

CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

(as required under clause 49 of the Listing Agreement entered into with the Stock Exchanges)

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.

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 Clause 49 of the Listing Agreement.

2.1 Composition:

The Composition of the Board as on March 31, 2015 is given herein below:

COMPOSITION OF BOARD OF DIRECTORS AS ON MARCH 31, 2015			
Category	Name of Directors	No. of Directors	% of total number of Directors
Promoter - Non Executive Director	Mr. Sanjay Dalmia	3	25%
	Mr. Anurag Dalmia		
	Mr. Neelabh Dalmia		
Non Executive - Independent Director	Dr. B C Jain	6	50%
	Mr. K C Jani*		
	Mr. G. C. Srivastava		
	Mr. Mahesh Kumar Kheria		
	Mr. Sanjiv Tyagi		
Nominee Director - Representing Lending Institutions	Mr. Lavanya Rastogi**		
	Mrs. Padma Vinod Betai – Nominee IDBI***	1	8.33%
Managing Director / Executive Director	Mr. R S Jalan – Managing Director	2	16.67%
	Mr. Raman Chopra – CFO & Executive Director (Finance)		
	TOTAL NO. OF DIRECTORS	12	100%

Note:

* The Board of Directors had appointed Mr. K C Jani as an Additional Director under category of Independent Director with effect from September 18, 2014.

** The Board of Directors had appointed Mr. Lavanya Rastogi, Independent Director of the Company to fill the casual vacancy caused due to resignation of Mr. Surendra Singh with effect from November 24, 2014.

*** As informed in the previous Annual Report, IDBI Bank Ltd. had nominated Mr. D C Jain in place of Mr. Ajoy Nath Jha as a Nominee Director of the Company w.e.f. April 2, 2014. Further, during the year, IDBI Bank Ltd. changed its nominee and nominated Mrs. Padma Vinod Betai in place of Mr. D C Jain. Accordingly, the Board of Directors had appointed Mrs. Padma Vinod Betai as a Nominee Director of the Company w.e.f. September 6, 2014. The appointment of Mrs. Padma Vinod Betai fulfils the requirement of Clause 49 and also the Companies Act, 2013 regarding appointment of at least one woman director.

The Board of GHCL Limited is having an optimum combination of executive and non-executive directors and the Board consists of 12 Directors, 10 of whom are Non-Executive Directors including one woman director. The Chairman of the Company is a Non -Executive Director and promoter of the Company and hence the requirement that at least one – half of the Board shall consist of

Independent Directors is complied with as the Company has 6 Independent Directors. All of the Non-Executive Directors have extensive business experience and are considered by the Board to be independent in character and judgment of the management of the Company and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment.

The Board of Directors meets regularly to review strategic, operational and financial matters and has a formal schedule of matters reserved for its decision. It approves the interim and preliminary financial statements, budget, the annual financial plan, significant contracts and capital investment along with strategic decisions like Restructuring of Business, Debt and Human Resources etc. Wherever appropriate, the Board delegates its authority to Committees of Directors like Banking & Operations Committee, Project Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Audit Committee, CSR Committee, Business Strategy & Planning Committee, Risk Management Committee and Compliance Committee. Information is provided to the Board in advance of every meeting and the Chairman ensures that all Directors are properly briefed on the matters being discussed. The Board reviews compliance reports of applicable laws in the Board meetings and also deliberates the compliance of code of conduct for Board Members and Senior Management.

With an objective to ensure maximum presence of our Independent Directors in the Board Meeting, dates of the

Board Meeting are fixed in advance after consultation with individual directors and consideration of their convenience. The agenda and explanatory notes are circulated to the Directors at least seven days before the meeting. Wherever it is not practicable to attach any document to the agenda the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda is permitted after obtaining permission of the Chairman of the meeting. During the financial year ended March 31, 2015, five Board Meetings were held on May 28, 2014, July 31, 2014, October 18, 2014, November 24, 2014 and January 27, 2015. In order to facilitate our Institutional Directors to submit reports to their institutions, your company provides soft copy of all presentations made to the Board immediately after the Board Meeting / Committee meeting. The gap between any two Meetings is not more than 120 days, ensuring compliance with the requirement of Clause 49 of the Listing Agreement and the Companies Act 2013. The attendance of Directors at the Board Meeting held during the financial year ended March 31, 2015 is given herein below:

SL. NO.	NAME	DATE OF BOARD MEETING & ATTENDANCE					AGM ATTENDANCE (August 21, 2014)
		MAY 28, 2014	JULY 31, 2014	OCTOBER 18, 2014	November 24, 2014	JANUARY 27, 2015	
1	Mr. Sanjay Dalmia	Yes	No	No	No	No	No
2	Mr. Anurag Dalmia	Yes	Yes	Yes	Yes	Yes	No
3	Mr. Neelabh Dalmia	Yes	Yes	Yes	Yes	Yes	Yes
4	Dr. B C Jain	Yes	Yes	Yes	Yes	Yes	Yes
5	Mr. Surendra Singh ¹	Yes	Yes	N/A	N/A	N/A	Yes
6	Mr. G. C. Srivastava	Yes	Yes	Yes	Yes	Yes	No
7	Mr. S. H. Ruparell ²	No	No	N/A	N/A	N/A	No
8	Mr. D C Jain – Nominee IDBI Bank ³	Yes	Yes	N/A	N/A	N/A	N/A
9	Smt. Padma Vinod Betai– Nominee IDBI Bank ³	N/A	N/A	Yes	No	Yes	N/A
10	Mr. R. M. V. Raman – Nominee EXIM Bank ⁴	Yes	N/A	N/A	N/A	N/A	N/A
11	Mr. Mahesh Kumar Kheria	Yes	Yes	Yes	No	Yes	No
12	Mr. Sanjiv Tyagi	Yes	Yes	Yes	Yes	Yes	Yes
13	Mr. K C Jani ⁵	N/A	N/A	Yes	Yes	Yes	N/A
14	Mr. Lavanya Rastogi ⁶	N/A	N/A	N/A	Yes	Yes	N/A
15	Mr. R. S. Jalan	Yes	Yes	Yes	Yes	Yes	Yes
16	Mr. Raman Chopra	Yes	Yes	Yes	Yes	Yes	Yes

Note:

- Mr. Surendra Singh had resigned from the directorship of the Company w.e.f. October 4, 2014.
- Mr. S. H. Ruparell has resigned from the directorship of the Company w.e.f. September 15, 2014.
- IDBI Bank Ltd. had nominated Mr. D C Jain in place of Mr. Ajoy Nath Jha as a Nominee Director of the Company w.e.f. April 2, 2014. Further, during the year, IDBI Bank Ltd. changed its nominee and nominated Mrs. Padma Vinod Betai in place of Mr. D C Jain. Accordingly, the Board of Directors had appointed Mrs. Padma Vinod Betai as a Nominee Director of the Company w.e.f. September 6, 2014.
- Exim Bank had withdrawn its nominee and accordingly directorship of Mr. R M V Raman was ceased w.e.f. June 13, 2014
- The Board of Directors had appointed Mr. K C Jani as an Additional Director under category of Independent Director with effect from September 18, 2014.
- The Board of Directors had appointed Mr. Lavanya Rastogi, Independent Director of the Company to fill the casual vacancy caused due to resignation of Mr. Surendra Singh with effect from November 24, 2014. Mr. Lavanya attended meeting of the Board of Directors held on November 24, 2014 as an invitee to the meeting.
- 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.
- Mr. Neelabh Dalmia and Mr. Raman Chopra are Directors retiring by rotation and are eligible for re-appointment. Further, the Company is also placing proposal for appointment of Mr. K C Jani, independent director. Information as required under Clause 49(VIII)(C) of the Listing Agreement is annexed to 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 Clause 49 (II) (D) (2) of the Listing Agreement) across all the 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, 2015 and the same is reproduced herein below:

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

Note:

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

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

During the financial year ended March 31, 2015, the Company has not entered into any material transactions with its Non-Executive Directors except related party transactions which are reported in annual report. The Company has also received declaration from Independent Directors confirming their independence, accordingly requirement of Clause 49 are duly complied with.

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

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

2.2 DIRECTORS' PROFILE:

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

Mr. Sanjay Dalmia:

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

Mr. Anurag Dalmia:

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

Mr. Neelabh Dalmia:

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

Mrs. Padma Vinod Betai

Mrs. Padma Vinod Betai (DOB – September 7, 1964) is a Nominee Director of the Company representing IDBI Bank Limited. She is a Director of the Company since September 6, 2014. Mrs. Betai is Fellow member of Institute of Chartered Accountants of India (ICAI) and her area of specialization is Banking and Finance. She is a member of Project Committee of the Company.

Dr. B C Jain

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

Dr. Jain is the Chairman of Audit Committee and a member of Nomination and Remuneration Committee of the Company.

Mr. G C Srivastava

Mr. G C Srivastava (DOB – September 20, 1947) is a Non-Executive Independent Director of the Company. He is a Director of the Company since May 10, 2008. Mr. Srivastava is an ex-IRS. He had joined Indian Revenue Service in 1971 and retired on September 30, 2007 as Director General of International Taxation. He is having very rich experience in Tax and Accounting. Mr. Srivastava is a member of the Audit Committee of the Company.

Mr. Mahesh Kumar Kheria

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

Mr. Sanjiv Tyagi

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

Mr. K C Jani

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

Mr. Lavanya Rastogi

Mr. Lavanya Rastogi (DOB – March 8, 1981) is a Non-Executive Independent Director of the Company. The Board of Directors had appointed Mr. Lavanya Rastogi, Independent Director of the Company to fill the casual vacancy caused due to resignation of Mr. Surendra Singh with effect from November 24, 2014. Mr. Lavanya is an alumnus of Harvard Business School, and as a thought leader in the field of entrepreneurship, leadership and global economy. Mr. Lavanya Rastogi is currently the CEO and Chief Mentor OSSCube, a global leader in Technology Solutions, headquartered in USA. In 2009 Academy for Global Business Advancement (AGBA) awarded him the “Distinguished Young Entrepreneur Award”. He is active

face in many trade association and industry chambers including NASSCOM, North Carolina Technology Association (NCTA), FICCI, Austin Technology Council (ATC), Entrepreneurs' Organization (EO), India American Chamber of Commerce (IACCGH), World Affairs Council of Houston, etc. He is a member of Business Strategy & Planning Committee of the Company.

Mr. R S Jalan

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

Mr. Raman Chopra

Mr. Raman Chopra (DOB – November 25, 1965) is CFO & Executive Director (Finance) of the Company. He is a graduate in Commerce and Fellow member of Institute of Chartered Accountants of India. Mr. Chopra is having wide experience in Corporate Finance and Textiles. Presently, he is in charge of Financial & Secretarial functions covering financial accounting, management accounting, taxation, secretarial, legal, IT and corporate finance areas. Mr. Chopra has more than 27 years of Industrial experience. Before elevated to Executive Director (Finance) with effect from April 1, 2008, he was CFO of the Company from October 30, 2007. Before taking charge of finance, he had successfully established the Home Textile plant at Vapi. He is a member of Compliance Committee, Stakeholders Relationship Committee, Banking & Operations Committee, Business Strategy & Planning Committee and Risk Management Committee of the Company.

3. Committees of the Board

(i) Audit Committee

The Board of Directors had constituted the Audit Committee as early as in 2000 and as on March 31, 2015 there were four non-executive directors including three Independent Directors having expertise in financial and accounting areas. Mr. Bhuwadeshwar Mishra, Secretary of the Company acts as Secretary to the Committee. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory auditors and the internal auditors.

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and the guidelines set out in the Listing Agreement with the Stock Exchanges. During the year, the Board have reconstituted the Audit Committee in their meeting held on May 28, 2014 and October 18, 2014 and

accordingly adequate intimation was given to the Stock Exchanges in this regard.

Terms of Reference:

The scope of activities of the Audit Committee includes 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 management the annual financial statements and auditor's report thereon before submission to the Board for approval, focusing primarily on;
 - 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 based on exercise of judgement by management.
 - Qualifications in draft audit report.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with listing and other legal requirements concerning financial statements.
 - Disclosure of any related party transactions.
- 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. Review and monitor 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 CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- s. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- t. Recommending to the Board, the appointment / re-appointment of the Cost Auditors and Secretarial Auditor.
- u. Any other activities as per the requirement of Clause 49 of the Listing Agreement and 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, 2015, the Audit Committee of the Board met four times and as

per requirement of the Listing Agreement, the gap between any two meetings of the Audit Committee is not more than 120 days, ensuring compliance with the requirement of Clause 49 of the Listing Agreement and the Companies Act 2013. The adequate quorums were present at every Audit Committee Meeting.

The Composition of Audit Committee and attendance of members at the meetings are given herein below:

Category	Name of the Audit Committee members				
	Dr. B C Jain -Chairman of the Committee	Mr. Neelabh Dalmia	Mr. D C Jain*	Mr. G C Srivastava	Mr. Mahesh Kumar Kheria**
Independent Director (Expertise in Finance, Banking & Accounting)	Non-executive Director (Expertise in Finance & Industry)	Nominee Director- IDBI Bank Ltd(Corporate finance, risk management & personal banking)	Independent Director (Expertise in Tax & Accounting)	Independent Director (Expertise in Finance & Marketing)	
Date of the Meeting					
May 28, 2014	Yes	Yes	Yes	Yes	N/A
July 31, 2014	Yes	Yes	Yes	Yes	N/A
October 18, 2014	Yes	Yes	N/A	Yes	N/A
January 27, 2015	Yes	Yes	N/A	Yes	Yes
Whether attended Last AGM (Yes/No)	Yes	Yes	N/A	No	No

* Mr. D C Jain was member of the Audit Committee till May 28, 2014 and thereafter he attended the Audit Committee meeting held on July 31, 2014 as an invitee.

** The Board of Directors in its meeting held on October 18, 2014 had reconstituted the Audit Committee and inducted Mr. Mahesh Kumar Kheria as a member to the Audit Committee. Thereafter Mr. Kheria attended the meeting of Audit Committee held on January 27, 2015.

Note:

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

The Company has complied with the requirements of Clause 49 III (A) as regards composition of the Audit Committee. Dr. B C Jain, Chairman of the Audit Committee is a qualified Chartered Accountant and an expert in Finance, Banking and Accounting. He was present in the 31st Annual General Meeting held on August 21, 2014 to answer the queries of shareholders.

As required under Clause 49(III) (E) of the Listing Agreement, 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.

Appointment, removal and terms of remuneration of the Chief internal auditors.

(ii) Nomination & Remuneration Committee:

The Company is transparent in compensation policy of Directors. The Nomination & Remuneration Committee of the Company was constituted as early as in 1995. Nomination & Remuneration Committee of the Board has been constituted as per Section 178 of the Companies Act, 2013 and the guidelines set out in the Listing Agreement with the

Stock Exchanges. As on March 31, 2015, Nomination & Remuneration Committee comprises of four non-executive directors including three Independent Directors and also the Chairman of this Committee is an Independent Director. During the year, the Board have reconstituted the Nomination & Remuneration Committee in their meeting held on May 28, 2014 and October 18, 2014 and accordingly adequate intimation was given to the Stock Exchanges in this regard.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board had reconstituted the Nomination & Remuneration Committee in their meeting held on May 28, 2014 and accordingly Mr. Sanjay Dalmia, Chairman of the Board, who was also Chairman of this Committee, has become a Member of the Committee. Also in that meeting, Mr. Surendra Singh, an Independent Director, had been appointed as Chairman of the Committee. After resignation of Mr. Surendra Singh, the Board of Directors again reconstituted the Nomination & Remuneration Committee in its meeting held on October 18, 2014 and appointed Mr. K C Jani, an Independent Director, as Chairman of the Committee.

In line with the requirement of Section 178(2) of the Companies Act, 2013 read with Clause 49 of Listing Agreement (Corporate Governance), 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 carry out evaluation of every director’s performance.
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
5. To devise a policy on Board diversity.
6. Any other activities as per the requirement of Clause 49 of the Listing Agreement and the Companies Act, 2013.

The Nomination & Remuneration Committee sets the overall policy on remuneration and the other terms of employment of Executive Directors of the Company as well as the sitting fee and commission to the Non- Executive Directors within the overall ceiling fixed by members of the Company and recommends the same for the approval of the Board. The Committee recommends remuneration package of Executive Directors to the Board by reference to individual performance, experience and market conditions with a view to provide a remuneration package which is appropriate for the responsibilities involved. In reviewing the overall remuneration of the

Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company. The Committee also has ultimate control over the GHCL Employees Stock Option Trust and regulates its affairs through appointed Trustees. The Nomination & Remuneration Committee monitors the affairs of the GHCL Employees Stock Option Trust and directs the Trustees for discharge of their duties from time to time.

Further, in compliance of SEBI Circulars issued on January 17, 2013, May 13, 2013 and November 29, 2013, GHCL Employees Stock Option Trust had sold its entire shareholding except the shares which are part of litigation and the same shall be accounted for depending upon the outcome of the litigations. As per direction of the above SEBI circulars, Employees Stock Option Scheme ceased effective from July 1, 2014. However, the Trust will continue for the limited purpose of litigation.

The executive summary of the Nomination & Remuneration Committee Meeting is placed before the immediate next Board Meeting held after the Nomination & Remuneration Committee, for deliberation and the full minutes of the same are placed before the following Board Meeting for record. Dates of the Nomination & Remuneration Committee Meeting are fixed in advance and agenda and explanatory notes are circulated to the Directors at least seven days before the meeting.

During the financial year ended March 31, 2015, the Nomination & Remuneration Committee met on May 28, 2014 and November 7, 2014. The Nomination & Remuneration Committee of the Board comprises of Non-Executive Directors and the details of meeting attended by the Directors are as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE NOMINATION & REMUNERATION COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2015					
Category of Director	Name of the Nomination & Remuneration Committee Members				
	Mr. K C Jani – Chairman of the Committee	Mr. Sanjay Dalmia	Dr. B C Jain	Mr. Sanjiv Tyagi	Mr. Surendra Singh
	Non-Executive - Independent Director (Expertise Corporate Finance, Restructuring of liabilities)	Non-Executive Director (Industrialist)	Non - Executive - Independent Director (Expertise in Finance Banking & Accounting)	Non -Executive - Independent Director (Expertise in Management)	Non-Executive - Independent Director (Ex-IAS & Expert in Corporate Governance, Industrial Policy and General Administration)
Date of the Meeting					
May 28, 2014	N/A	Yes	Yes	Yes	Yes
November 7, 2014	Yes	No	Yes	Yes	N/A
Whether attended Last AGM (Yes/ No)	NA	No	Yes	Yes	Yes

Remuneration Policy:

The Nomination & Remuneration Policy of the Company has been posted on the website of the Company. Committee considers the following guidelines which are essential to follow while formulating the Remuneration Policy:

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

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

The Non - Executive Directors do not draw any remuneration from the Company other than the sitting fee and such commission as may be determined by the Board from time to time within the overall approval given by the shareholders and pursuant to the relevant provisions of the Companies Act, 2013. The commission payable to the Non - Executive Directors is limited to a fixed amount per year as determined and approved by the Board, the sum of which is within the limit of 1% of net profit for the year, calculated as per the provisions of the Companies Act, 2013. The actual amount of commission payable to each Non - Executive Director is decided by the Board, upon recommendation of the Remuneration Committee, on the following criteria:-

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

Details of remuneration, commission and sitting fee paid/payable to the Directors of the Company for the financial year ended March 31, 2015 are given below:

Non-Whole time Directors		(in ₹)	
Name	Sitting Fees	Commission	
Mr. Sanjay Dalmia	40,000	4,56,667	
Mr. Anurag Dalmia	1,20,000	22,16,667	
Mr. Neelabh Dalmia	2,20,000	24,83,333	
Dr. B. C. Jain	2,20,000	24,83,333	
Mr. Surendra Singh	60,000	8,96,667	
Mr. S. H. Ruparell	--	--	
Mr. G. C. Srivastava	1,80,000	24,50,000	
Mr. D C Jain/ Mrs. Padma Vinod Betai – Nominee IDBI Bank *	1,00,000	18,22,500	
Mr. R. M. V. Raman – Nominee EXIM Bank*	20,000	4,40,000	
Mr. Mahesh Kumar Kheria	1,00,000	18,22,500	
Mr. Sanjiv Tyagi	1,60,000	22,50,000	
Mr. K C Jani	80,000	13,36,667	
Mr. Lavanya Rastogi	20,000	4,40,000	
TOTAL	13,20,000	1,90,98,334	

Note:

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

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

Managing Director / Whole Time Director			(in ₹)
Name	Salary and other perquisites	Commission	Total
Mr. R S Jalan, Managing Director	2,29,87,065	2,14,00,000	4,43,87,065
Mr. Raman Chopra, CFO & Executive Director (Finance)	1,22,79,175	1,26,00,000	2,48,79,175
Total	3,52,66,240	3,40,00,000	6,92,66,240

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

(iii) Stakeholders Relationship Committee:

The Board had constituted the Stakeholders Relationship Committee. The committee expedite the process of redressal of complaints like non-transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc. The committee regularly viewed the complaints filed online at SEBI Complaints Redressal System (SCORES) and action taken report (ATR) thereon. Generally the Committee meet once in a week to expedite all matters relating to Shareholders / Investors Grievances received and pending during the previous week. Total forty nine meetings of the Stakeholders Relationship Committee held during the financial year ended March 31, 2015.

The composition of Committee as on March 31, 2015 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 38 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 28 complaints received from Stock Exchanges / SEBI) during the financial year ended March 31, 2015:

Sl. No.	Type of Complaints	No. of Complaints pending as on March 31, 2014	Total No. of Complaints received during the financial year ended March 31, 2015	Total No. of Complaints resolved during the financial year ended March 31, 2015	No. of Complaints pending as on March 31, 2015
1	Non-receipt of dividend	0	206	205	1*
2	Share transfer including Demat request	0	23	23	0
3	Non receipt of Annual Report	0	31	31	0
	Total	0	260	259	1

* There is only one complaint pending as on March 31, 2015. We don't have any complaint pending before any court, however, if there are any which are not known to company at this stage, will be resolved as soon as it will be known to the company and adequate representation will be made before the court / forum where it is pending.

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

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

(iv) Banking and Operations Committee

The Board had constituted the Banking and Operations Committee to expedite the day to day functioning and exercise of delegated powers of the Board. This Committee meets as per the requirement of business, to expedite all matters relating to operations and granting authority for various functional requirements such as issue of Power of Attorney, arranging / negotiating of term loans, working capital loan, short term loan, dealings with Central / State Governments including their agents and various statutory / judicial / regulatory / local / commercial / excise / customs / port / sales tax / income tax / electricity board etc. and other authorities on behalf of the Company in line with the delegated authority of Board of Directors from time to time.

The composition of the Banking and Operations Committee as on March 31, 2015 is as under:

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

(v) Project Committee

This Committee was constituted to review and recommend proposals relating to new projects, expansion, modernization, diversification, acquisitions, various kind of compromise, arrangement or amalgamation, restructuring of business of the Company and/or its subsidiaries. During the year, the Board have reconstituted the Project Committee in their meeting held on October 18, 2014 and appointed Mrs. Padma Vinod Betai, Nominee Director, as a member of the Committee and accordingly adequate intimation was given to the Stock Exchanges in this regard.

During the financial year ended March 31, 2015, the Project Committee met only once on October 1, 2014. The Project Committee of the Board comprises of following four Directors and the details of meeting attended by the Directors are as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE PROJECT COMMITTEE MEETING HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2015				
Category of Director	Name of the Project Committee Members			
		Mr. Sanjay Dalmia – Chairman of the Committee	Mr. Anurag Dalmia	Mr. Neelabh Dalmia
	Non- Executive Director (Industrialist)	Non- Executive Director (Industrialist)	Non-executive Director (Expertise in Finance & Industry)	Nominee Director (Expertise in Banking & Finance)
Date of the Meeting				
October 1, 2014	No	Yes	Yes	N/A

(vi) Corporate Social Responsibility (CSR) Committee

The Board of Directors had voluntarily constituted the Corporate Social Responsibility (CSR) Committee in their meeting held on January 28, 2013. But, now it has become mandatory to have CSR Committee. This Committee was constituted to strengthen and monitor CSR policy of the Company. Further, CSR Committee of the Board meets the criteria prescribed by Section 135 of the Companies Act,

2013, which states that every CSR Committee of the Board shall be consisting of three or more directors, out of which at least one director shall be an Independent Director.

During the financial year ended March 31, 2015, the CSR Committee met only once on May 27, 2014. The CSR Committee of the Board comprises of following three Directors and the details of meeting attended by the Directors are as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE MEETING HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2015

Name of the CSR Committee Members			
Category of Director	Mr. Sanjiv Tyagi - Chairman of the Committee	Mr. Neelabh Dalmia	Mr. R S Jalan
	Non- Executive - Independent Director (Expertise in Management)	Non-executive Director (Expertise in Finance & Industry)	Managing Director (Specialization in Operations, Finance, Marketing & HR)
Date of the Meeting			
May 27, 2014	Yes	Yes	Yes

(vii) Compliance Committee

The Board of Directors had constituted the Compliance Committee in their meeting held on October 18, 2014 and accordingly intimation was given to the Stock Exchanges in this regard. This Committee was mainly constituted as per the guidance note on Clause 36 of the Listing Agreement issued by the NSE / BSE. This guidance note was framed in line with the proposal of SEBI suggesting amendment in Clause 36 of Listing Agreement. As per the guidance note, every listed company is required to constitute a Committee of its Board of Directors or Operating Committee of Senior level executive or Key Managerial Personnel.

would be authorized to take a view on:

- the materiality of an event that qualifies for disclosure under Clause 36 of Listing agreement;
- to decide the appropriate time at which such disclosure is to be filed; and
- details that may be filed in the best interest of the present and potential investors.

During the financial year ended March 31, 2015, the Compliance Committee met only twice on October 20, 2014 and March 12, 2015. The Compliance Committee of the Board comprises of following members including three Directors & one Company Secretary and the details of meeting attended by the Directors are as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE COMPLIANCE COMMITTEE MEETING HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2015

Name of the Compliance Committee Members				
	Mr. R S Jalan - Chairman	Mr. Neelabh Dalmia	Mr. Raman Chopra	Mr. Bhuneshwar Mishra
Category of Members	Managing Director (Specialization in Operations, Finance, Marketing & HR)	Non-executive Director (Expertise in Finance & Industry)	CFO & Executive Director (Finance)	General Manager and Company Secretary
Date of the Meeting				
October 20, 2014	Yes	Yes	Yes	Yes
March 12, 2015	Yes	Yes	Yes	Yes

(viii) Business Strategy & Planning Committee

During the year, the Board of Directors have constituted the "Business Strategy & Planning Committee" in their meeting held on January 27, 2015. The Committee was constituted to evaluate & explore various options for growth / expansion in Soda Ash, Home Textiles and Spinning Divisions of the Company. In order to achieve desired level of milestones, the Board felt necessary to have dedicated team who can give their focussed attention for the proposed scope of work.

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

The Business Strategy & Planning Committee of the Board comprises of five Directors comprises of Executive & Non-executive Directors. The composition of the Business Strategy & Planning Committee as on March 31, 2015 is as under:

(ix) Risk Management Committee

In compliance with the provisions of Clause 49 (VI) of the Listing Agreement read with other applicable provisions, if any, the Board of Directors have constituted the Risk Management Committee. The Company satisfies the requirement of Clause 49, which states that the majority of Committee shall consist of members of the Board of Directors; senior executives of the Company may be

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

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

The composition of the Risk Management Committee as on March 31, 2015 is as under:

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

4. General Body Meeting:

a) Annual General Meetings

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

Financial Year	Date	Time	Venue
2013-14	August 21, 2014	9:30AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad-380 006
2012-13	September 26, 2013	9:30AM	The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad-380 006
2011-12	September 20, 2012	9.30 AM	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
31 st AGM	August 21, 2014	Authorisation to borrow money exceeding aggregate of the Paid up Capital and Free Reserves of the company*
30 th AGM	September 26, 2013	No Special Resolution
29 th AGM	September 20, 2012	No Special Resolution

* In 31st AGM of the Company held on August 21, 2014, all the resolutions were ordinary resolutions except item no.11 which was special resolution.

c) Extraordinary General Meeting (EGM)

No Extraordinary General Meeting (EGM) was held during the last three financial years i.e. 2014-15, 2013-14 and 2012-13.

d) Postal Ballot

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

e) Special Resolution related to the item no. 11 of the Notice of the 31st Annual General Meeting were passed with the requisite majority by combined result of the e-voting and polls through ballot paper by the shareholders.

5. Disclosures:

5.1 Disclosure on materially significant related party transactions

No transactions of a material nature have been entered into by the Company with its promoters, Directors, or the management or relatives etc. that may have potential conflict of interest of the Company. However, the management furnishes the details of related party transactions on quarterly basis before the Audit Committee / Board of Directors meetings, which are in conformity with the accounting standards. The particulars of transactions between the Company and the related parties for the year ended March 31, 2015, 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.

5.2 Disclosure of accounting treatment in preparation of financial statements

GHCL Limited has followed the Accounting Standards notified in the Companies (Accounting Standards) Rules 2006, in the preparation of its financial statements.

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

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

- i) As reported in the previous annual report, Company and its officials had challenged the order of SEBI's Adjudication Officer (AO) dated October 25, 2013. Hon'ble SAT had granted partial relief to the promoter entities by reducing the penalty but did not accept the appeal of the company and its officials, in its order dated July 31, 2014. Following the direction of SAT, company, its officials and promoters have made the payment to SEBI.
- ii) In other matter also, which were earlier reported in the previous annual report, related to AO order

dated August 6, 2013 in which AO had imposed a penalty of ₹ 1.25 crore against Company. The Company was not in agreement with AO's order, hence aforesaid order was challenged before Hon'ble Securities Appellate Tribunal (SAT). Hon'ble SAT vide its order dated October 30, 2014 set aside the penalty of ₹ 1.25 crore imposed on the Company and accordingly appeal were allowed.

5.4 Vigil mechanism / Whistle Blower Policy

Clause 49 of Listing Agreement & 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 is effective from October 1, 2014. Mr. Mahesh Kumar Kheria, Independent Director of the Company and also a member of the Audit Committee is Ombudsperson. The Whistle Blower policy and establishment of Vigil Mechanism have been appropriately communicated within the Company. The Whistle Blower Policy is also posted on the website of the Company.

The purpose of the policy is to create a fearless environment for the directors and employees to report any instance of unethical behaviour, actual or suspected fraud or violation of GHCL's code of conduct or Ethics Policy to the Ombudsperson. It protects directors and employees wishing to raise a concern about serious irregularities within the Company. The details of Ombudsperson is given below:

Name : Mr. Mahesh Kumar Kheria
 Email ID : mkheria@rediffmail.com
 Mobile No. : 09313743974
 Address : D-110, Sector-40, Noida-201301

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

5.5 Details of compliance with mandatory requirements and adoption of the non- mandatory requirements of Clause 49 of the Listing Agreement

The Company is in compliance with the mandatory requirements of Clause 49 of the Listing Agreement.

The status of compliance with non-mandatory recommendations of the Clause 49 of the Listing Agreement 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 news papers and are also posted on the Company's website. The Company also used to report significant events to the stock exchanges from time to time. Hence, the same are not being sent to the shareholders.

- c) **Audit Qualifications:** During the period under review, there is no audit qualifications in the Company's financial statements. GHCL continues to adopt best practices to ensure a regime of unqualified financial statements.

- d) **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non-executive Director and his position is separate from that of the Managing Director / CEO of the Company.

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

6. Code for Prevention of Insider Trading Practices

In compliance with the SEBI regulation on prevention of Insider Trading, the Company has placed a comprehensive code of conduct for its directors, designated employees of the Company and their dependent family members. 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. Subsequent to the year end, the Company has already approved its revised code in line with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015.

7. 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

8. Functional website of the Company as per Clause 54 of the Listing Agreement

Pursuant to the requirement of Clause 54 of the Listing Agreement, 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, shareholding pattern etc. and the Company is regularly updating the Information provided on its website.

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

A qualified practicing Company Secretary has carried out Secretarial 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.

10. Means of communications:

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, 2015 (Audited)
1	English Newspapers in Which quarterly results were published / to be published	The Economic Times (Ahmedabad edition)	August 1, 2014	October 20, 2014	January 28, 2015	May 23, 2015	May 23, 2015
		The Hindu - Business Line	August 1, 2014	October 20, 2014	January 28, 2015	May 23, 2015	May 23, 2015
2	Vernacular Newspapers in which quarterly results were published / to be published	The Economic Times – Gujarati	August 1, 2014	October 20, 2014	January 28, 2015	May 25, 2015	May 25, 2015
		Jai Hind – Gujarati	--	--	--	May 23, 2015	May 23, 2015
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, 2015 (Audited)
	Name of Stock Exchange(s)	Website Address(es)	Date of Filing of Results				
	National Stock Exchange of India Limited (NSE)	www.nseindia.com	July 31, 2014	October 18, 2014	January 27, 2015	May 22, 2015	May 22, 2015
	BSE Limited (BSE)	www.bseindia.com	July 31, 2014	October 18, 2014	January 27, 2015	May 22, 2015	May 22, 2015
5	SEBI SCORES	SEBI had commenced processing of investor complaints in a centralized web based complaints redress system 'SCORES'. This enables the investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. This would also enable the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal by SEBI would be carried online in an automated environment and the status of every complaint can be viewed online at any time. An investor, who is not familiar with SCORES or does not have access to SCORES, can lodge complaints in physical form.					

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. General shareholder's Information:

Sl. No.	Particulars	Details		
1	Annual General Meeting	Thursday, July 23, 2015	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, 2015)	By 2 nd week of August 2015		
	Financial Reporting for - Quarter - II (ending September 30, 2015)	By 2 nd week of November 2015		
	Financial Reporting for - Quarter - III (ending December 31, 2015)	By 2 nd week of February 2016		
	Financial Reporting for - Quarter - IV (ending March 31, 2016)	By 4 th week of May 2016		
3	Date of Book Closure	Friday, July 17, 2015 to Thursday, July 23, 2015 (both days inclusive)		
4	Dividend Payment Date	Dividend of ₹ 2.20 per share (i.e. 22%) will be paid on or after Monday, July 27, 2015, if approved by the members in the ensuing Annual General Meeting		
5	Listing on Stock Exchanges	Name & Address of Stock Exchanges	Stock Code	ISIN WITH NSDL & CDSL
		BSE Limited, (BSE) Phiroze Jeejeebhoy, Dalal Street, Mumbai - 400 001	500171	INE 539 A01019
		National Stock Exchange of India Limited, (NSE) "Exchange Plaza", Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	GHCL	INE 539 A01019



Sl. No.	Particulars	Details
		The Company had filed application for voluntarily delisting of its equity shares from Ahmedabad Stock Exchange Limited (ASEL). The company had received approval for delisting of its equity shares, from ASEL vide their Ref. No.: 516 dated January 23, 2015. Accordingly, as per said approval, equity shares of GHCL Limited were delisted from ASEL with effect from January 27, 2015.
6	Listing fees:	Listing fee for all the aforesaid Stock Exchanges have been paid for the financial year ended March 31, 2015
7	Details of Registrar and Share Transfer Agent	Link Intime India Private Limited (Formerly Intime Spectrum Registry Limited), C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078. Phone: 022 25963838, Fax: 022 25946969 (Email : mt.helpdesk@linkintime.co.in)
8	Outstanding GDRs / ADRs / Warrants or any convertible instruments:	Not applicable
9	Address for Correspondence	Share Transfer System: Company processes the share transfer and other related shareholders services through Registrar & Share Transfer Agent (RTA) on a weekly basis. The share transfer in physical form is registered within 15 days from the date of receipt, provided the documents are complete in all respects. The Company provides facility for simultaneous transfer and dematerialization of equity shares as per the procedures provided by NSDL/CDSL. For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non receipt of dividend or annual report or any other query relating to shares be addressed to Link Intime India Private Limited (Formerly Intime Spectrum Registry Limited), C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078. Phone: 022 25963838, Fax: 022 25946969 (Email : mt.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)
10	Dematerialization of Shares and Liquidity:	95.92% of the Company's total equity shares representing 9,59,36,121 shares were held in dematerialized form as on March 31, 2015. 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.
11	As required under Clause 49 (VIII) (E) of Listing Agreement, particulars of Directors seeking appointment/ re appointment are given in Notice to the ensuing Annual General Meeting.	

13. Corporate Benefits to Shareholders

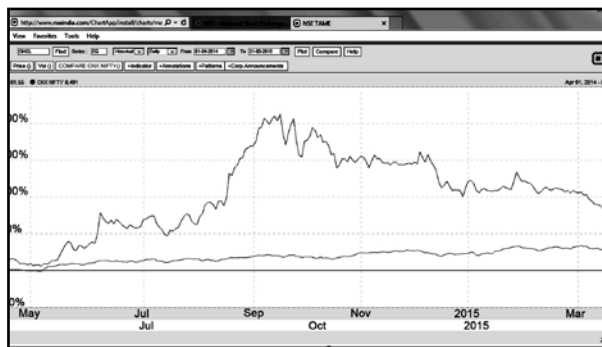
Dividend declared for last 10 years		
Financial Year	Dividend	Dividend (₹ per Share)
2004-05	20.00%	2.00
2005-06	24.00%	2.40
2006-07	27.00%	2.70
2007-08	24.00%	2.40
2008-09	20.00%	2.00
2009-10	20.00%	2.00
2010-11	20.00%	2.00
2011-12	20.00%	2.00
2012-13	20.00%	2.00
2013-14	20.00%	2.00

Equity share of paid up value of ₹ 10 per share

14. Month-wise stock market data (BSE & NSE) relating to equity shares of the company for the financial year ended March 31, 2015

Month of the financial year 2014-15	MARKET PRICE DATA					
	BSE, MUMBAI			NSE, MUMBAI		
	Share Price		Traded Quantity	Share Price		Traded Quantity
	High	Low		High	Low	
April 2014	41.30	33.70	958464	41.20	33.70	2343294
May 2014	48.50	35.90	1749366	48.45	35.80	4353745
June 2014	62.00	44.10	4711726	61.95	44.05	12348069
July 2014	65.50	48.50	5017040	65.40	48.50	14737269
August 2014	92.90	59.65	11167296	93.00	59.55	29472632
September 2014	107.10	85.25	6434589	107.40	85.20	18576864
October 2014	100.80	79.15	1292246	101.30	79.10	3800255
November 2014	89.90	80.90	854592	90.00	80.60	2206669
December 2014	93.00	67.80	1074228	93.00	66.80	4111105
January 2015	84.00	69.30	1440290	84.00	69.05	5682670
February 2015	77.00	68.50	627037	77.00	68.65	1778753
March 2015	72.20	55.00	733094	75.00	55.10	2474087

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



16. Shareholders Reference

Unclaimed Dividend

Pursuant to Section 205A of the Companies Act, 1956 (corresponding to Section 124 of the Companies Act, 2013), unclaimed dividend for the financial year 2006-07 (15 months) 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 2006-07. The Company used to send individual reminders to all the members at their registered address whose dividend have remained unclaimed, before transferring the monies to the IEPF. The information on unclaimed dividend is also posted on the website of the Company.

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

Financial Year	Date of AGM	Due for Transfer to IEPF
2007-08	12-09-2008	September 2015
2008-09	31-12-2009	December 2016
2009-10	09-09-2010	September 2017
2010-11	02-09-2011	September 2018
2011-12	20-09-2012	September 2019
2012-13	26-09-2013	September 2020
2013-14	21-08-2014	August 2021

DISTRIBUTION OF SHAREHOLDING AS ON 31 ST MARCH 2015					
No. of Shares held of ₹ 10 each between		No. of share holders	% of total share holders	No. of shares	% of total shares
From	To				
1	500	51417	87.21%	8194179	8.19%
501	1000	3972	6.74%	3377874	3.38%
1001	2000	1754	2.97%	2761926	2.76%
2001	3000	558	0.95%	1443947	1.44%
3001	4000	258	0.44%	936958	0.94%
4001	5000	258	0.44%	1229095	1.23%
5001	10000	341	0.58%	2517386	2.52%
10001	Above	396	0.67%	79557921	79.54%
		58954	100.00%	100019286	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH 2015

Category	No. of shares held	% of shareholding
A Promoters & Promoters Group Holding		
1 Promoters		
Indian Promoters	12716705	12.71%
Foreign Promoters	5507900	5.51%
2 Others		
Trust	152000	0.15%
Sub-Total	18376605	18.37%
B Non-promoters Holding		
3 Institutional Investors		
Mutual Funds and UTI	16913	0.02%
Banks, Financial Institutions	3275156	3.27%
Insurance Companies	3070015	3.07%
FIs	13316171	13.31%
Foreign Mutual Fund	68407	0.07%
Sub-Total	19746662	19.74%
4 Non-institutional Investors		
Bodies Corporate	29589166	29.58%
Indian public (Individuals & HUF)	30082920	30.08%
NRIs, OCBs, Foreign Companies & Foreign portfolio Investors (i.e. Corporate and Individual)	1796779	1.80%
Directors & relatives	105943	0.11%
Others (Trusts & Clearing Members)	321211	0.32%
Sub-Total	61896019	61.89%
Grand Total	100019286	100.00%

PLANT LOCATIONS:

- Soda Ash Plant** Village: Sutrapada Near Veraval, Dist. Gir Somnath – 362 275, Gujarat
- Salt Works & Refinery** (a) Ayyakaramulam, Kadinalvayal - 614 707. Distt Nagapattinam, Tamilnadu
(b) Nemeli Road Thiruporur - 603 110, Tamilnadu
- Textile Division** (a) Samayanallur P.O, Madurai-625 402.
(b) Thaikesar Alai P.O, Manaparai-621 312
(c) S. No. 191, 192, Mahala Falia, Village Bhilad, Vapi - 396191 Valsad District, Gujarat, India
- Energy Division** (a) Muppandal, Irukkandurai Village Sankaneri Post Radhapuram Taluk, Tirunelveli District Tamilnadu
(b) Chinnaputhur village, Dharapuram Taluk, Erode District, Tamil Nadu
(c) Tirumanagalakurichi Village, Kayathar, Kovilpatti Taluk, Tuticorin Dist, Tamil Nadu

**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, 2015.

For GHCL LIMITED

sd/-

R S Jalan
Managing Director

sd/-

Raman Chopra
CFO & Executive Director (Finance)

CERTIFICATE UNDER CLAUSE 49(IX)**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, 2015 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 have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee-
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For GHCL LIMITED

sd/-

R S Jalan
Managing Director
Date: May 22, 2015

sd/-

Raman Chopra
CFO & Executive Director (Finance)

AUDITORS' CERTIFICATE

To the Members of
GHCL LIMITED

We have examined the compliance of conditions of corporate governance by GHCL Limited ('the Company'), for the financial year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

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

In our opinion and, to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For and on behalf of

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

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

Place : New Delhi
Date : 22nd May, 2015

For and on behalf of

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

(RAHUL DIVAN)
Partner
Membership No: 100733