutory provisions and prevailing tax laws of the Country.

In order to meet the above objectives the company undertakes various processes in an ongoing manner such as conducting of salary survey's, periodic review of its performance appraisal and reward systems, institution of incentive schemes, providing skill and competency development to its manpower on a regular basis, providing fast track career growth paths to high performers, modification of salary structure in line with the changes in the tax laws etc.

With regard to the annual revision of the employees, respective reporting managers assess the performance of employees. However the authority for reviewing the performance and reward rests with the Nomination and Remuneration Committee of the Board of Directors of the company. In this assessment, the performance, potential and value addition to the company are assessed as per the policy of the Company.

Additionally, in order to get best talent from the market and retain them for longer period, company has a policy to pay compensation better than prevailing market practice to deserving candidates. In any circumstance, remuneration shall not be less than prevailing market trend.

In addition to the above, remuneration to directors, key managerial personnel, and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. Payment of remuneration to the Managing Director and Whole Time Director are governed by the policy of the Company and also in line with the approval of the Board and the Shareholders and pursuant to the relevant provisions of the Companies Act, 2013. 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.

During the financial year 2018-19, the Company paid sitting fees of INR 40,000 per meeting to the Non-Executive Directors for attending each meeting of the Board, Audit Committee, Nomination and Remuneration Committee, CSR Committee and Independent Directors meeting.

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:-

- Attendance and time spent in the board meeting, audit committee meeting, nomination & remuneration committee meeting, project committee meeting, CSR committee meeting and risk management committee meeting during the financial year;
- Outcome of the evaluation process;
- Role and Responsibility as Chairman and /or Member of the Board / Committee;

- Individual contribution at the meetings and contribution made by directors other than in the meetings;

Details of remuneration, commission and sitting fee paid/ payable to the Directors of the Company for the financial year ended March 31, 2019 are given below:

Non-Whole time Directors Name	(in Rupees)	
	Sitting Fees	Commission
Mr. Sanjay Dalmia	3,20,000	60,00,000
Mr. Anurag Dalmia	1,60,000	50,00,000
Mr. Neelabh Dalmia	2,40,000	40,00,000
Dr. B. C. Jain	1,20,000	7,00,000
Mr. G. C. Srivastava	3,60,000	25,00,000
Mrs. Vijaylaxmi Joshi	4,80,000	25,00,000
Mr. Mahesh Kumar Kheria	3,60,000	25,00,000
Mr. K C Jani	5,20,000	27,00,000
Mr. Lavanya Rastogi	2,00,000	25,00,000
TOTAL	27,60,000	2,84,00,000

Note: Commission payable to all 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.

Managing Director / Whole Time Director (in Rupees)			
Name	Salary and other perquisites	Commission	Total
Mr. R S Jalan, Managing Director	4,30,94,920	5,25,00,000	9,55,94,920
Mr. Raman Chopra, CFO & Executive Director (Finance)	2,32,54,672	3,10,00,000	5,42,54,672
Total	6,62,54,672	8,35,00,000	14,97,54,672

- 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.
- Salary and perquisites Includes Company's contribution to Provident Fund, Superannuation Fund, LTA paid and premium on Gratuity Policy.
- In addition to the above, Managing Director & Whole Time Director are also entitled for Employees Stock Options as per the Scheme of the Company. At present, Mr. R S Jalan is holding three lakh Employees Stock Options and Mr. Raman Chopra is holding one lakh fifty thousand Employees Stock Options, which is yet to be exercised.

Performance Evaluation:

In line with the provisions of the Companies Act, 2013 and SEBI Guidance Note on Board evaluation issued on January 5, 2017 read with relevant provisions of the SEBI Listing Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual Directors through the separate meeting of independent directors and the Board as a whole.

The performance of the independent directors was evaluated by the entire Board except the person being evaluation in their meeting held on January 21, 2019. The

performance of the Committees was evaluated by the Board seeking inputs from the Committee Members.

A separate meeting of Independent Directors was held on January 21, 2019, to review the performance of Non-Independent Directors', performance of the Board and Committee as a whole and performance of the Chairman of the Company, taking into account the views of Executive Directors and the Non-Executive Directors.

The performance evaluation of the Board and its constituents was conducted on the basis of functions, responsibilities, competencies, strategy, tone at the top, risk identification and its control, diversity, and nature of business. A structured questionnaire was circulated to the members of the Board covering various aspects of the Board's functioning, Board culture, execution and performance of specific duties, professional obligations and governance. The questionnaire was designed to judge knowledge of directors, their independence while taking business decisions; their participation in formulation of business plans; their constructive engagement with colleagues and understanding the risk profile of the company, etc. In addition to the above, the chairman of the Board and / or committee is evaluated on the basis of their leadership, coordination and steering skills.

Thereafter, the Nomination and Remuneration Committee used to review the performance of individual Directors on the basis of their contribution as a member of the board or committee. The quantum of profit based commission, payable to directors is decided by the Nomination and Remuneration Committee on the basis of overall performance of individual directors.

(iii) Stakeholders Relationship Committee:

In line with the requirement of Section 178(6) of the Companies Act, 2013 read with Regulation 20(4) of the Listing Regulations, the Nomination and Remuneration Committee shall be responsible for following activities:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent (RTA).

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

The Board had constituted the Stakeholders Relationship Committee, which meets the requirement of Section 178(5) of the Companies Act, 2013 read with Regulation 20(2) & (2A) of the Listing Regulations. Further, due to the reason that tenure of directorship of Mr. Mahesh Kumar Kheria, Independent director and also Chairman of the Stakeholders Relationship Committee, has been completed on March 31, 2019. Hence, the Board have reconstituted the Stakeholders Relationship Committee by passing resolution through circulation, effective from April 1, 2019 and accordingly adequate intimation was given to the Stock Exchanges as per requirement of the Listing Regulations.

The Committee look into various aspects of the interest of the shareholders. 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 fifty meetings of the Stakeholders Relationship Committee were held during the financial year ended March 31, 2019.

The composition of Committee as on March 31, 2019 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 14 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 14 complaints received from Stock Exchanges / SEBI) during the financial year ended March 31, 2019:

Sl. No.	Type of Complaints	No. of Complaints pending as on March 31, 2018	Total No. of Complaints received during the financial year ended March 31, 2019	Total No. of Complaints resolved during the financial year ended March 31, 2019	No. of Complaints pending as on March 31, 2019
1	Non-receipt of dividend	0	19	19	0
2	Share transfer including Demat request	0	19	19	0
3	Non receipt of Annual Report	0	0	0	0
	Total	0	38	38	0

Note: There is no complaint pending as on March 31, 2019. However, there might be some 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 apart from those that are disputed or sub-judice.

Mr. Bhuvneshwar Mishra, Sr. 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, 2019 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 –CFO & 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, 2019 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

(vi) Corporate Social Responsibility (CSR) Committee & CSR activities

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.

The Board of Directors had reconstituted the CSR Committee in their meeting held on April 25, 2018 and appointed Mrs. Vijaylaxmi Joshi as the Chairperson of the Committee in place of Mr. Mahesh Kumar Kheria and Mr. Raman Chopra as a member of the Committee. However, Mr. Mahesh Kumar Kheria remains as a member of the Committee. Accordingly, adequate intimation was given to the Stock Exchanges. Further, due to the reason that tenure of directorship of Mr. Mahesh Kumar Kheria, Independent director and also a member of the CSR Committee, has been completed on March 31, 2019. Hence, the Board have reconstituted the CSR Committee by passing resolution through circulation, effective from April 1, 2019 and accordingly adequate intimation was given to the Stock Exchanges.

The Board of Directors of GHCL through CSR Committee / GHCL Foundation Trust / management is responsible for following CSR related activities:

- To approve CSR strategies, budgets, plans and corporate policies;
- To approve CSR's risk management strategy and frameworks and monitoring their effectiveness;
- Considering the social, ethical and environmental impact of CSR's activities and monitoring compliance with CSR's sustainability policies and practices;
- To review the CSR activities undertaken during the financial year;
- To review and modify the approved budget based on the progress report of GHCL Foundation Trust as recommended by CSR Committee from time to time;
- Inclusion and modification of CSR activities based on the survey conducted by the independent agency and impact assessment analysis with respect to CSR activities undertaken by the Company;
- To empower CSR committee and managing director for taken appropriate steps with an objective to achieve CSR goal determined by the Board;
- To ensure that company shall respect human rights concern throughout its operations and if required develop a framework for managing, mitigating and preventing adverse human rights impacts;
- Reconstitution of CSR Committee as and when required depending upon the vacancy in CSR Committee;
- To review of the progress report of CSR Activities;
- Giving of directions for effective implementation of CSR projects.

All CSR activities of GHCL Limited are carried out by a dedicated team engaged in our GHCL Foundation Trust and progress are monitored by the management every

month. The CSR activities are carried out throughout year. The thrust areas are Water Resource, Sanitation, Health & Hygiene, Agro based livelihood, Animal Husbandry, Education, Women Empowerment, Skill development etc.

During the financial year ended March 31, 2019, the CSR Committee met twice on April 20, 2018 and October 29, 2018. The CSR Committee of the Board comprises of following five 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, 2019					
Name of the CSR Committee Members					
	Mrs. Vijaylaxmi Joshi – Chairperson of the Committee	Mr. Neelabh Dalmia	Mr. R S Jalan	Mr. Mahesh Kumar Kheria	Mr. Raman Chopra
Category of Director	Independent Director	Non-executive Director	Managing Director	Independent Director	CFO & Executive Director (Finance)
Date of the Meeting					
April 20, 2018	N/A	Yes	Yes	Yes	N/A
October 29, 2018	Yes	Yes	Yes	Yes	Yes

Note:

- The Board of Directors had reconstituted the CSR Committee in their meeting held on April 25, 2018 and appointed Mrs. Vijaylaxmi Joshi as Chairperson of the Committee and appointed Mr. Raman Chopra as a member of the Committee.

(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 as well as all the Key Managerial Personnel (KMP) was empowered by the Board for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the stock exchanges under Regulation 30 of the Listing Regulations.

The composition of the Compliance Committee as on March 31, 2019 is as under:

Sl. No.	Name	Status
1	Mr. R S Jalan – Managing Director	Chairman
2	Mr. Neelabh Dalmia – Non-executive Director	Member
3	Mr. Raman Chopra – CFO & Executive Director (Finance)	Member
4	Mr. Bhuvneshwar Mishra – Sr. General Manager & Company Secretary	Member

(viii) 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. Due to the reason that tenure of directorship of Mr. Mahesh Kumar Kheria, Independent director and also the Chairman of the Risk Management Committee, has been completed on March 31, 2019. Hence, the Board have reconstituted the Risk Management Committee by passing resolution through circulation, effective from April 1, 2019 and accordingly adequate intimation was given to the Stock Exchanges. 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 composition of the Risk Management Committee as on March 31, 2019 is as under:

Sl. No.	Name	Status
1	Mr. Mahesh Kumar – 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

Risk Management Framework

Details of Risk management framework have been given under the Integrated Report.

4. General Body Meeting:

- 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
2017-18	May 31, 2018	9.30AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad-380 006
2016-17	July 29, 2017	9.30AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad-380 006
2015-16	July 19, 2016	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
35 th AGM	May 31, 2018	<p>(a) Pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013, special resolution was passed for authorisation to borrow money exceeding aggregate of the paid up capital and free reserves of the Company (i.e. not more than INR 2500 Crores).</p> <p>(b) Pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013, special resolution was passed for creation of charges or mortgages and hypothecations on Company properties in respect of above borrowings.</p>
34 th AGM	June 29, 2017	No Special Resolution
33 rd AGM	July 19, 2016	No Special Resolution

(c) Extraordinary General Meeting (EGM)

No Extraordinary General Meeting (EGM) was held during the last three financial years i.e. 2018-19, 2017-18 and 2016-17.

(d) Postal Ballot

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, 2015, the Company had provided the facility of remote e-voting facility by CDSL and Postal Ballot for obtaining the approval of the Members of the Company by requisite majority for following five items:

Special Resolutions:

- Approval for continuation of Directorship of Mr. Sanjay Dalmia (DIN: 00206992), Non-Executive Director and Chairman of the Company
- Approval for re-appointment of Mr. Lavanya Rastogi (DIN: 01744049), as an Independent Director of the Company for second term of five years w.e.f April 1, 2019.

Ordinary Resolution:

- Approval for appointment of Mr. Arun Kumar Jain, Ex-IRS (DIN: 07563704), as an Independent Director of the Company for a period of five years w.e.f. April 1, 2019.
- Approval for appointment of Dr. Manoj Vaish (DIN: 00157082), as an Independent Director of the Company for a period of five years, w.e.f. April 1, 2019.
- Approval for appointment of Justice Ravindra Singh (DIN: 08344852), as an Independent Director of the Company for a period of five years w.e.f. April 1, 2019.

The Company had sent the Postal Ballot Notice dated January 21, 2019 together with the Explanatory Statement, the postal ballot form and self-addressed envelope to the Members in the permitted mode. Voting rights were reckoned on the paid-up value of the shares registered in the names of the Equity Shareholders on the cut-off date i.e. February 1, 2019.

The voting period for remote e-voting as well as postal ballot commenced at 9:00 a.m. on Monday, February 11, 2019 and ended at 5:00 p.m. on Tuesday, March 12, 2019 (inclusive of both days) and the CDSL e-voting platform was blocked thereafter.

The Board of Directors had appointed Dr. S Chandrasekaran (Membership No. F1644), Senior Partner and failing him, Mr. Rupesh Agarwal (Membership No. A16302), Managing Partner of M/s Chandrasekaran Associates, Company Secretaries as the Scrutinizer for conducting the Postal Ballot and Remote e-voting process thereto in accordance with the provisions of the Act and the Rules in a fair and transparent manner.

Based on the Scrutinizer's report, all the five items of the business contained in the Postal Ballot Notice dated January 21, 2019 as mentioned above were approved by the shareholders with requisite majority.

The results were declared on March 14, 2019, and as per secretarial standard, for all the above resolutions of Postal Ballot "deemed date of passing of the resolutions" shall be March 12, 2019, which was the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting.

- (e) Two Special Resolutions were passed in the 35th Annual General Meeting, with the requisite majority by combined result of the remote e-voting and voting at the AGM venue 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, 2019 (Audited)
1	English Newspapers in Which quarterly results were published / to be published	The Economic Times (Ahmedabad edition)	July 19, 2018	November 1, 2018	January 22, 2019	April 26, 2019	April 26, 2019
		The Hindu - Business Line	July 19, 2018	November 1, 2018	January 22, 2019	April 26, 2019	April 26, 2019
2	Vernacular Newspapers in which quarterly results were published / to be published	The Economic Times – Gujarati	July 19, 2018	November 1, 2018	January 22, 2019	April 26, 2019	April 26, 2019
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, 2019 (Audited)
	Name of Stock Exchange(s)	Website Address	Date of Filing of Results				
	National Stock Exchange of India Limited (NSE)	www.nseindia.com	July 18, 2018	October 31, 2018	January 21, 2019	April 25, 2019	April 25, 2019
	BSE Limited (BSE)	www.bseindia.com	July 18, 2018	October 31, 2018	January 21, 2019	April 25, 2019	April 25, 2019
5	Presentation made to institutional investors or to the analysts	During the year under review, conference call and /or Investors meeting were facilitated on April 26, 2018, July 18, 2018, October 31, 2018 and January 22, 2019, to discuss the financials and / or other business update of the Company, with the investors / analysts. Copy of the presentation and /or transcripts, wherever available regarding said Investors' conference / meetings 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	Thursday, May 30, 2019	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, 2019)	By 2 nd week of August 2019		
	Financial Reporting for - Quarter - II (ending September 30, 2019)	By 2 nd week of November 2019		
	Financial Reporting for - Quarter - III (ending December 31, 2019)	By 2 nd week of February 2020		
	Financial Reporting for - Quarter - IV (ending March 31, 2020)	By 4 th week of May 2020		
	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	Friday, May 24, 2019 to Thursday, May 30, 2019 (both days inclusive)		
4	Dividend Payment Date	Dividend of INR 5.00 per share (i.e. 50% on the paid up capital) will be paid on or after Monday, June 3, 2019, if approved by the members in the ensuing Annual General Meeting		

Sl. No.	Particulars	Details					
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, 2019					
7	Details of Registrar and Share Transfer Agent	Link Intime India Private Limited, C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400083. Tel No: +91 22 49186270 Fax: +912249186060 (Email : rnt.helpdesk@linkintime.co.in)					
8	Outstanding GDRs / ADRs / Warrants or any convertible instruments:						
	Not applicable						
9	Commodity price risk or foreign exchange risk and hedging activities:						
	As per the SEBI Circular dated November 15, 2018, disclosure regarding exposure of the Company to various commodities for the financial year ended on March 31, 2019, is as under:						
	a. Total exposure of the Company to commodities in INR: 89.10 Crore						
	b. Exposure of the Company to various commodities:						
	Commodity Name	Exposure INR in Crore	Exposure in Quantity terms (MT)	% of such exposure hedged through commodity derivatives			
				Domestic market		International market	Total
				OTC	Exchange	OTC	Exchange
	Cotton	Nil	Nil	Nil	Nil	Nil	Nil
	Coal	89.10	1,38,000	Nil	Nil	Nil	Nil
	c.	Commodity risks faced by the listed entity during the year and how they have been managed					
		Senior management monitors commodity price risk and foreign exchange risk and based on the expert advice taken necessary step for its coverage / hedging as given below: For Cotton: Company has a very robust and well proven policies of cotton sourcing. Most of the cotton procurement is done at the beginning of the season which starts from October onwards every year and covers almost 70-80% of its yearly requirement during October – March period where the quality of the cotton is the best and prices are generally on the lower side. The Company has adequate working capital arrangements in place to adhere to the above policy of cotton procurement every year. For Coal: The Company is impacted by the price volatility of coal. Its operating activities require continuous manufacture of soda ash, and therefore require a regular supply of coal. Due to the significant volatility of the price of coal in international market, the company has entered into purchase contract for coal with its designated vendors. The price in the purchase contract is linked to the certain indices. The Company's commercial department has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.					
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, C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400083. Tel No: : +91 22 49186270 Fax: +91 22 49186060 (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)						

Sl. No.	Particulars	Details
11	Dematerialization of Shares and Liquidity:	97.32% of the Company's total equity shares representing 9,54,01,548 equity shares were held in dematerialized form as on March 31, 2019. After allotment of equity shares against Stock Option, total paid-up capital of the Company as on March 31, 2019 is 9,80,28,286 equity shares of INR 10 each. 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 (INR per Share)
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
2015-16	35.00%	3.50
2016-17	50.00%	5.00*
2017-18	50.00%	5.00

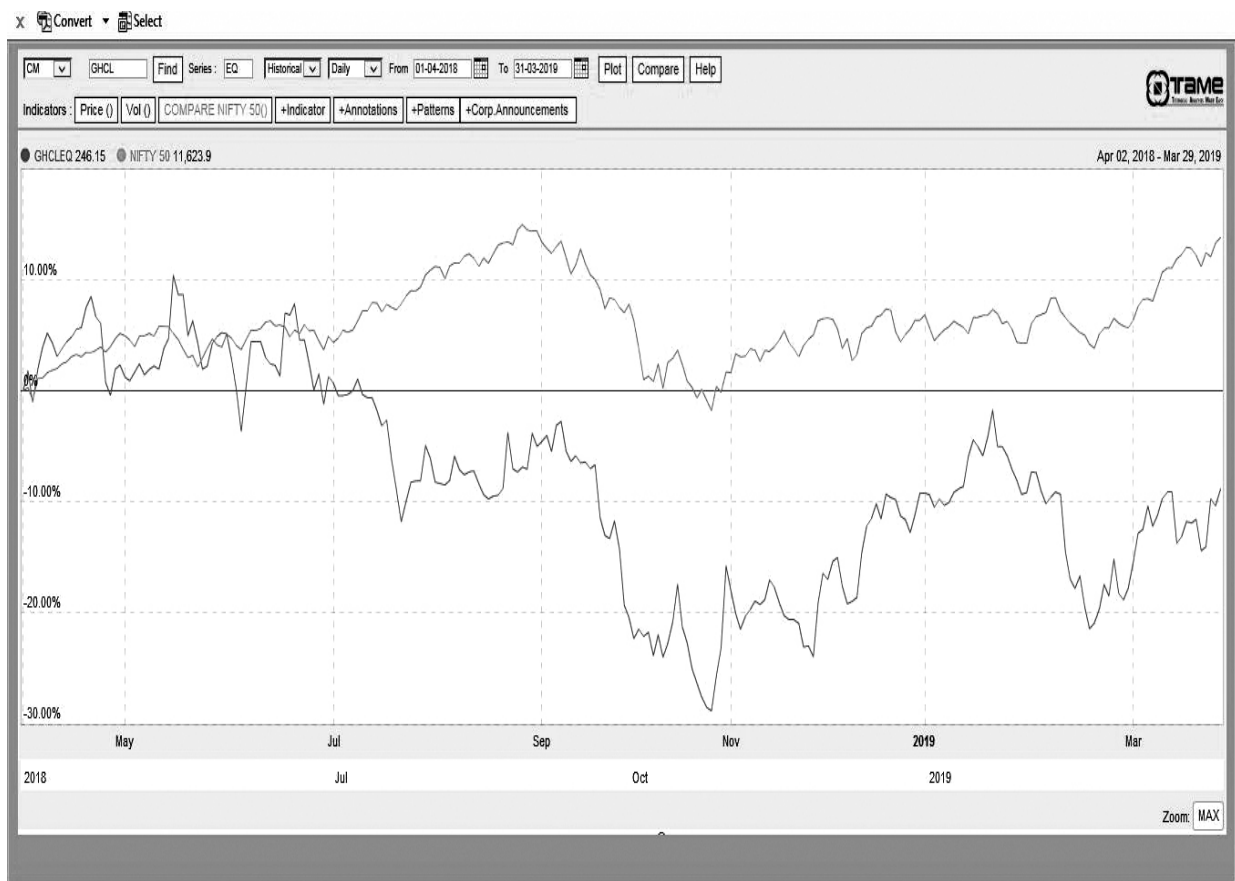
*Interim dividend @ INR1.50 per share & Final dividend @ INR 3.50 per share.

Equity share of paid up value of INR 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, 2019

MARKET PRICE DATA						
Month of the financial year 2018-19	BSE, MUMBAI			NSE, MUMBAI		
	Share Price		Traded Quantity	Share Price		Traded Quantity
	High	Low		High	Low	
April 2018	299.35	262.40	5,77,167	299.70	261.00	51,05,125
May 2018	301.00	268.00	6,15,181	301.45	267.65	50,86,272
June 2018	297.10	258.15	3,64,359	297.90	258.00	35,26,215
July 2018	278.90	232.20	2,47,769	274.90	231.05	28,45,327
August 2018	268.45	241.00	7,54,643	268.80	242.80	38,32,484
September 2018	265.40	215.10	2,20,021	266.00	214.00	23,12,684
October 2018	243.00	189.50	3,71,269	230.95	189.00	35,15,299
November 2018	232.80	205.00	2,84,026	231.75	205.10	21,61,857
December 2018	252.00	214.05	2,07,990	253.00	213.45	21,41,443
January 2019	268.90	240.00	3,96,021	268.80	240.00	34,21,420
February 2019	252.50	209.60	2,90,248	252.45	208.45	18,21,318
March 2019	249.90	223.30	8,64,962	250.75	222.80	28,39,220

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



10. Shareholders Reference

Unclaimed Dividend

Pursuant to Section 124 of the Companies Act, 2013 read with provisions of Investors Education & protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules 2016, all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more, already transferred by the Company in favour of Investor Education and Protection Fund (IEPF). The Company had communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements, before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at www.ghcl.co.in

Shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the Rules. Shareholders may refer Rule 7 of the said Rules for Refund of shares / dividend etc.

The unclaimed dividend for the financial year 2010-11 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 2010-11. 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 or have not received the same are requested to seek issue of duplicate warrant by writing to Link Intime India Private Limited confirming non - encashment / non - receipt of dividend warrant.

Financial Year	Date of Meeting	Due for Transfer to IEPF
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
2015-16	19-07-2016	July 2023
2016-17 (Interim Dividend)	31-01-2017	January 2024
2016-17 (Final Dividend)	29-06-2017	June 2024
2017-18	31-05-2018	May 2025

DISTRIBUTION OF SHAREHOLDING AS ON 31 ST MARCH 2019					
No. of Shares held of INR 10 each between		No. of shareholders	% of total shareholders	No. of shares	% of total shares
From	To				
1	500	54100	90.09%	7027860	7.17%
501	1000	3130	5.21%	2627104	2.68%
1001	2000	1360	2.26%	2140605	2.18%
2001	3000	431	0.72%	1097720	1.12%
3001	4000	210	0.35%	757445	0.77%
4001	5000	189	0.32%	897490	0.92%
5001	10000	263	0.44%	1937922	1.98%
10001	Above	369	0.61%	81542140	83.18%
		60052	100.00%	98028286	100.00

SHAREHOLDING PATTERN AS ON 31 ST MARCH 2019			
	Category	No. of shares held	% of shareholding
A	Promoters & Promoters Group Holding		
1	Promoters		
	Indian Promoters	12820488	13.08%
	Foreign Promoters	5507900	5.62%
2	Others		
	Trust	165000	0.17%
	Sub-Total	18493388	18.87%
B	Non-promoters Holding		
3	Institutional Investors		
	Mutual Funds	12070926	12.31%
	Banks, Financial Institutions	347785	0.36%
	Insurance Companies (including LIC)	3366423	3.43%
	Foreign Portfolio Investors (including FIIs)	15803961	16.12%
	Sub-Total	31589095	32.22%
4	Non-institutional Investors		
	Bodies Corporate	20567356	20.98%
	NBFC registered with RBI	143168	0.15%
	Indian public (Individuals & HUF)	24108200	24.59%
	NRIs & Foreign Companies	1484658	1.51%
	Government Companies (i.e. IEPF)	762710	0.78%
	Other Directors & relatives	410943	0.42%
	Others (Trusts & Clearing Members)	468768	0.48%
	Sub-Total	47945803	48.91%
	Grand Total	98028286	100.00%

Plant Locations:

Inorganic Chemical Division:	
Soda Ash Plant:	Village: Sutrapada Near Veraval, Distt.: Gir Somnath, Gujarat – 362275
Salt works:	Port Albert Victor, Via Dungar, Distt.: Amreli, Gujarat - 364555
Lignite Mines:	713/B, Deri Road, Near Diamond Chowk, Krishnanagar, Bhavnagar, Gujarat - 364001
Consumer Products Division - Salt Works & Refinery:	(a) Kadinal Vayal, Vedaranyam, Distt. Nagapattanam, Tamil Nadu – 614707 (b) Nemeli Road, Thiruporur, Distt.: Kancheepuram, Tamilnadu – 603110
Textile Division:	
Plant – Yarn Division:	(a) Paravai, Samayanallur P.O, Distt.: Madurai, Tamil Nadu – 625402 (b) Thiagesar Alai P.O, Manaparai, Distt.: Trichy, Tamil Nadu – 621312
Plant - Home Textile Division:	S. No. 191 & 192, Mahala Falia, Village - Bhilad, Distt.: Valsad, Vapi, Gujarat - 396191
Wind Energy Division	(a) Muppandal, Village: Irukkandurai, Post: Sankaneri, Taluk: Radhapuram, Distt.: Tirunelveli, Tamil Nadu (b) Village: Chinnaputhur, Taluk: Dharapuram, Distt.: Erode, Tamil Nadu (c) Village: Kayathar, Distt.: Tuticorin, Tamilnadu.

List of all Credit Ratings (along with revisions) obtained by the Company during the financial year ended March 31, 2019:

The complete details on Credit Ratings obtained by the Company during the financial year ended March 31, 2019, are placed in the Board's Report under finance section.

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 Ind-AS. The particulars of transactions between the Company and the related parties for the year ended March 31, 2019, 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.

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. 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. Mr. Mahesh Kumar Kheria, Independent Director of the Company was Ombudsperson till March 31, 2019.

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. Further, due to the reason that tenure of directorship of Mr. Mahesh Kumar Kheria, Independent director and also member of the Audit Committee and Ombudsperson, has been completed on March 31, 2019. Hence, the Board have appointed Mr. Arun Kumar Jain as Ombudsperson, by passing resolution through circulation, effective from April 1, 2019 and accordingly adequate intimation was given to the Stock Exchanges.

The details of new Ombudsperson is given below:

Name: Mr. Arun Kumar Jain

Email ID: akjaincit@gmail.com

Mobile No.: 9428511559

Address: B-802, Prateek Stylhome, Sector-45, Noida, U.P., PIN-201303

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.

During the year, the Company has not received any complaint under Vigil Mechanism / Whistle Blower Policy.

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) read with Part E of Schedule II 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. The Company is in compliance of the requirement, Mr. Sanjay Dalmia is Non-executive Chairman and Mr. R S Jalan is Managing Director of the Company. However, as per the SEBI (LODR) (Amendment) Regulations, 2018, this clause has been omitted w.e.f. April 1, 2020.
- (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.

12.6 Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under regulation 32(7A).

This clause is not applicable to the Company as the Company has not raised any funds through preferential allotment and /or QIP.

12.7 Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory authority.

The Company has obtained a certificate from Dr. S Chandrasekaran (Membership No. F1644), Senior Partner of M/s Chandrasekaran Associates, Company Secretaries, and also secretarial auditor of the Company, regarding confirmation that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board (i.e. SEBI) / Ministry of Corporate Affairs or any such statutory authority. The requisite certificate from Dr. S Chandrasekaran, the secretarial auditor of the Company confirming compliance of this condition is attached to the Report on Corporate Governance.

12.8 Total fees for all services paid by GHCL Limited and its subsidiaries, on a consolidated basis, to S. R. Batliboi & Co. LLP and other firms in the network entity of which the statutory auditor is a part, as included in the consolidated financial statements of the Company for the year ended March 31, 2019, is as follows:

	Amount (INR in Crore)
Fees for audit and related services paid to S.R. Batliboi & Affiliates firms and to entities of the network of which the statutory auditor is a part	1.13
Other fees paid to S.R. Batliboi & Affiliates firms and to entities of the network of which the statutory auditor is a part	0.16
Total fees	1.29

12.9 The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

The Company is in compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

13. Code of Conduct to Regulate, Monitor And Report Trading by Insiders

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. The Code of Conduct to Regulate, Monitor and Report Trading by Insiders is posted on the website of the Company www.ghcl.co.in.

The Company has implemented automated track in system for effective administration and monitoring of trading by insiders in the shares of the Company. There is system generated report prepared by service provider after comparing with benepose report. Automatic email sent to respective employees for giving them instructions that they should not indulge in counter transaction within the prohibited time period.

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. Share Capital & Reconciliation of Share Capital Audit

During the year, Nomination and Remuneration Committee of the Company at its meetings held on June 9, 2018 and October 31, 2018 had allotted had allotted 5,85,000 and 20,000 equity shares of INR 10 each, respectively, against exercise of the Stock Options by the eligible employees of the Company. Consequently, after said allotment of equity shares, the issued & paid-up capital of the Company is INR 98,02,82,860/- comprising of 9,80,28,286 equity shares of INR 10/- each as on March 31, 2019.

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, 2019.

For GHCL LIMITED

R S Jalan
Managing Director
DIN: 00121260

Raman Chopra
CFO & Executive Director (Finance)
DIN: 00954190

Date: April 25, 2019



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, 2019 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

R S Jalan
Managing Director
DIN: 00121260

Raman Chopra
CFO & Executive Director (Finance)
DIN: 00954190

Date: April 25, 2019

CERTIFICATE UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Date:

To,
The Members
GHCL Limited
GHCL House
Opp. Punjabi Hall Navrangpura
Ahmedabad, Gujrat 380009

Based on the disclosures/declarations received from Directors appointed on the Board of GHCL Limited ("Company") as on March 31, 2019, we hereby certified that as on March 31, 2019, none of the Directors on the Board of Company have been debarred or disqualified from being appointed or continuing as director of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

For Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715

Date : April 4, 2019
Place : New Delhi



Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of GHCL Limited

1. The Corporate Governance Report prepared by GHCL Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on March 31, 2019 and verified that at least one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following committee meetings held from April 1, 2018 to March 31,2019:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Annual General meeting;
 - (d) Nomination and remuneration committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Independent directors meeting; and
 - (g) Risk management committee;



- v. Obtained necessary representations and declarations from directors of the Company including the independent directors ;
- vi. Verified the fee disclosures as required by Clause 10(k), Part C, Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
- vii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 2 above.

Other matters and Restriction on Use

- 9. 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.
- 10. 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 compliance with the relevant regulations of Corporate Governance 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 **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

UDIN: 19086370AAAAAE3546

Place : New Delhi

Date : April 25, 2019

