



July 20, 2016

National Stock Exchange of India Limited "Exchange Plaza" Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051 Fax: 022 26598237/38	BSE Limited 1 st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 (Fax: 022 22723121/2037/2041/3714/2039/2061)
---	---

Dear Sirs,

Re.: GHCL Limited (BSE Code: 500171 & NSE Code: GHCL)

Sub: Filing of Annual Report of the Company for the financial year 2015-16

Pursuant to requirement of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2015-16, which includes audited financial statements along with consolidated financial statements audited by statutory auditors etc.

We would like to inform that company had filed audited financial results for the quarter/year ended March 31, 2016 (including consolidated financial results) of the Company along with audit report and Form A (for audit report with unmodified opinion) on May 19, 2016.

We would also like to inform that company is not included in top five hundred listed companies, hence business responsibility report is not applicable on the company.

You are requested to kindly take note of the same and please also take suitable action for dissemination of this information through your website at the earliest.

Thanking you

Yours faithfully

For GHCL Limited

Bhuneshwar Mishra
General Manager & Company Secretary

Regd. Office : "GHCL House", Opp. Punjabi Hall, Nr. Navrangpura Bus-Stand, Navrangpura, Ahmedabad-380 009. India
Phone : +91-79-39324100, 26427818, Fax : +91-79-26423623, Website : www.ghclindia.com

Head Office : "GHCL House", B-38, Institutional Area, Sector - 1, Noida - 201 301 (U.P.) India Phone : +91 120 2535335, Fax : +91 120 2535209

CIN: L24100GJ1983PLC006513



33RD

ANNUAL REPORT 2015-2016



GHCL Limited

Contents

Company Information	2
Chairman Statement	3
Notice	5
Board's Report	9
Management Discussion & Analysis	26
Corporate Governance Report	31
Secretarial Audit Report	47
Independent Auditors' Report	48
Balance Sheet	52
Statement of Profit & Loss	53
Cash Flow Statement	54
Notes	56
Statement u/s 129 of the Companies Act, 2013	76
Independent Auditors' Report on Consolidated Financial Statements	77
Consolidated Balance Sheet	80
Consolidated Statement of Profit & Loss	81
Consolidated Cash Flow Statement	82
Notes to Consolidated Accounts	84
E-service of documents through Email	98
Form No. SH-13-Nomination Form	99
Form No. SH-14-Cancellation or Variation of Nomination	101
Attendance Slip and Proxy Form	103

Annual General Meeting – Tuesday, July 19, 2016

Time – 9:30 A.M.

Venue – The Institution of Engineers (India), Gujarat State Centre,
Bhaikaka Bhavan, Law College Road,
Ahmedabad - 380 006 (Opp. Gajjar Hall)

Book Closure Date: From Wednesday, July 13, 2016 to Tuesday, July 19, 2016 (Both days inclusive)

Remote E-voting Period: From 9:00 AM on Thursday, July 14, 2016 till 5:00 pm on Monday, July 18, 2016 through CDSL.

Important Communication to Members

Ministry of Corporate Affairs had announced “green initiatives in the Corporate Governance” and permitted companies to service notices / documents including Annual Report to the members of the company on their email addresses. All those Shareholders who have not yet registered their email ids or holding shares in physical form are requested to register their email ids with NSDL/CDSL and/or our RTA.

COMPANY INFORMATION

BOARD OF DIRECTORS

Sanjay Dalmia	Non-Executive Chairman
Anurag Dalmia	Non-Executive Director
Neelabh Dalmia	Non-Executive Director
Dr. B C Jain	Independent Director
Lavanya Rastogi	Independent Director
G C Srivastava	Independent Director
Mahesh Kumar Kheria	Independent Director
K C Jani	Independent Director
Sanjiv Tyagi	Independent Director
Padma Vinod Betai	Nominee Director (IDBI Bank)
R S Jalan	Managing Director
Raman Chopra	CFO & Executive Director (Finance)

SECRETARIES

Bhuwadeshwar Mishra
General Manager & Company Secretary

Manoj Kumar Ishwar
Senior Manager (Secretarial)

Prabhakaran J. Mudaliar
Executive (Secretarial)

REGISTERED OFFICE

“GHCL HOUSE”
Opp. Punjabi Hall,
Navrangpura,
Ahmedabad -380 009 (Gujarat)

CORPORATE OFFICE

“GHCL House”
B-38, Institutional Area,
Sector - 1
Noida - 201 301 (UP)
Email: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in
Website: www.ghcl.co.in

MAJOR SUBSIDIARIES

1. Grace Home Fashions LLC
2. Others - As per Statement given U/S 129(3)

COMPANY IDENTIFICATION NO.

CIN – L24100GJ1983PLC006513

STATUTORY AUDITORS

Jayantilal Thakkar & Co. (Retiring Auditor)
Rahul Gautam Divan & Associates
S.R. Batliboi & Co. LLP (Recommended for Appointment)

WORKS

SODA ASH

Village - Sutrapada,
Near Veraval,
Distt. Gir Somnath - 362 275
Gujarat

SALT REFINERIES

- a) Ayyakaramulam
Kadinalvayal - 614 707
Distt. Nagapattinam
Tamilnadu
- b) Nemeli Road,
Thiruporur - 603 110
Tamilnadu

TEXTILES

- a) Samayanallur P O
Madurai - 625 402
- b) Thaikesar Alai P O
Manaparai - 621 312
- c) S. No.191, 192, Mahala Falia,
Village Bhilad, Distt. Valsad,
Gujarat-396105, India

ENERGY DIVISION

- (a) Muppandal, Irukkandurai Village
Sankaneri Post Radhapuram
Taluk, Tirunelveli District
Tamilnadu
- (b) Chinnaputhur village,
Dharapuram Taluk,
Erode District, Tamil Nadu
- (c) Tirumanagalakurichi Village,
Kayathar, Kovilpatti Taluk,
Tuticorin Dist, Tamilnadu

BANKERS / FINANCIAL INSTITUTIONS

State Bank of Travancore
State Bank of Hyderabad
State Bank of Mysore
IDBI Bank
Canara Bank
State Bank of Bikaner and Jaipur
Export Import Bank of India
State Bank of Patiala
Dena Bank
State Bank of India
Andhra Bank
Oriental Bank of Commerce
Union Bank of India
Bank of Maharashtra

SHARE TRANSFER AGENTS

Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup - West
Mumbai - 400 078
Tel: 022-25963838
Fax: 022-25946969
Email: rnt.helpdesk@linkintime.co.in

CHAIRMAN'S STATEMENT

Dear shareholders

I am happy to share that your company has delivered a robust performance despite a challenging domestic economy and in the midst of major global economies facing a downturn. Oil prices continue to be on the lower side, helping keep inflation in check and the global commodity prices too have remained favorable. With forecast of a good monsoon, this year promises to see a resurgent economy and increased consumer spending, leading to favorable business condition. The Indian economy is already at an inflection point and the turnaround, as demonstrated by Q4 GDP growth of 7.9%, is becoming stronger and broad based.

We believe that India, which is already world's fastest growing economy, is at the cusp of a major transformation and it is set to emerge as world's growth engine. Given the strong and sizeable local market, strengthening domestic business cycle, supportive policy environment, and significant improvement in all-round infrastructure, India is well positioned to withstand near-term headwinds and confidently tackle global volatility and uncertainty. We are also very hopeful that critical bill like GST will become legislation in the current year and it will further boost overall business environment. Importantly, we are confident that this growth surge will come with reduced carbon footprint and we, at GHCL, are already taking steps to make a meaningful contribution.

In the face of a fragile economy and numerous challenges during most part of last financial year, your company retained its focus on maintaining growth momentum and deliver best value to its various stakeholders. This proactive approach helped us to once again achieve growth in both topline and bottom line as reported in the financial year 2015-2016 numbers.

Revenues for the financial year ending 31st March 2016 have risen by 7.5% to ₹ 2,564 Crore as



compared to ₹ 2,385 Crore for the financial year 2014-2015. The net profit for the financial year 2015-2016 grew a healthy growth of 40% to ₹ 257 crore from ₹ 183 crore in the previous financial year. The company has also recommended an increase in dividend to 35% from last year's 22% as a token of gratitude towards its shareholders, who continue to repose their faith in GHCL's management and the vision it has for the company.

Going forward, we will continue to drive expansion in all our business verticals along with focus on deleveraging. Capacity addition in soda ash is currently underway and by March 2017, we expect to add another 1 lac ton to soda ash production. During the last financial year, your company achieved highest ever production of soda ash at 7.49 lac ton against the installed capacity of 8.50 lac ton per annum. The capacity utilization for soda ash stood at 88%, which is an improvement over last year's figure.

We are again taking up with Government of India to pursue with WTO, if necessary, to have



a differential rate of import duty for natural Soda Ash and synthetic Soda Ash. We feel that import duty on natural soda ash, as it has natural cost advantage; it should be neutralized to safe guard the domestic soda ash industry.

The textile division of your company has posted robust performance through the last fiscal, despite the fact that the Spinning Industry went through troubled times during the year. The Home Textiles business operations have done considerably well, mainly due to strong customer relations, product portfolio, and consistent supply of quality material. This has led to increase in Capacity utilization to 83% as compared to 70% last year. Revenue for 2015-2016 stood at ₹ 1,069 crore, an 11% increase from ₹ 965 Crore in the previous year. Our relentless focus on customer satisfaction has enabled us to successfully strengthen our export markets and we are currently fulfilling large replenishment orders from big Global Retailers in US and Europe. Our focus on customer realignment along with innovative designs and enhanced product basket with private label tie ups shall provide further impetus to topline and improvement in margins.

We are also taking up with Government of India that European markets have a differential rate of import duty for Bangladesh and Pakistan, which is a traditional competitor to our Textile industry. We can understand the poverty situation in Bangladesh and therefore, it is necessary for European and American countries to have a differential rate of import duty, but Pakistan should not be given this privileged treatment, which certainly affect our textile industry. Therefore, at the time of signing FTA with various European and American countries, import duty difference between India and Pakistan must be neutralized on all textile products.

Towards Green Energy Initiative, we have installed 12.6 MW windmill, taking the total capacity to around 25 MW that will now meet around 50% of

power needs in spinning segment and further drive down costs.

Your company's FMCG brand "iflo" has the greatest reach among salt variants – from basic refined iodised salt and crystal salt to specialized variants like Mild, Herbal & double fortified salt. As a part of our expansion plan, we have recently launched "iflo" honey in south Indian markets and we now plan for a distribution expansion to Maharashtra and Goa this financial year.

GHCL Foundation trust has once again been at the fore front of our CSR initiatives. The foundation has been entrusted with translating your company's commitment towards betterment of the society into actionable CSR projects. Our CSR projects focus on rain water harvesting and coastal area development, irrigation, health care, sanitation, and improving vocational skills. Primary education is another area of emphasis for our CSR initiatives. Projects worth 14 crore have been undertaken on various initiatives with your company contributing ₹ 3.36 crore.

As we move from one year to the next, we are deeply aware of the vast opportunities in front of us. We expect this year to be exciting as global economies recover and the domestic growth cycle gathers pace. The domestic market is also buoyed by forecast of a normal monsoon, which has lifted overall sentiment.

I would like to take this opportunity to once again thank all our stakeholders – our employees, our investors, governments of states where we operate, the central government and as they say last but not the least, all our valued customers.

Thank you

Sanjay Dalmia

GHCL Limited

(CIN: L24100GJ1983PLC006513)
 Registered Office: GHCL House,
 Opp. Punjabi Hall, Navrangpura,
 Ahmedabad – 380009 (Gujarat)
 Email: ghclinfo@ghcl.co.in,
 Website: www.ghcl.co.in
 Phone: 079- 39324100,
 Fax: 079-26423623

NOTICE

NOTICE is hereby given that 33rd Annual General Meeting of the members of GHCL Limited (CIN: L24100GJ1983PLC006513) will be held at The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad - 380 006 (Opp. Gajjar Hall) on Tuesday, July 19, 2016 at 9.30 AM to transact the following businesses:

ORDINARY BUSINESS:

Item no. 1: Adoption of audited accounts (standalone & consolidated)

To receive, consider and adopt:

- (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2016 together with the Reports of the Board of Directors and Auditors thereon.
- (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 together with the Reports of the Auditors thereon.

Item no. 2: Declaration of dividend

To declare dividend on the equity shares of the Company for the financial year ended March 31, 2016.

Item no. 3: Re-appointment of Mr. Sanjay Dalmia

To appoint a director in place of Mr. Sanjay Dalmia (holding DIN 00206992), who retires by rotation and being eligible, offers himself for re-appointment.

Item no. 4: Re-appointment of Mr. Anurag Dalmia

To appoint a director in place of Mr. Anurag Dalmia (holding DIN 00120710), who retires by rotation and being eligible, offers himself for re-appointment.

Item no. 5: Appointment of M/s S. R. Batliboi & Co. LLP, Chartered Accountants as one of the joint Statutory Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with the rules made thereunder and other applicable provisions, if any, M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Reg. No. 30100CE / E300005) be and is hereby appointed as one of the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting of the Company (i.e. 33rd AGM) till the conclusion of 38th Annual General Meeting of the Company, subject to the ratification by members at every Annual General Meeting, on a remuneration to be fixed by the Board of Directors, plus out of pocket expenses as may be incurred by them for the performance of their duties in connection with the audit of the Company for the financial years ending March 31, 2017 to March 31, 2021.”

Item no. 6: Ratification for the re-appointment of M/s Rahul Gautam Divan & Associates, Chartered Accountants as one of the joint Statutory Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with the rules made thereunder and other applicable provisions, if any, the appointment of M/s Rahul Gautam Divan & Associates, Chartered Accountants (Firm Reg. No. 120294W), as one of the Joint Statutory Auditors of the Company to hold office till the conclusion of 34th Annual General Meeting of the Company, be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of 34th Annual General Meeting on a remuneration to be fixed by the Board of Directors, plus out of pocket expenses as may be incurred by them for the performance of their duties in connection with the audit of the Company for the financial year ending March 31, 2017.”

SPECIAL BUSINESS:

Item no. 7: Approval for Payment of Commission to Non Whole-time Directors of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Section 197 of the Companies Act, 2013 and other applicable provisions, if any, as amended from time to time, and in supercession of the earlier approval given by the members in their Annual General Meeting held on September 2, 2011, approval be and is hereby accorded to the payment of commission for a sum not exceeding 1% (one percent) per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst the Non Wholetime Directors of the Company or some or any of them in such amounts or proportions and in such manner as may be decided by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee from time to time and such payment be made in respect of profits of the Company for the whole or proportionately for a part of financial years commencing from April 1, 2016.”

Registered Office:
 GHCL HOUSE
 Opp. Punjabi Hall
 Navrangpura,
 Ahmedabad - 380009

By Order of the Board
 For **GHCL LIMITED**

Bhuwneshwar Mishra
 General Manager &
 Company Secretary

Dated: May 19, 2016

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT

OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
 3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business in the notice is annexed hereto.
 4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, July 13, 2016 to Tuesday, July 19, 2016 (both days inclusive).
 5. The dividend as recommended by the Board of Directors will be paid to those members whose names appear on the Company's Register of Members on July 12, 2016. In respect of the shares in electronic form, the dividend will be payable on the basis of beneficial ownership furnished by National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) for this purpose.
 6. The relevant details of directors seeking reappointment under Items No. 3 to 4, as required under Regulation 36(3) of the Listing Regulations is given herein below.
 - a. Mr. Sanjay Dalmia (DOB - March 17, 1944) is Non-executive Chairman of the Company. Mr. Sanjay Dalmia is an eminent Industrialist and is an Ex-member of Rajya Sabha (Upper house of Parliament). He is also the Chairman of Project Committee and a Member of Nomination & Remuneration Committee of the Company. He is neither a member of more than 10 Committee nor a Chairman of more than 5 Committees. He does not hold any shares in the Company.
 - b. Mr. Anurag Dalmia (DOB - May 11, 1956) is a Non-executive Director of the Company. Mr. Anurag Dalmia is an eminent Industrialist and had also represented PHD Chambers of Commerce and Industry and Confederation of Indian Textile Industry. He holds 5,27,774 equity shares in the Company under his HUF account. He is the Chairman of Business Strategy & Planning Committee and also a member of Project Committee of the Company. He is neither a member of more than 10 Committee nor a Chairman of more than 5 Committees.
 7. Members are requested to notify immediately any change of address to their Depositories Participants (DPs) in respect of their electronic share accounts and to the Share Transfer Registrar of the Company in respect of their physical share folios, if any.
 8. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion or / change in such bank details. Further instruction, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depositories Participants.
 - i. The Company will send the correspondence and documents including Annual Report etc. in electronic form, to the e-mail address of the members, instead of sending documents in physical form. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail id by sending request letter to our Registrar and Share Transfer Agent (M/s Link Intime India Pvt. Ltd., Unit: GHCL Ltd.)
 10. Members are requested to send their queries, if any, at least seven days in advance of the meeting so that the information can be made available at the meeting.
- 1. Voting through electronic means:**
- (a) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and any other applicable provisions, the Company is pleased to provide members the facility to exercise their right to vote at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
 - (b) A member may exercise his vote at any general meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.
 - (c) During the remote e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. July 12, 2016, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.
 - (d) The remote e-voting period commences at 9:00 a.m. on Thursday, July 14, 2016 and ends at 5:00 p.m. on Monday, July 18, 2016. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (e) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (f) The facility for voting, either through electronic voting system or polling paper, as may be decided by Chairman of the meeting, shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - (g) **Instructions for members for remote e-voting are as under:**

Log on to the e-voting website www.evotingindia.com

Click on "Shareholders" tab.

Now Enter your User ID



- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- i) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA0000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the Client id/folio number in the dividend Bank details field as mentioned in instruction (iv).

- ii) After entering these details appropriately, click on "SUBMIT" tab.
- iii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- viii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- x) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xii) Shareholders can also cast their vote using **CDSL's mobile app m-Voting** available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xiii) **Note for Non – Individual Shareholders and Custodians**
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com or you may also contact CDSL on Toll Free 1800-200-5533 (10.00 am to 6.15 pm Monday – Friday and 10.00 am to 2.00 pm on Saturday).

- (h) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (i) Mr. Manoj R. Hurkat, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The Board has also authorised Chairman to appoint one or more scrutinizers in addition to and/or in place of Mr. Hurkat. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (j) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated scrutiner's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- (k) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ghcl.co.in and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

12. All documents referred to in the Notice and Explanatory Statement is available for inspection at the Registered Office of the Company during the business hours between 2.00 PM and 4.00 PM on all working days of the Company up to the date of the Annual General Meeting.
13. Members attending the Meeting are requested to complete the enclosed slip and deliver the same at the entrance of the meeting hall.
14. Persons attending the Annual General Meeting are requested to bring their copies of Annual Reports as the practice of distribution of copies of the report at the meeting has been discontinued.
15. Dividend for the financial year 2008-09, which remains unpaid or unclaimed, is due for transfer to the Investor Education and Protection Fund of the Central Government (IEPF) in the month of December 2016. Members who have not en-cashed their dividend warrant(s) for the financial year ended March 31, 2009 or any subsequent financial year(s), are requested to lodge their claims with Link Intime India Private Limited. Members are advised that once the unclaimed dividend is transferred to IEPF no claims shall lie against the Company in respect thereof.
16. **Electronic Clearing Service (ECS) Facility:** With respect to payment of dividend, the Company provides the facility of ECS to all shareholders, holding shares in electronic and physical forms.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in physical form should submit their PAN details to the Company or Registrar and Transfer Agent i.e. Link Intime India Pvt. Limited.
18. **Nomination Facility:** Members holding shares in physical form may obtain the nomination form from the Company's Registrar and Share Transfer Agent. Copy of the nomination

form has also been attached in the Annual Report. Members holding shares in electronic form may obtain the nomination form from their respective Depository Participants.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 7:

Section 197 of the Companies Act, 2013 provides for the rate of remuneration payable to the Directors who are not in the whole time employment of the Company. Since your Company has whole time Directors, the remuneration (in the form of Commission), payable to Non Whole time Director shall not exceed 1% of the net profit of the Company. Pursuant to Sub-section (8) of Section 197, such net profit shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

At the Annual General Meeting of the Company held on September 2, 2011, the Members of the Company had approved by special resolution, of the payment of commission to Non Whole-time Directors of the Company not exceeding one percent per annum of the net profits of the Company for a period of five years commencing from April 1, 2011 and the said approval is valid till the financial year ending on March 31, 2016. The current competitive business environment, stringent accounting standards and corporate governance norms require considerably enhanced levels of involvement of the Directors in the decision making process. The role and responsibility of the Directors has become more onerous and even Non Whole-time Directors are required to give more time and attention to the business of the Company. It is therefore proposed to continue with the payment of Commission to the Non Whole-time Directors of the Company.

Accordingly, it is proposed that in terms of section 197 of the Companies Act, 2013, remuneration / Commission be paid to and distributed amongst the Non Whole-time Directors of the Company or some or any of them in such amounts or proportions and in such manner as may be decided by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee from time to time and such payment be made in respect of profits of the Company for the whole or proportionately for a part of financial years commencing from April 1, 2016.

Members are requested to note that pursuant to the requirement of Sub-section 5 of Section 197 of the Companies Act, 2013, said remuneration / commission to Non – Executive Directors will be in addition to the sitting fees for attending Board/ Committee meetings. Details of commission and sitting fees paid to Non-Executive Directors during the Financial Year 2015-16 is provided in the annexure to the Directors Report and the Corporate Governance Report.

None of the Directors, Key Managerial Personnel or their respective relatives, except all of the Non-Executive Directors of the Company to whom the resolution relates are concerned or interested in the Resolution mentioned at Item No. 7 of the notice.

The Board recommends the resolution set forth in Item No. 7 for the approval of the Members.

Registered Office:
GHCL HOUSE
Opp. Punjabi Hall
Navrangpura,
Ahmedabad - 380009

By Order of the Board
For **GHCL LIMITED**

Bhwneshwar Mishra
General Manager &
Company Secretary

Dated: May 19, 2016

BOARD'S REPORT

To The Members of GHCL Limited,

We are pleased to present the 33rd Annual Report together with the audited financial statements of the company for the financial year ended March 31, 2016.

OPERATIONAL RESULTS

The summary of the financial performance of the Company for the financial year ended March 31, 2016 compared to the previous year ended March 31, 2015 is given below:

Particulars	(` in Cr.)	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Net Sales /Income	2564.38	2384.87
Gross profit before interest and depreciation	635.30	533.64
Finance Cost	161.65	163.84
Profit before depreciation and amortisation - (Cash Profit)	473.65	369.80
Depreciation and Amortisation	81.74	84.45
PBT before exceptional items	391.91	285.35
Exceptional items	(13.50)	(27.41)
Profit before Tax (PBT)	378.41	257.94
Provision for Tax – Current	99.40	64.21
Provision for Tax – Deferred	22.39	10.71
Profit after Tax	256.62	183.02
Balance brought forward from last year	460.67	302.84
Prior period adjustments	(0.01)	0.09
Excess provision for tax for earlier years	1.17	1.20
Amount available for appropriation	718.45	487.15
Appropriations		
Proposed Dividend	35.01	22.00
Tax on Dividend	7.12	4.48
Balance carried to Balance Sheet	676.32	460.67

PERFORMANCE HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS

SODA ASH

World Soda Ash production in 2015 was around 58 Million Tons against a production capacity of approximately 67 Million Tons. Global demand for Soda Ash was around 57 Million Tons which grew at around 2% over the last year. Glass markets, which account more than half of global demand, are expected to remain the dominant end use for soda ash, while chemicals and detergents will also remain important downstream consumers. However, like many raw materials, the soda ash industry also has become very sensitive to fluctuations in economic conditions.

Despite major economic challenges, China continues to be the largest Soda Ash player in the world, having a capacity of 32.00

Million MT, which is 48% of the global capacity. Its actual production was around 26 Million Tons last year. It has, however, been observed that on account of the pressure faced by the domestic industry due to unhindered capacity expansions in the past, China has significantly slowed down additions to Capacity in a hope of creating a balance in the industry. Turkey would be major player in the Global Soda Ash market, with locally-based Ciner Group likely to add a further 3 million tons of Soda Ash capacity in coming years. This would exert pressure on the high cost European manufacturers. Additionally, some surplus volumes are also expected to compete with China/US volumes in South East Asia and the Middle East. USA which produces natural soda ash, has a capacity of 12.70 Million MT and it produced 11.5 million tons of soda ash. The US production is stated to have de-grown by 1.2% in 2015 where as domestic demand for soda ash saw a modest growth of 1% versus 2014. They exported 6.4 Million tons; 50% of their exports are to North & South America which is their natural market. Their export to Indian Subcontinent is only 2%.

Although naturally produced soda ash has some cost benefits over synthetic material, there is not sufficient supply of natural soda ash to cater to the entire global market. Synthetic soda ash accounts for around three quarters of global consumption and is, therefore, here to stay.

Globally there is no major mismatch expected between Demand and Supply in soda ash industry, thereby giving it a reasonable stability.

As per domestic industry historical trends, the Indian Soda Ash demand is expected to grow by around 4 to 5% annually. Our market estimate indicate that downstream demand growth is gradually improving and 2016 is expected to be better than 2015. India's GDP growth in real terms is slated to be better in the coming Financial Year with the projection of a better than normal monsoon. It is expected that downstream sectors like Detergents and Glass should be much more stable this year. A more stable economic outlook would help generate consumer confidence and therefore facilitate higher spending – both urban and rural, leading to a better outlook for Soda Ash.

Total Soda Ash installed capacity in India is 3.1 Million MT, with an estimated production of about 2.7 Million MT in last financial year (2015-16). Going forward GHCL is executing an expansion of 1 lac tons to come on line in March 2017. Nirma is also doing an expansion of 1.5 lac tons which is likely go on stream by December 2016. RSPL (Ghari Group) has also announced setting up a Soda Ash plant with capacity of 5 lac tons It is expected that domestic demand growth will lead to absorption of these expansions.

The total size of the Indian soda ash market is about 3.4 Million MT including internal consumption and almost all the major industry players are located in the state of Gujarat due to the closeness and ready availability of the main raw materials namely limestone and salt.

At present, your Soda Ash plant has a capacity of 8.50 Lacs MTPA. During the financial year 2015-16, your company has made the highest ever production of 7.49 lac tons and the highest sale of 7.01 lac tons of Soda Ash.

BI-CARBONATE (BICARB)

During the year, the Company achieved production of Bi-Carbonate 24541 tons against 23894 tons in the previous year. During the year the Company achieved sales of Bi-Carbonate 24265 tons against 23622 tons in the previous year.

HOME TEXTILE & YARN

The Indian Textile Industry, 2nd largest in the world, has been growing at 10% over last several years. Government of India has provided a number of export promotion policies for the Textile sector. In addition, States of Gujarat, Maharashtra, Madhya Pradesh have special incentive for textile industry. Hence, the outlook for the textile industry looks positive and there are huge opportunities in future for growth in this industry.

Your directors are pleased to inform that Textile Business of the Company has posted robust performance this year, which is despite the fact that the Spinning Industry went through troubled times during the year. The Made-ups (Home Textiles) Business operations have done considerably well mainly due to strong customer relations, product portfolio and consistent supply of quality material. This has led to increase in Capacity utilisation to 85% as compared to 70% last year.

Revenue of Textiles division stood at ₹ 1069 Cr. during the financial year 2015-16 against ₹ 965 Cr. in 2014-15. We are glad to inform that there is significant improvement in the margins over last year. This has been made possible due to higher capacity utilisation, our relentless customer focus which has enabled us to successfully strengthen our export markets and thus resulting in securing large replenishment orders from the big Global Retailers in US and Europe. Market sentiment in US looks better and the Company is focusing on US market with large volume programs. We strongly believe that our focus on customer realignment along with innovative designs, enhanced product basket with tie ups with Private labels shall provide a further impetus to both topline and margin improvement. However, fluctuations in the cotton price and quality of cotton have also become a big concern in this year. Due to adverse weather and whitefly infestation crops have been damaged. However, going forward, we expect an increase in demand for yarn as well as prices. Your company is taking effective steps to bring down the Power cost; 12.6 MW new Wind mills installed will meet 55% of power needs in spinning.

CONSUMER PRODUCTS

The Indian consumer segment is generally segregated into urban and rural markets, and is attracting marketers from across the globe. The sector comprises of a vast middle class, relatively large affluent class and a small, economically disadvantaged class, with spending anticipated to more than double by 2025.

Global corporations view India as one of the key markets from where future development is likely to come out. The increase in India's consumer market would be primarily driven by a favourable population composition and increasing disposable incomes.

A recent survey hints that if India continues to rise at the current rate, average family incomes will triple over the following two decades, making the nation the world's fifth-biggest consumer economy by 2025.

The growing purchasing power and growing influence of the social media have enabled Indian consumers to splurge on FMCG products. The Indian consumer sector has grown at an annual rate of 5.7 per cent between FY2005 to FY 2015. Annual growth in the Indian consumption market is estimated to be 6.7 percent during FY2015-20.

The fast-moving consumer goods sector is an important contributor to India's GDP. FMCG sector is the fourth largest sector in the economy and creates employment for more than three million people. Its principal constituents are household care, personal care and food and beverages. The market is expected to maintain a high growth rate as the population converts to branded products.

At present edible salt plant has a capacity of 70000 MT & planning to increase the capacity to 100000 MT by end of January 2017. Company's FMCG brand "iflo" has the greatest reach of salt variants from basic refined iodised salt and crystal salt to specialised variants like Mild, Herbal & double fortified salt. As a part of our expansion plan, we have launched "iflo" Honey recently in south Indian markets and now also planning for a distribution expansion to Maharashtra and Goa this financial year.

DIVIDEND

Your Directors are pleased to inform that subsequent to the year end, the Board of Directors in its meeting held on May 19, 2016, has approved a Dividend policy of the Company. As per said policy, dividend pay-out (including tax, if any) will be 15 to 20 % of net profit of the Company.

Consequently, your Directors are pleased to recommend a dividend of ₹ 3.50 per Equity Share of ₹ 10 each (i.e. 35% on the paid-up capital) for the financial year ended March 31, 2016. The total dividend payout for the financial year 2015-16 shall be ₹ 42.14 Cr comprising of dividend amounting to ₹ 35.31 Cr and dividend distribution tax of ₹ 7.12 Cr. This dividend pay-out amounts to 16.42% of net profit of the Company for the financial year 2015-16.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2016 was ₹ 100,01,92,860/- comprising of 10,00,19,286 equity shares of ₹ 10/- each.

FINANCE

Project Loan

During the year 2015-16, your company embarked upon Soda Ash Expansion program at the project cost of ₹ 375 Cr. Your company successfully tied up Term Loan for ₹ 275 Cr. for a period of 10 years including moratorium period of 2 years at an average interest rate of 11.25% p.a.

Capex Program

GHCL has also undertaken several Capex program in Soda Ash, Home Textile and Yarn Divisions at the project cost of ₹ 173 Cr. and your company has successfully tied up term loan of ₹ 115 Cr. for a period of 10 years including moratorium period of 2 years at an average interest rate of 11.50% p.a.

Short Term Loan

During the year 2015-16, short term requirements were met through Cash Credit / Short Term Loan / Working Capital Demand Loan / Export Packing Credit / Pre-shipment in Foreign Currency / Buyers Credit whereby your company could manage to borrow at Weighted Average Interest rate at 6.25%.

Overall, your company could borrow Long Term Loan at an average rate of 11.40% and Short Term Loan at an average rate of 6.25% and maintained overall weighted average interest rate at 9.60%.

Due to timely repayment of interest and principal to various banks, CARE (Credit Analysis & Research Ltd) has maintained at CARE BBB+ for long term facilities and CARE A3+ for short term facilities of the Company.

During the financial year, your Company has transferred to investors' education and protection fund account (IEPF) a sum of ₹ 27.48 lacs towards unclaimed dividend/unclaimed deposits along with interest thereon.

DEPOSITS

Your Company discontinued inviting, accepting and renewing of fixed deposits effective from September 24, 2002. Further, your Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

EMPLOYEES STOCK OPTION SCHEME

Your company has Employees Stock Option Scheme for its permanent employees as per the scheme approved by shareholders in their Annual General Meeting held on July 23, 2015. During the year under review, the Company has obtained in-principle approvals from the Stock Exchanges for issue of 50 lakh equity shares through Employees Stock Option Scheme. Subsequent to the year end, the Nomination and Remuneration Committee in its meeting held on May 19, 2016 have granted 12.10 Lacs Stock options to its 46 employees of grade General Manager and above, at an exercise price of ₹ 100 each. Employees may exercise their options after the vesting period, subject to compliance of other terms and conditions of the Scheme approved by the shareholders.

SUBSIDIARIES

Grace Home Fashion, LLC, a subsidiary of the Company in USA engaged in Home Textile segment is catering to some of the largest Home-Textile Retailers like Bed Bath Beyond and Babies R US. In addition, Grace Home Fashion is also doing online Home-Textile Business in USA through JC Penny and Kohls.com.

During the year, non-operating subsidiaries of the Company namely Teliforce Holding India Ltd. has been voluntarily dissolved with effect from April 28, 2015 and Indian England NV has been liquidated with effect from August 14, 2015. Further, Rosebys Interiors India Limited (RIIL) an Indian subsidiary, is under liquidation with effect from 15th July 2014.

Pursuant to requirement of Section 136 of the Companies Act, 2013, which has exempted companies from attaching the financial statements of the subsidiary companies along with the Annual Report of the Company. The Company will make available the annual financial statements of the subsidiary company and the related detailed information to any members of the company on receipt of a written request from them at the Registered Office of the Company. The annual financial statements of the subsidiary company will also be kept open for inspection at the Registered Office of the Company on any working day during business hours. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies, associates etc. Details regarding subsidiaries have been provided in note no. 1 (refer page no. 84 of Annual Report) and also in the statement u/s 129(3) of the Companies Act, 2013 (refer page no. 76). The statements are also available on the website of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to the requirement of Regulation 33 & Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred as Listing Regulations) read with other applicable provisions and prepared in accordance with Accounting Standard 21 (Consolidated Financial Statements) of Institute of Chartered Accountants of India, for financial year ended March 31, 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Regulation 34 of the Listing Regulations read with other applicable provisions, the detailed review of the operations, performance and future outlook of the Company

and its business is given in the Management's Discussion and Analysis Report which forms part of this Annual Report. The report on Management's Discussion and Analysis is annexed with the Report.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the Listing Regulations read with Schedule V to the said Regulations, a compliance report on Corporate Governance has been annexed as part of the Annual Report along with Auditor's certificate for the compliance.

SECRETARIAL AUDIT REPORT

In line with the requirement of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with other applicable provisions, if any; the Board of Directors of the Company had appointed Mr. K. K. Mishra, Practicing Company Secretary to conduct Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed with the Board's report and formed as part of the Annual Report. This report is self explanatory and does not call for any further comments.

LISTING OF THE EQUITY SHARES

The equity shares of your Company are listed at BSE Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE). The annual listing fees for the year 2015-16 have been paid to all these Stock Exchanges.

DIRECTORS

Your directors would like to confirm that all Independent Directors of the Company have given their declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations. Mr. Sanjay Dalmia and Mr. Anurag Dalmia directors retire by rotation and being eligible, offer themselves for re-appointment. The Board recommends their appointments at the ensuing Annual General Meeting.

MEETING OF THE BOARD

During the financial year ended March 31, 2016, the Board of Directors meets regularly to review strategic, operational and financial matters and has a formal schedule of matters reserved for its decision. During the financial year ended March 31, 2016, four Board Meetings were held on May 22, 2015, July 30, 2015, October 31, 2015, and January 28, 2016. More details about the Board Meetings are mentioned in Corporate Governance Report.

BOARD EVALUATION

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and conditions of the Listing Regulations, the Independent Directors in their separate meeting held on October 31, 2015 had reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company after taking into accounts the views of Executive Directors and Non-Executive Directors of the Company. Independent Directors had also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board and that the information supplied by the management to the Board was sufficient and relevant for the Board to perform their duties effectively. Further, pursuant to the requirement of Para VIII of Code of Independent Director as mentioned in Schedule IV of the Companies Act, 2013 read with Regulation 17 (10) of the Listing Regulations, the Board of Directors in its meeting held on October 31, 2015 had carried out the performance evaluation of Independent Directors, except the director being evaluated.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

EXTRACTS OF ANNUAL RETURN

The extract of annual return as on the financial year ended March 31, 2016 in Form MGT – 9 is annexed herewith as Annexure-I and forming part of this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has been one of the foremost proponents of inclusive growth and since inception, has been continuing to undertake projects for overall development and welfare of the society. GHCL's commitment to the development of weaker sections of society is continuing since more than two decades. GHCL through its "GHCL Foundation Trust" has upgraded its CSR activities to cover a larger section of the society and included to provide support to the downtrodden, needy and marginalized citizens and also to create social infrastructure for their sustenance.

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Sanitation, Coastal Area Development, Education, Agro Based Livelihood, Health, Rain Water Harvesting, Woman Empowerment, Animal Husbandry etc. These projects are largely covered under Schedule VII of the Companies Act, 2013. Pursuant to the provisions of Section 135 of the Companies Act, 2013 and Rules thereto, a Corporate Social Responsibility (CSR) Committee of the Board has been constituted to monitor CSR related activities, comprising of Mr. Sanjiv Tyagi as the Chairman of the Committee, Mr. Neelabh Dalmia and Mr. R S Jalan as members of the Committee. The Annual Report of CSR activities are annexed herewith as Annexure-II and forming part of this Report.

BUSINESS RESPONSIBILITY REPORTING

As per Regulation 34 (2) (f) of the Listing Regulations, (corresponding to provisions of Clause 55 of the Listing Agreement), listed companies shall submit, as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, social and governance perspective, in the prescribed format. This provision is applicable to top 100 listed companies (based on market capitalisation as on March 31, 2016). Hence, this clause is not applicable to your company.

COMPOSITION OF AUDIT COMMITTEE

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and read with Regulation 18 of the Listing Regulations. The Audit Committee consists of four non-executive directors including three Independent Directors having expertise in financial and accounting areas, comprising of Dr. B C Jain, Mr. Neelabh Dalmia, Mr. G C Srivastava and Mr. Mahesh Kumar Kheria. Details regarding Audit Committee and other Committees are also stated in the Corporate Governance Report.

COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted as per section 178 (5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations. The Stakeholders Relationship Committee shall consider and resolve the

grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of dividend etc. The Stakeholders Relationship committee consists of Executive and Non-Executive directors comprising of Mr. Mahesh Kumar Kheria, Mr. Neelabh Dalmia, Mr. R S Jalan and Mr. Raman Chopra.

COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee of the Board has been constituted as per Section 178 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and read with Regulation 19 of the Listing Regulations. The Nomination and Remuneration Committee shall determine qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee consists of four Non-Executive directors comprising of Mr. K C Jani, Mr. Sanjay Dalmia, Dr. B C Jain and Mr. Sanjiv Tyagi.

VIGIL MECHANISM / WHISTLE BLOWER 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 behavior. In its endeavour to provide its employee a secure and fearless working environment, GHCL Limited has established the "Whistle Blower Policy". The Board of Directors in its meeting held on May 28, 2014, had approved the Whistle Blower Policy, which is effective from October 1, 2014 & the same has been duly amended effective from December 1, 2015. Mr. Mahesh Kumar Kheria, Independent Director of the Company and also a member of the Audit Committee is Ombudsperson.

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. Details regarding Whistle Blower Policy is also stated in the Corporate Governance Report. The Whistle Blower Policy is posted on the website of the Company.

RELATED PARTY TRANSACTIONS

There are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis. The statement is supported by a Certificate from the CFO. All Related Party Transactions are placed before the Audit Committee and also before the Board.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any material pecuniary relationships or transactions vis-a-vis the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RISK MANAGEMENT POLICY

Pursuant to the requirement of Regulation 21 of the Listing

Regulations, the Company had voluntarily constituted a Risk Management Committee. The details of Committee and other details are also set out in the Corporate Governance Report forming part of the Board's Report. The policy on Risk Management as approved by the Board is uploaded on the Company's website.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are given in Annexure-III forming part of this Report.

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are given in Annexure-IV forming part of this Report.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

Your Company is committed to creating and maintaining a secure work environment where its employees, agents, vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation. To empower women and protect women against sexual harassment, a policy for prevention of sexual harassment has been rolled out and Internal Complaints Committee as per legal guidelines has been set up at all major locations of the Company. This policy allows employees to report sexual harassment at the workplace. The Internal Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines.

STATUTORY AUDITORS

Pursuant to the requirement of Rule 6(4) of Companies (Audit and Auditors) Rules, 2014, the Company may follow the policy of rotation of auditors such that, Joint Auditors, where applicable, may not retire at the same time. Hence, your directors would like to inform that in order to comply with said provisions read with other applicable provisions, if any and based on the recommendation of the Audit Committee, the Board of Directors has decided to place the proposal for appointment of M/s S.R. Batliboi LLP, Chartered Accountants, as one of the joint auditors of the Company, for a period of 5 years i.e. from the conclusion 33rd Annual General Meeting (AGM) till the conclusion of 38th AGM. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for appointment as Auditors of the Company. As required under Regulation 33 (1) (d) of the Listing Regulations, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. Your director would like to further inform that in the last AGM (i.e. 32nd AGM) held on July 23, 2015, M/s Rahul Gautam Divan & Associates, Chartered Accountants, were appointed as one of the joint auditors of the Company for a period of two years i.e. from the conclusion 32nd AGM till the conclusion of 34th AGM. Ratification of appointment of M/s Rahul Gautam Divan & Associates is being sought from the members of the Company at the ensuing AGM.

The Board recommends their appointment and ratification.

AUDITOR'S REPORT

There is no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors and/or Secretarial Auditors of the Company in their report for the financial year ended March 31, 2016. Hence, they do not call for any further explanation or comment U/s 134 (3) (f) of the Companies Act, 2013.

COST AUDITORS

The Board has appointed M/s R J Goel & Company, Cost Accountants, New Delhi as Cost Auditors of the Company for all its divisions (i.e. Soda Ash, Yarn and Home Textile) for the financial year 2016-17.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them and also based on the representations received from the Operating Management, your directors make the following statement in terms of Section 134 (3) (c) of the Companies Act, 2013 that:

- in the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit and loss of the Company for the financial year ended March 31, 2016;
- the proper and sufficient care has been taken by them for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts for the financial year ended March 31, 2016 have been prepared by them on a going concern basis;
- proper Internal financial controls have been followed by the company and that such internal financial controls are adequate and were operating effectively; and
- proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors express their gratitude to Financial Institutions, Banks, and various other agencies for the co-operation extended to the Company. The Directors also take this opportunity to thank the shareholders, customers, suppliers, lenders, distributors and other stakeholders for the confidence reposed by them in the Company. The employees of the Company contributed significantly in achieving the results. The Directors take this opportunity of thanking them and hope that they will maintain their commitment to excellence in the years to come.

For and on behalf of the Board of Directors
For GHCL Limited

Sd/-

SANJAY DALMIA
Chairman

Date: May 19, 2016
Place: New Delhi

ANNEXURE - I TO THE BOARD'S REPORT
EXTRACTS OF ANNUAL RETURN

as on the financial year ended March 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT - 9
I. Registration and other details

CIN	L24100GJ1983PLC006513
Registration Date	14-10-1983
Name of the Company	GHCL LIMITED
Category /Sub-Category of the Company	Company Limited by Shares
Address of the Registered Office and contact details	"GHCL House"Opp. Punjabi Hall, Navrangpura, Ahmedabad -380009 Tel.No. 079-39324100, 079-26427818
Whether listed Company	Yes
Name, Address and contact details of the Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound L. B. S. Marg Bhandup (West) Mumbai – 400078 Tel: 25963838

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and Description of main products / services	NIC code of the product / service	% of total turnover of the Company
Inorganic Chemicals	2010	58
Cotton Fabrics & Furnishing	3021 & 3030	24
Cotton Yarn	3020	18

III. Particulars of holding, subsidiary and associate companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of Shares held	Applicable Section
1. Grace Home Fashions LLC – USA	-	Subsidiary	100%	2(87)
2. Dan River Properties, USA	-	Subsidiary	100%	2(87)
3. D M Solar Farm Pvt Ltd, India	U40109TN2005PTC055442	Associate	26%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category -wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. March 31, 2015)				No. of Shares held at the end of the year (i.e. March 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals / Hindu Undivided Family	527774	0	527774	0.53%	527774	0	527774	0.53%	0.00%
b) Central Government	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Government(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corporate	12188931	0	12188931	12.18%	12285214	0	12285214	12.28%	0.10%
e) Financial Institutions/ Banks	0	0	0	0.00%		0		0.00%	0.00%
f) Any Other (specify)				0.00%	0	0	0	0.00%	0.00%
Directors & relatives	0	0	0	0.00%	0	0	0	0.00%	0.00%
Trust (i.e. Ram Krishna Dalmia Foundation)	152000	0	152000	0.15%	152000	0	152000	0.15%	0.00%
Sub- Total (A)(1)	12868705	0	12868705	12.86%	12964988	0	12964988	12.96%	0.10%

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. March 31, 2015)				No. of Shares held at the end of the year (i.e. March 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other- Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corporate	5507900	0	5507900	5.51%	5507900	0	5507900	5.51%	0.00%
d) Banks /Institutions	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any Other (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub-Total (A)(2):	5507900	0	5507900	5.51%	5507900	0	5507900	5.51%	0.00%
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	18376605	0	18376605	18.37%	18472888	0	18472888	18.47%	0.10%
B. Public shareholding									
(1) Institutions									
a) Mutual Funds/UTI	2613	14300	16913	0.02%	47749	14200	61949	0.06%	0.04%
b) Financial Institutions/ Banks	92867	44184	137051	0.14%	355376	44184	399560	0.40%	0.26%
c) Central Government	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Government(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies (Including LIC)	6208120	0	6208120	6.21%	5026406	0	5026406	5.03%	-1.18%
g) Foreign Portfolio Investors (including Foreign Institutional Investors)	13379812	500	13380312	13.38%	17420471	500	17420971	17.42%	4.04%
h) Foreign Venture Capital Investors	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Any Other (specify)									
Foreign Mutual Fund	68407	0	68407	0.06%	382347	0	382347	0.38%	0.32%
Sub-Total (B)(1)	19751819	58984	19810803	19.81%	23232349	58884	23291233	23.29%	3.48%
(2) Non - Institutions									
a) Bodies Corporate	29498768	90398	29589166	29.58%	27504294	90398	27594692	27.59%	-1.99%
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 2 lakh.	16034234	2938820	18973054	18.97%	13507014	2842075	16349089	16.35%	-2.62%
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	10639949	98600	10738549	10.74%	10943584	98600	11042184	11.04%	0.30%
c) Any Other (specify)									
i) Non Resident Indians(Repat)	731596	888814	1620410	1.62%	574636	845614	1420250	1.42%	-0.20%
ii) Non Resident Indians (Non Repat)	104779	3549	108328	0.11%	110043	3549	113592	0.11%	0.00%
iii) Foreign Companies	0	3900	3900	0.00%	0	3900	3900	0.00%	0.00%
iv) Clearing Member	318859	0	318859	0.32%	383452	0	383452	0.38%	0.06%
v) Directors & relatives	105843	100	105943	0.11%	105843	100	105943	0.11%	0.00%
vi) Trusts	2352	0	2352	0.00%	2000	0	2000	0.00%	0.00%
vii) Hindu Undivided Family	371317	0	371317	0.37%	1238413	0	1238413	1.24%	0.87%
viii)Market Makers	0	0	0	0.00%	0	0	0	0.00%	0.00%
ix) Foreign Nationals	0	0	0	0.00%	1050	0	1050	0.00%	0.00%
x) Overseas Bodies Corporate	0	0	0	0.00%	0	600	600	0.00%	0.00%
Sub-Total (B)(2)	57807697	4024181	61831878	61.82%	54370329	3884836	58255165	58.24%	-3.58%
Total Public Shareholding (B)= (B)(1)+(B)(2)	77559516	4083165	81642681	81.63%	77602678	3943720	81546398	81.53%	-0.10%

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. March 31, 2015)				No. of Shares held at the end of the year (i.e. March 31, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodians and against which Depository Receipts have been issued									
Promoter and Promoter Group	0	0	0	0.00%	0	0	0	0.00%	0.00%
GRAND TOTAL (A)+(B)+(C)	95936121	4083165	100019286	100.00%	96075566	3943720	100019286	100.00%	0.00%

ii) Shareholding of Promoters and Promoter Group

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (i.e. March 31, 2015)			Shareholding at the end of the year (i.e. March 31, 2016)			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged/encumbered to total shares	
1	Gems Commercial Company Ltd	2891207	2.89%	2500000	2940207	2.94%	0	0.05%
2	Banjax Limited	2789700	2.79%	0	2789700	2.79%	0	0.00%
3	Hexabond Limited	2718200	2.72%	0	2718200	2.72%	0	0.00%
4	Oval Investment Private Limited	2588848	2.59%	2500000	2588848	2.59%	0	0.00%
5	Lhonak Enternational Private Limited	1365599	1.37%	1200000	1365599	1.37%	0	0.00%
6	Hindustan Commercial Company Limited	778786	0.78%	525000	790286	0.79%	0	0.01%
7	Moderate Investment and Commercial Enterprises Limited	605050	0.60%	520000	614050	0.61%	0	0.01%
8	International Resources Limited	602647	0.60%	500000	611147	0.61%	0	0.01%
9	Anurag Dalmia (HUF)	527774	0.53%	0	527774	0.53%	0	0.00%
10	Carissa Investments Pvt Ltd	481752	0.48%	0	481752	0.48%	0	0.00%
11	GTC Industries Ltd	416578	0.42%	0	416578	0.42%	0	0.00%
12	Harvatex Engineering and Processing Co. Ltd.	409723	0.41%	300000	415723	0.42%	0	0.01%
13	Excellent Commercial Enterprises and Investment Ltd.	372300	0.37%	345800	377800	0.38%	0	0.01%
14	Carefree Investment Company Limited	298950	0.30%	280000	302150	0.30%	0	0.00%
15	Anurag Trading Leasing and Investment Co. Pvt. Limited	284700	0.28%	0	284700	0.28%	0	0.00%
16	Divine Leasing And Finance Ltd.	245704	0.25%	0	249304	0.25%	0	0.00%
17	WGF Financial Services Ltd	203807	0.20%	0	203807	0.20%	0	0.00%
18	Dalmia Finance Ltd	200244	0.20%	0	200244	0.20%	0	0.00%
19	Dalmia Housing Finance Ltd	180707	0.18%	0	180707	0.18%	0	0.00%
20	Ram Krishna Dalmia Foundation	152000	0.15%	0	152000	0.15%	0	0.00%
21	Archana Trading and Investment Co. Pvt. Ltd.	132848	0.13%	0	132848	0.13%	0	0.00%
22	Bharatpur Investment Limited	38842	0.04%	0	38842	0.04%	0	0.00%
23	Sanjay Trading & Investment Co. Pvt. Ltd.	29100	0.03%	0	29100	0.03%	0	0.00%
24	General Exports And Credits Limited	17000	0.02%	0	17000	0.02%	0	0.00%
25	Pashupatinath Commercial Pvt Ltd	15000	0.01%	0	15000	0.01%	0	0.00%
26	Sovereign Commercial Pvt Ltd	6000	0.01%	0	6000	0.01%	0	0.00%
27	Trishul Commercial Pvt Ltd	5100	0.01%	0	5100	0.01%	0	0.00%
28	Swastik Commercial Pvt Ltd	3700	0.00%	0	3700	0.00%	0	0.00%
29	Alankar Commercial Private Limited	2600	0.00%	0	2600	0.00%	0	0.00%
30	Ricklunsford Trade and Industrial Investment Ltd.	1960	0.00%	0	1960	0.00%	0	0.00%
31	Chirawa Investment Limited	1860	0.00%	0	1860	0.00%	0	0.00%
32	Lakshmi Vishnu Investment Limited	1860	0.00%	0	1860	0.00%	0	0.00%
33	Mourya Finance Limited	1860	0.00%	0	1860	0.00%	0	0.00%
34	Sikar Investment Company Limited	1800	0.00%	0	1800	0.00%	0	0.00%
35	Antarctica Investment Pvt Ltd	785	0.00%	0	768	0.00%	0	0.00%

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (i.e. March 31, 2015)			Shareholding at the end of the year (i.e. March 31, 2016)			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged/encumbered to total shares	
36	Comosum Investment Pvt Ltd	701	0.00%	0	701	0.00%	0	0.00%
37	Lovely Investment Pvt Ltd	645	0.00%	0	645	0.00%	0	0.00%
38	Altar Investment Pvt Ltd	318	0.00%	0	318	0.00%	0	0.00%
39	Ilac Investment Private Limited	217	0.00%	0	217	0.00%	0	0.00%
40	Hotex Company Ltd	78	0.00%	0	78	0.00%	0	0.00%
41	Dear Investment Pvt Ltd	55	0.00%	0	55	0.00%	0	0.00%
	Total	18376605	18.37%	8670800	18472888	18.47%	0	0.10%

iii) Change in Promoters Shareholding

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gems Commercial Company Ltd.				
	At the beginning of the year	2891207	2.89%	2891207	2.89%
	Shares purchased from Open Market on November 4, 2015	45000	0.04%	2936207	2.94%
	Shares purchased from Open Market on November 5, 2015	4000	0.00%	2940207	2.94%
	At the end of the year			2940207	2.94%
2	Hindustan Commercial Company Ltd.				
	At the beginning of the year	778786	0.78%	778786	0.78%
	Shares purchased from Open Market on November 4, 2015	2040	0.00%	780826	0.78%
	Shares purchased from Open Market on November 5, 2015	9460	0.01%	790286	0.79%
	At the end of the year			790286	0.79%
3	Moderate Investment and Commercial Enterprises Limited				
	At the beginning of the year	605050	0.60%	605050	0.60%
	Shares purchased from Open Market on November 5, 2015	9000	0.01%	614050	0.61%
	At the end of the year			605050	0.60%
4	International Resources Limited				
	At the beginning of the year	602647	0.60%	602647	0.60%
	Shares purchased from Open Market on November 5, 2015	8500	0.01%	611147	0.61%
	At the end of the year			611147	0.61%
5	Harvatex Engineering and Processing Co. Ltd.				
	At the beginning of the year	409723	0.41%	409723	0.41%
	Shares purchased from Open Market on November 5, 2015	6000	0.01%	415723	0.42%
	At the end of the year			415723	0.42%
6	Excellent Commercial Enterprises and Investment Ltd.				
	At the beginning of the year	372300	0.37%	372300	0.37%
	Shares purchased from Open Market on November 5, 2015	5500	0.01%	377800	0.38%
	At the end of the year			377800	0.38%
7	Carefree Investment Company Limited				
	At the beginning of the year	298950	0.30%	298950	0.30%
	Shares purchased from Open Market on November 5, 2015	3200	0.00%	302150	0.30%
	At the end of the year			302150	0.30%
8	Divine Leasing And Finance Ltd.				
	At the beginning of the year	245704	0.25%	245704	0.25%
	Shares purchased from Open Market on November 5, 2015	3600	0.00%	249304	0.25%
	At the end of the year			249304	0.25%

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year i.e. at March 31, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	J P Financial Services Pvt Ltd	4938751	4.94%	4938751	4.94%
2	Ares Diversified	4932182	4.93%	4932182	4.93%
3	Life Insurance Corporation of India	3138105	3.14%	3138105	3.14%
4	Varanasi Commercial Ltd	3135000	3.13%	2993000	2.99%
5	EOS Multi Strategy Fund Ltd	2787484	2.79%	2852484	2.85%
6	Bhanubhai Bhagvandas Patel	2688857	2.69%	2688857	2.69%
7	United India Insurance Company Limited	2174280	2.17%	992566	0.99%
8	Finquest Securities Pvt. Ltd.	2150000	2.15%	3572000	3.57%
9	Ramesh Bhai Jagjivandas Patel	2141826	2.14%	1429811	1.43%
10	RSPL Limited	1705000	1.70%	0	0.00%
11	Indianivesh Securities Private Limited	1400238	1.40%	2520393	2.52%
12	Ocean Dial Gateway to India mauritius Limited	0	0.00%	2500000	2.50%
13	Indianivesh Capitals Limited	0	0.00%	1575000	1.57%

Note: Change in the shareholding is due to market transactions (purchase / sale in shares) made by the shareholders during the year.

v) Shareholding of Directors and Key Managerial Personnel (KMP):

Sl. No.	Name of the Directors / KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Ravi Shanker Jalan - Managing Director *				
	At the beginning of the year	85843	0.09%	85843	0.09%
	At the end of the year			85843	0.09%
	*In addition to the above, Mr. Jalan is also holding 100 equity shares in his HUF account.				
2	Mr. Raman Chopra - CFO & Executive Director (Finance)**				
	At the beginning of the year	0	0.00%	0	0.00%
	Shares purchased during the year	0	0.00%	0	0.00%
	At the end of the year			0	0.00%
	**Mr. Raman Chopra does not hold any shares in his name. However, his wife Mrs. Bharti Chopra was holding 13000 shares and his son Mr. Aniket Chopra holding 7000 shares at the beginning of the year as well as at the end of the year.				

Note: Apart from the above, Mr. Anurag Dalmia, one of the promoter director, is holding 527774 shares at the beginning of the year as well as at the end of the year under his HUF account. Details have been given under Promoter's shareholding. In addition to the above, no other directors & KMP is holding any shares in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans, excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Cr.
Indebtedness at the beginning of the financial year				
i) Principal Amount	1323.54	0	0	1323.54
ii) Interest due but not paid	10.69	0	0	10.69
iii) Interest accrued but not due	0.77	0	0	0.77
Total (i+ii+iii)	1335.00	0	0	1335.00
Change in Indebtedness during the financial year				
Addition	162.80	0	0	162.80
Reduction	238.49	0	0	238.49
Net Change	-75.69	0	0	-75.69
Indebtedness at the end of the financial year				
i) Principal Amount	1247.96	0	0	1247.96
ii) Interest due but not paid	11.03	0	0	11.03
iii) Interest accrued but not due	0.32	0	0	0.32
Total (i+ii+iii)	1259.31	0	0	1259.31

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
A. Remuneration to Managing Director, Whole- time Director and /or Manager:				
Sr. No.	Particulars of Remuneration	Mr. Ravi Shanker Jalan - Managing Director	Mr. Raman Chopra - CFO & Executive Director (Finance)	Total Amount (₹ Lakhs)
	Gross Salary			
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	197.45	102.30	299.75
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	0.40	0.40	0.80
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Options	0	0	0
3	Sweat Equity	0	0	0
4	Commission (for FY 2015-16, to be paid in 2016-17) - as % of profit others, specify	249.00	147.00	396.00
5	Others:			
	PF	9.73	5.66	15.39
	Superannuation	1.00	1.00	2.00
	Gratuity	3.89	2.26	6.15
	Company provided & maintained car	16.68	13.08	29.76
	Medical Expenses Reimbursement	0.15	0.15	0.30
	Leave Travel Expenses Reimbursement	0	4.95	4.95
	Total (A)	478.30	276.80	755.10
	Ceiling as per the Act			3880 Lakhs

B Remuneration to other Directors								
1 Independent Directors								
Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount ₹ Lakhs
		Dr. Bhupendra Chandra Jain	Mr. Mahesh Kumar Kheria	Mr. Girish Chandra Srivastava	Mr. Sanjiv Tyagi	Mr. Kamalkishore Chandravadan Jani	Mr. Lavanya Rastogi	
	Fee for attending Board/ Committee Meeting	3.40	3.20	3.20	2.20	2.00	1.40	15.40
	Commission	24.67	24.50	24.50	22.33	22.16	16.50	134.66
	Total (B)(1)	28.07	27.70	27.70	24.53	24.16	17.90	150.06
2 Other Non-Executive Directors								
Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount ₹ Lakhs		
		Mr. Sanjay Dalmia	Mr. Anurag Dalmia	Mr. Neelabh Dalmia	Mrs. Padma Vinod Betai Nominee (IDBI Bank)			
	Fee for attending Board/ Committee Meeting	1.60	1.40		3.00		0.80	6.80
	Commission	22.17	22.00		24.67		11.00	79.84
	Total (B)(2)	23.77	23.40		27.67		11.80	86.64
	Total(B)=(B)(1)+(B)(2)							236.70
	Total Managerial Remuneration							236.70
	Overall Ceiling as per the Act							388 Lakhs



C. Remuneration to key managerial Personnel other than Managing Director / Whole-time Director and /or Manager:			
Sr. No.	Particulars of Remuneration	Key managerial Personnel	
		Mr. Bhwneshwar P. Mishra - Company Secretary	Total Amount ₹ Lakhs
	Gross Salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	29.95	29.95
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	0.40	0.40
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Options	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit		
	others, specify		
5	Others:		
	PF	1.44	1.44
	Superannuation	1.00	1.00
	Gratuity	0.58	0.58
	Exgratia	0.20	0.20
	Company provided & maintained car	4.08	4.08
	Medical Expenses Reimbursement	0.15	0.15
	Leave Travel Expenses Reimbursement	0	0
	Total (C)	37.80	37.80

VII. PENALTIES /PUNISHMENT /COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty /Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Apeal made, if any (give details)
A. COMPANY					
Penalty	Nil				
Punishment	Nil				
Compounding	Section 87 of the Companies Act, 2013	Non functioning of MCA website due to technical reason and thereby delay in filing of eform CHG 4. The authority condoned the delay on application of the Company on 23rd April 2015, thereafter form was filed.	Compounding fee of ₹ 5000/-	Regional Director, North Western Region- Ahmedabad	N.A
B. DIRECTORS					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				

ANNEXURE - II TO THE BOARD'S REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
CSR Report for the financial year ended March 31, 2016

[Pursuant to Section 135 of the Companies Act, 2013]

1	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.	GHCL's commitment to the development of weaker sections of society is continuing since more than two decades. GHCL through its "GHCL Foundation Trust" has upgraded its CSR activities to cover a larger section of the society and included to provide support to the downtrodden, needy and marginalized citizens and also to create social infrastructure for their sustenance. The CSR Policy is posted on the website of the Company. Any body may visit www.ghcl.co.in
2	The Composition of the CSR Committee	We have a board committee namely Corporate Social Responsibility (CSR) Committee comprising of following three directors: (1) Mr. Sanjiv Tyagi - Independent Director (Chairman) (2) Mr. Neelabh Dalmia - Non- Executive Director (3) Mr. R S Jalan - Managing Director
3	Average net profit of the Company for last three financial years	₹ 165.25 Cr.
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	₹ 3.31 Cr.
5	Details of CSR spend for the financial year:	
a.	Total amount spent for the financial year	₹ 3.36 Cr.
b.	Amount unspent, if any	Nil
c.	Manner in which the amount spent during the financial year	Manner in which the amount is spent and details are provided as given below:

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) Project or programs	Amount spent on the Project or programs	Cummulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
				₹ Cr.	₹ Cr.	₹ Cr.	₹ Cr.
			Local Area/Districts (State)				
1	Roof Rain Water Harvesting and Village Water Distribution System under Coastal Area Development Project	Water Resource Development Programme (Drinking water)	All manufacturing site of GHCL Ltd. in the state of Gujarat (1) Sutrapada, Dist. Gir Somnath (2) Rajula, Dist. Amreli (3) Ghogha, Dist. Bhavnagar (4) Bhilad, Dist. Valsad	0.12	0.12	0.12	Amount directly spent through implementing agencies*
2.1	Drip Irrigation, Sprinkler Irrigation, Training and other various activities	Agro based livelihood		0.90	0.78	0.78	DO
2.2	Vocational Training Centre	Skill based livelihood		0.57	0.31	0.31	DO
3	Animal Treatment Camp and Artificial Insemination center	Animal Husbandry		0.12	0.09	0.09	DO
4.1	Mobile Dispensary, Health camps, Vaccination and Eye camps;	Health & Sanitation		1.26	1.14	1.14	DO
4.2	Toilet Blocks and Awareness Programme as part of Swachh Bharat Abhiyaan						
5	Site School near Mining area, Uniform, Scholarship and financial support for higher studies	Education		0.40	0.32	0.32	DO
6	Formation of Self Help Group (SHG) and Training Programme	Women Empowerment		0.13	0.05	0.05	DO
7	Street light, Road repairing, construction of school boundry etc.	Rural Infrastructure Development		0.11	0.05	0.05	DO
8	Misc.	Over Heads		0.10	0.04	0.04	DO
9	Establishment & Assets	Establishment & Assets		0.65	0.46	0.46	DO
	Total			4.36	3.36	3.36	

* Amount spent through Implementing Agencies (GHCL Foundation Trust) of ₹ 3.36 Cr.

ANNEXURE - III TO THE BOARD'S REPORT

A. CONSERVATION OF ENERGY

a) Energy Conservation Measure Taken

- 1 Installation of auto load shedding system at Utility, resulting in more plant availability and hence less specific power consumption at Soda Ash unit.
- 2 Replacement of conventional tube light by Energy efficient LED tube lights at Soda Ash, Textile-Madurai and Bhilad unit.
- 3 Replacement of Old Preheater by Energy Efficient New Pre-heater which has improved heat recovery at Soda Ash Unit.
- 4 Installation of additional Variable Frequency Drive continued with saving of about 25% in energy of that particular drive at Soda Ash Unit.
- 5 Use of different GCV coal for best combustion process at Textile Bhilad Unit.
- 6 Installed MAHALO MISTURE UNIT in PTR Machine for reduction in consumption of steam at Textile Bhilad Unit (Savings : 15 Tons steam / Day).
- 7 Optimization of Air blower operation in ETP at Textile Bhilad Unit (saving 45 kW - 800 units/Day).
- 8 Individual spindles monitoring system installed in 60 ring spinning machines which resulted in reduction in suction fan energy consumption at Textile Madurai Unit .
- 9 Energy efficient compressor installed at Textile Madurai Unit.
- 10 Air leakage arrested in Atoconer (238 & 338) machines at textile Manaparai Unit .
- 11 12.6 MW wind energy Generator for captive consumption has been installed at Energy Division Tamil Nadu.

b) Additional Investment & proposals, if any, being implemented for reduction of consumption of energy

- 1 Installation of belt filter to reduce bicarbonate moisture for calciner specific steam consumption.

B. POWER & FUEL CONSUMED

	Year ended March 31,2016	Year ended March 31,2015
1 Electricity		
(i) Purchased Units (Cr. kwh)	12.78	13.31
Total amount (₹ Cr.)	94.27	93.46
Rate per Unit (₹)	7.37	7.02
(ii) Own Generation		
(a) Through DG		
Units (Cr. kwh)	0.09	0.20
Units per ltr of Diesel Oil	3.03	3.16
Cost per Unit (₹)	15.39	17.60
(b) Through GTG		
Units (Cr. kwh)	0.25	0.01
Units per SCM of Gas	3.70	3.93
Cost per Unit (₹)	10.82	12.25
(c) Through TG		
Units (Cr. kwh)	19.38	17.33
Cost per Unit (₹)	2.48	2.72
2 Coal		
Quantity (MT)	2,95,177	2,52,572
Total Cost (₹ Cr.)	178.16	187.97
Average Rate (₹/MT)	6,036	7,442
3 Lignite		
Quantity (MT)	1,43,202	2,18,064
Total Cost (₹ Cr.)	60.89	78.52
Average Rate (₹/MT)	4,252	3,601

4 Consumption per Unit of Production

	Production (MT)	Electricity (kwh/MT)	
		Year ended March 31, 2016	Year ended March 31, 2015
Soda Ash	7,49,136	260.61	256.57
Salt	58,643	21.39	20.41
Yarn	23,745	4.07	4.09
Cloth (Fabric '000 Meters)	29,902	1.06	1.11
Coal -Soda Ash (MT/MT)	7,49,136	0.38	0.33
Lignite - Soda Ash (MT/MT)	7,49,136	0.18	0.30

C. TECHNOLOGY ABSORPTION
1 Research & Development

Efforts continue to bring in operational efficiencies and product up gradations to meet specific customer need both domestic and export. No specific expense can be earmarked for Research & Development, as this is an ongoing process at the operational level.

2 Future Action Plan

- Efforts to reduce binder consumption in briquetting plant are in progress at Soda Ash Unit.
- Working on the feasibility of manufacturing precipitated calcium carbonate utilizing waste liquors of plant at Soda Ash Unit.
- Brick manufacturing plant is in operational, utilizing fly ash generated from our boilers at Soda Ash Unit.
- Working to find out ways to utilize our wastes namely distiller waste, limestone fines and fly ash at Soda Ash Unit.

3 Technology -Absorption ,Adoption and Innovation

- Installation of one automatic bagging machine at Soda Ash Unit.
- Modification in carbonation tower to improve efficiency at Soda Ash Unit.

4 Information Regarding Technology imported during last three year

None

D. FOREIGN EXCHANGE EARNING AND OUTGO

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Earnings	675.45	538.86
Outgo (Includes CIF value of imports)	288.30	302.06

ANNEXURE - IV TO THE BOARD'S REPORT

Part-A: Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 2015-16 as well as the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary is as under:

Name of the Director	Ratio to Median Remuneration	% Change in remuneration over previous year
Non-Executive Director		
Mr. Sanjay Dalmia	12.56	378.52
Mr. Anurag Dalmia	12.37	0.14
Mr. Neelabh Dalmia	14.63	2.34
Dr. B C Jain	14.84	3.82
Mr. G C Srivastava	14.64	5.32
Smt. Padma Vinod Betai (IDBI Bank)	6.24	-38.62
Mr. Mahesh Kumar Kheria	14.64	44.08
Mr. Sanjiv Tyagi	12.97	1.80
Mr. Lavanya Rastogi	9.46	289.13
Mr. K C Jani	12.78	70.59
Executive Directors		
Mr R S Jalan	252.87	7.76
Mr. Raman Chopra	146.34	11.26

Note: For above calculation, remuneration includes siting fee and commission. Commission relates to the financial year ended 31st March 2016, which will be paid during FY2016-17

The Percentage increase in remuneration of Mr. Bhuwaneswar Mishra, General Manager & Company Secretary is 4.86%

B. Percentage increase in median remuneration in the FY 2015-16: - 8.08%

C. Number of Permanent employees on the roll of the company as on 31st March 2016: 3106

D. Explanation on the relationship between average increase in remuneration and company performance:

The Compensation & Benefits philosophy of the company defines that employee remuneration is to be aligned with the performance of the company and individual's contribution in achieving company's goal for the year. It does mean that post annual performance process, individual employee's remuneration is revised, taking into account performance of the company and of the individual employee. At the beginning of the year, business goals are decided and cascaded down to various businesses and functions. While effecting revision in remuneration, factors like internal and external parity, market competitiveness, company's overall business strategy are also taken into account. Further, employees who are governed by the VPP scheme of the company receive their bonus according to business results.

E. Comparison of the remuneration of the KMP against performance of the Company

Aggregate Remuneration of Key Managerial Personnel (KMP) in FY 2015-16 (₹ Cr.)	7.94
Revenue (₹ Cr.)	2564.38
Remuneration of KMP (as % of revenue)	0.31%
Profit Before Tax (PBT) (₹ Cr.)	378.41
Remuneration of KMP (as % of PBT)	2.10%

F. Details of the share price and market capitalization:

The Details of variation in the market capitalisation and price earnings ratio as at the closing date of the current and previous financial years are as follows

	As on 31st March 2016	As on 31st March 2015	% Change
Market Capitalisation (₹ Cr.)	1151.22	615.61	87.00%
Price Earnings Ratio	4.47	3.34	33.83%

Percentage increase or decrease in the market quotations of the share of the company in comparison to the rate at which the Company came out with the last public offer in case of listed company:

The last public issue was in 1987 by way of issue of equity shares at par i.e. ₹ 10/- per equity shares through IPO of the Company. The closing market price of the equity shares of the Company as on March 31, 2016 on the National Stock Exchange of India

Limited (NSE) and BSE Limited was ₹ 115.10 & ₹ 115.15 per share respectively of face value of ₹ 10/- each, representing an increase of 1051% (based on NSE).

G. Comparison of average percentage increase in salary of employees other than the managerial personnel and the percentage increase in the managerial remuneration

Average increase in Salary of employees other than managerial personnel	4.18%
Average increase in remuneration of managerial personnel	9.01%

H. Comparison of remuneration of the each KMP against performance of the Company:

	Mr. R S Jalan Managing Director	Mr. Raman Chopra CFO & Executive Director (Finance)	Mr. Bhuneshwar Mishra General Manager & Company Secretary
Remuneration in FY 2015-16 (₹ Cr.)	4.78	2.77	0.39
Revenue (₹ Cr.)	2564.38		
Remuneration of KMP (as % of revenue)	0.19%	0.11%	0.02%
Profit Before Tax (PBT) (₹ Cr.)	378.41		
Remuneration of KMP (as % of PBT)	1.26%	0.73%	0.10%

I. Key parameters for the variable component of remuneration availed by the Directors:

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors approves the commission of Executive as well as Non-executive Directors of the Company. Detailed note has been given in the Corporate Governance report.

J. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

No employee of the Company receive remuneration in excess of the highest paid director of the Company.

K. Affirmation:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

Part-B: Information as per Rule 5(2) of of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Executives who have been paid ₹ 5 Lacs or above per month during the year 2015-16

Sl. No.	Name	Age	Designation	Gross Remuneration * (₹)	Qualification	Exp. (Years)	Date of commencement of Employment	Previous Employment / Position held	Remark
Employment during full year									
1	R S Jalan	58	Managing Director	4,78,30,000	B Com, FCA	33	7-Jun-02	Sree Meenakshi Mills / Exec. Director	
2	Raman Chopra	50	CFO & Executive Director - Finance	2,76,79,804	B Com, FCA	28	1-Oct-03	Dalmia Brothers Pvt Ltd / VP-Spl. Proj.	
3	Sunil Bhatnagar	57	President - Marketing	1,68,36,508	B Com , LLB, DIM	33	16-Aug-93	Ballarpur Industries, Dy. Mgr - Mktg	
4	V Chandra-Mouli	56	Sr. Vice President - Finance	99,99,504	B Com, CA	29	14-Dec-92	Mafatlal Ind. Ltd / Manager - F&A	
5	Neeraj Jalan	41	Sr. VP - Home Textiles	1,08,91,407	CA	17	3-Sep-98	Capman Cap. Markets Ltd / Backoffice Incharge	
6	N N Radia	60	COO - Soda Ash	1,08,49,710	BE Mech	34	16-Jan-86	Tata Chemicals Ltd. / Shift In Charge	
7	M Sivabala-Subramanian	55	Sr VP - Oprns. (Yarn Divn)	85,69,209	BE Textile	32	17-May-95	Loyal Textile Mills Ltd / Manager-QA	
8	Rajesh Tripathi	49	VP - Human Resorce	61,06,110	M Sc,PGHR,PG Psychology, GAMP	20	15-Nov-07	Panacea Biotec Ltd/ DGM- HR	

Joining during the year

No executive with CTC of ₹ 5 lacs or above per month joined the company during 2015-16

Separation during the year

1 No executive with CTC of ₹ 5 lacs or above per month left the company during 2015-16

MANAGEMENT DISCUSSION AND ANALYSIS 2016

DISCLAIMER

Readers are cautioned that this Management Discussion and Analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate”, “believe”, “estimate”, “intend”, “will”, and “expected” and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward-looking statements. The important factors that would make a difference to the Company’s operations include economic conditions affecting demand supply and price conditions in the domestic and overseas markets, raw material prices, changes in the Governmental regulations, labour negotiations, tax laws and other statutes, economic development within India and the countries within which the Company conducts business and incidental factors. The Company undertakes no obligation to publicly amend, modify or revise any forward-looking statements on the basis, of any subsequent developments, information or events. The following discussion and analysis should be read in conjunction with the Company’s financial statements included herein and the notes thereto.

MANAGEMENT DISCUSSION AND ANALYSIS

The management of GHCL Limited presents the analysis of division-wise performance of the Company for the financial year ended March 31, 2016 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments, both in India and abroad.

REVIEW OF ECONOMY

Global economic growth has slowed down but has not really reversed the direction. The International Monetary Fund (IMF), in its January 2016 World Economic outlook, has projected global growth at 3.4 per cent in 2016, marginally going up to 3.6 per cent in 2017.

Amidst global uncertainty and economic slowdown, **India has been variously hailed as “beacon of stability” and “bright spot”**. It is evident from the fact that India is the best performing large economy with a 7.6 per cent estimated growth rate for FY16. Both IMF and the World Bank in their January 2016 outlook, project India to grow at the highest rate among major economies in 2016 and 2017. Notwithstanding, the volatility seen in some of the vital data points (e.g., falling exports, low IIP numbers etc.), the growth trajectory remains on track. Importantly, such growth has been accompanied by macro-economic stability. Inflation has been under control and the balance of payment position looks healthy. Current Account Deficit (CAD) has narrowed to 1.4 per cent of GDP (Q2, FY16) from the high of 4.8 per cent in FY13. Capital flows have remained strong during the last few years.

As per the advance estimates released by the Central Statistical Office (CSO), the growth in GDP during 2015-16 was estimated at 7.6% as compared to the revised growth rate of 7.2% in 2014-15. As per CSO data, various sector such as financial, real estate, professional services, trade, hotels, transport,

communication and services related to broadcasting are likely to register growth rate of over 7%. The growth in agriculture, forestry and fishing sector has been estimated to be 1.1%, mining and quarrying at 6.9 percent, and construction at 3.5 percent and manufacturing at 9.5 percent in 2015-16.

According to Economic Survey 2015-16, the current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy.

Last Year Government had launched many schemes which are being considered as successful initiatives like ‘Swachh Bharat’ or ‘Make-in India’ or ‘Skill India’ or ‘Digital India’ or ‘Jan Dhan Yojana’ or ‘Mudra Yojana’ or ‘Jan Suraksha Schemes’ or ‘Start-up India’ or efforts for ease of doing business in India and have given a powerful boost to Indian Economy. Government has made the revival of Indian manufacturing a top priority, reflected in its “Make in India” campaign and also “Skill India” initiatives.

Government has also facilitated increasing FDI caps in many sectors. The Government has taken significant step in revival of the hitherto stagnant mining sector (including the coal) in the country. The process of auction for allotment has shown greater transparency and boost revenues for the States. Factors like the steep decline in oil prices, plentiful flow of funds from the rest of the world along with government’s commitment to calibrated fiscal management augur well for the growth prospects and the overall macroeconomic situation.

The Union Budget also attempts to strike a balance between growth by boosting infrastructure investments (i.e. road, rail etc.) and development through increases in allocations to agriculture and rural development. Hence, the Budget has clearly focused more on agriculture and rural India, which could create additional demand that is required for reviving growth.

Also Budget stuck to the fiscal deficit target of 3.9 percent of GDP in FY 2015-16 and 3.5 percent of GDP in FY 2016-17. Liquidity conditions have remained broadly balanced so far during 2015-16. However, increasing level of non-performing assets (NPA) are a key concerns of the banks in India. The fiscal sector registered three striking successes: ongoing fiscal consolidation, improved indirect tax collection efficiency; and an improvement in the quality of spending at all levels of government. The one significant upside possibility is a good monsoon, which would increase rural consumption and, to the extent that it dampens price pressures, open up further space for monetary easing.

COMPANY PERFORMANCE- PERFORMANCE HIGHLIGHTS

- Revenue for the financial year ended 31st March 2016 has increased by around 7.53 % to ₹ 2564.38 Cr. as against ₹ 2384.87 Cr. for the previous Financial Year ended 31st March 2015.
- Profit before financial expenses and depreciation for the financial year ended 31st March 2016 has risen by around 19.05 % to ₹ 635.30 Cr. as compared to ₹ 533.64 Cr. for the previous Financial Year ended 31st March 2015.
- PBT (Profit Before Tax) for the financial year ended 31st March, 2016 is higher by around 46.70 % at ₹ 378.41 Cr. against ₹ 257.94 Cr. for the previous Financial Year ended 31st March 2015.



INORGANIC CHEMICALS (SODA ASH) GLOBAL SODA ASH INDUSTRY

DEMAND-SUPPLY SCENARIO

DEMAND

World Soda Ash production in 2015 was around 58 Million Tons against a production capacity of approximately 67 Million Tons. Global demand for Soda Ash was around 57 Million Tons which grew at around 2% over the last year. Of the total Global Capacity of Soda Ash, approximately 75% is derived from Synthetic processes, while 25% is produced naturally, principally from deposits of the mineral, trona. Glass markets, which account more than half of global demand, are expected to remain the dominant end use for soda ash, while chemicals and detergents will also remain important downstream consumers.

Synthetic Soda Ash – here to stay

Although naturally produced soda ash has some cost benefits over synthetic material, there is not sufficient supply of natural soda ash to cater to the entire global market. Synthetic soda ash accounts for around three quarters of global consumption and is, therefore, here to stay.

Globally there is no major mismatch expected between Demand and Supply in soda ash industry, thereby giving it reasonable stability.

SUPPLY

Turkey will be the new major player in the Global Soda Ash market, with locally-based Ciner Group due to add a further 3 Million Tons of soda ash capacity in coming years with new natural soda ash plants at Bepazari and Karzan already under construction. Additionally they have acquired a 38% shareholding in US-based OCI Wyoming. This will make Ciner the second largest soda ash producer in the world, after Belgium’s Solvay SA (which is expected to have a nameplate capacity to produce 7.45m tpa soda ash in 2018).

Demand in Turkey is expected to grow by around 10% this year. As Turkish soda ash output rises, to a level where the country can increase exports at the same time as meeting growing internal demand, it is likely to become the supplier of choice for many European countries due to cost competitiveness. It is expected that during this phase, Turkey shall exert pressure on the high cost European manufacturers. Some surplus volumes are also expected to compete with China/US volumes in South East Asia and the Middle East.

Despite major economic challenges, China continues to be the largest Soda Ash player in the world, having a capacity of 32.00 Million MT, which is 48% of the global capacity. In 2015, China reported a production of 26 million tons and domestic consumption of 24 million tons, the balance 2 Million MTs is exported. Out of this 2 Million, China exported approximately 18% to Indian Subcontinent and balance to North & South East Asia, Middle East and Africa. Their natural export markets are Bangladesh, Thailand, South Korea, Philippines, Vietnam, Indonesia and India. It has however been observed that on account of the pressure faced by the domestic industry due to unhindered capacity expansions in the past, China has in fact significantly slowed down additions to Capacity in a hope of creating a balance in the industry.

USA which produces natural soda ash has a capacity of 12.70 Million MT and they produced 11.5 million tons of soda ash. The US production is stated to have de-grown by 1.2% in 2015 where as domestic demand for soda ash saw a modest growth of 1% versus 2014. The total domestic consumption was estimated at around 5.16 million tons and they exported 6.4 Million tons recording 4.1% negative growth from last year. 50% of their exports are to North & South America which is their natural market. Their export to Indian Subcontinent is only 2%.

INDUSTRY OUTLOOK

Global

The world estimated 2015 distribution of soda ash by end use is as under;

Glass	50%
Detergent & Soap formulations	16%
Chemical	10%
Alumina /Metals and mining	6%
Pulp & Paper	1%
Others (Environmental Protection/ Effluent treatment etc)	17%

Domestic

The Indian estimated 2015-16 distribution of Soda Ash by end use is as under;

Detergents	44%
Glass	30%
Chemical	11%
Silicate	10%
Others (Trade)	5%

INDIAN SCENARIO

The Indian market for soda ash has the greatest potential to expand in the near term with positive outlook of country’s relatively robust economy, its gap in housing and it’s rapidly expanding liquor and automotive industries – all of which are expected to support glass demand. Indian soda ash consumption currently stands at around 2.5 Kg per capita, compared to around 20 Kg per capita in the US, illustrating ample room for growth. The Indian economy has not just managed to remain afloat but also performed well with GDP growth of +7%.

We estimate that Indian Soda Ash demand in 2015-16 is at 3.4 Million tons. All consuming segments including Detergents and Flat Glass recorded a healthy rebound, only Container Glass and Chemical segment continues to be low key.

As per domestic industry historical trends, the Indian Soda Ash demand is expected to grow by around 4 to 5% annually. Our market estimate indicate that downstream demand growth is gradually improving and 2016 is expected to be better than 2015. India’s GDP growth in real terms is slated to be better in the coming Financial Year with the projection of a better than normal monsoon. It is expected that downstream sectors like Detergents and Glass should be much more stable this year. A more stable economic outlook would help generate consumer confidence and therefore facilitate higher spending – both urban and rural, leading to a better outlook for Soda Ash.

Total Soda Ash installed capacity in India is 3.1 Million MT, with an estimated production of about 2.7 Million MT in last financial year (2015-16). Going forward GHCL is executing an expansion of 1 lac tons to come on line in March 2017. Nirma is also doing an expansion of 1.5 lac tons by December 2016. RSPL (Ghari

Group) has also announced setting up a Soda Ash plant with capacity of 5 lac tons. It is expected that domestic demand growth will lead to absorption of these expansions.

GHCL SODA ASH BUSINESS

GHCL Limited is a leading Indian producer of soda ash is well-poised to tap opportunities in both the Detergents & the Glass industries. The total soda ash business contributes about 60 % of total Indian Standalone revenue.

In India the company has a significant advantage in maintaining tight control on cost of soda ash due to major captive source on some of the raw materials – Salt, Limestone & Lignite.

GHCL shares highly successful client relationships and is the preferred supplier to all major soda ash consumers; its clients include Hindustan Unilever Limited, Ghari Group, P&G, Fena Group, HNG Group, Gujarat Guardian Limited, Gujarat Borosil Limited, Piramal Glass Limited, St Gobain Glass, Gold Plus Glass, Phillips and Patanjali Ayurveda Limited.

OPPORTUNITY AND CONCERNS

The Indian industry suffers from the weaknesses of concentration of 95% capacity in Gujarat and the cost of transport to markets in South and East India, which constitutes about 25% of the National consumption, is high as compared to the ocean freights to South and East India where product is imported from US/China/Kenya and Europe. Currently around 23% of the Indian demand is being met by cheap imports.

GHCL has been able to maintain a domestic market share through a combination of market development, pro-active Direct Customer Relationship management Satisfaction Initiatives (CSI) and the speedy response to the needs of the market place.

TEXTILES – OUTLOOK & GROWTH

Global trade in textile is currently at 766 Billion USD, growing at CAGR of 4% and expected to grow by around 5% per annum over next decade and expected to reach \$ 1.30 trillion mark by 2024. India accounts for approx. 4.7% of the share in world textile market. Indian Textile industry is about 100 Billion USD both domestic and exports put together, and expected to grow @ 10% CAGR in next seven years as compared to world textile and clothing trade of around 5%. In next 7 years India's share in world export will increase to around 8% from current share of approx. 5%.

The Global Home Textile market is estimated at around US\$ 45 billion at the wholesale level. The major consuming countries are US and Europe each constituting around one third of world demand. India, China and Pakistan are the major exporters in this segment accounting for nearly 50% of the world trade. These three countries account for more than 85% of Home Textile Exports to US market. Which is not the case for Europe as other countries like Bangladesh and Turkey enjoy duty free status for European market. In US market, India's share of Sheet market have grown from 27% in CY 2009 to 47% in CY 2014 as per data released by the Office of Textile and Apparels

The Indian textiles industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 per cent to India's gross domestic product (GDP), and 14 per cent to overall Index of Industrial Production (IIP). India is emerging as biggest exporter

of Home Textiles capturing around 47% Market share in United States of America which is second biggest market for home textiles. The Indian Textiles Industry is the 2nd largest only after China. The Industry plays a major role in the economy of the country. India has improved its ranking as per the recent data released by 'UN Comtrade' in Global Textiles as well as Apparel Exports. In Global Textiles Exports, India now stands at second position beating its competitors like Italy, Germany and Bangladesh Further, it also contributes about 17% of the country's total export earnings. There are 2500 weaving factories and 4125 textile finishing factories across the country.

Textile industry has been growing at 10% over last several years. Government of India has provided a number of export promotion policies for the Textile sector. In addition, States of Gujarat, Maharashtra, Madhya Pradesh have special incentive for textile industry. With Indian Textile industry looking to grow to 140 billion mark by 2025, there are going to be huge opportunities in future for growth in this industry.

GHCL - TEXTILES

GHCL Limited is one of the largest integrated textile manufacturers in the country with an installed spinning capacity of around 1.75 lakh spindles and 3320 Rotors (Open End) manufacturing 100% cotton and polyester cotton blended yarns, 162 Air Jet looms, 36 million meter of wide width processing capacity, and 600 stitching machines for manufacturing world class quality merchandise. We have state-of-art plant at Vapi, Gujarat that integrates weaving, processing and cut & sew facilities. Our Spinning units in South of India are considered to be most efficient and modern yarn manufacturing facility in India. Excellent product development capabilities has put GHCL in forefront of major markets internationally, mainly North America, Australia, Middle East, UK and Europe. GHCL have also started to focus on domestic market and working with major retail brands for domestic market.

Overall in the Textile Business of the Company has posted robust performance this year, which is despite the fact that the Spinning Industry went through troubled times during the year. The Made-ups (Home Textiles) Business operations have done considerably well mainly due to strong customer relations, product portfolio and consistent supply of quality material. This has led to increase in Capacity utilisation to 83% as compared to 70% last year.

The Revenue of Textiles division is at ₹ 1069 Cr. during the financial year 2015-16 against ₹ 965 Cr. in 2014-15. We are glad to inform that there is significant improvement in the margins over last year. This has been made possible due to higher Capacity utilisation, our relentless customer focus which has enabled us to successfully strengthen our export markets and thus resulting in securing large replenishment orders from the big Global Retailers in US and Europe like Bed Bath & Beyond, Target, HBC Canada, Sears Canada, K-Mart, Ross Store, TJX Group, QVC, House of Fraser and Miles Home Fashions etc. Market sentiment in US looks better and the Company is focusing on US market with large volume programs. We strongly believe that our focus on customer realignment along with innovative designs, enhanced product basket with tie ups with Private labels shall provide a further impetus to both topline and margin improvement. However, fluctuations in the cotton price and quality of cotton have also become a big concern in this year. Due to adverse weather and whitefly infestation crops have been damaged. However, going forward, we expect an

increase in demand for yarn as well as prices. Your company is taking effective steps to bring down the Power cost; 12.6 MW new Wind mills installed will meet 55% of power needs in spinning.

OPPORTUNITIES, THREATS AND RISK MITIGANTS:

India's competitive edge in US Market over Pakistan and China is likely to improve further. With growing urbanisation and organised retail Indian textile industry shall gain momentum with growth in domestic market as well. Technological advancement along with favourable Government policies should act as a Catalyst in Textile Sector Growth.

India is still not a preferred supplier in Europe due to differential duty over Pakistan, Vietnam and Bangladesh. Availability of skilled labour continues to haunt the industry. However with Government's "Skill India" initiative, we expect that the problem shall get resolved to great extent. Crude has touched its bottom during last year and is now showing a reversing trend. Increase in crude prices can impact the cost. This can also result in greater degree of forex volatility. However appreciation of Dollar would benefit the export volumes. We are actively interacting with experts to understand foreign exchange fluctuation and take appropriate and timely steps to minimize its impact on GHCL.

INTERNAL CONTROLS AND RISK MANAGEMENT

GHCL has adequate and proper system of internal controls commensurate with its size and business operations at all plants, divisions and the corporate office to ensure that its assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are reliably authorized, accurately recorded and reported quickly. The company has appointed outside internal audit agency to carry out concurrent internal audit at all its locations. The scope of its internal audit program is laid down by the Audit Committee of the Board of Directors. The Audit Committee meets periodically to discuss findings of the internal auditors along with the remedial actions that have been recorded or have been taken by the management to plug weakness of the system. Risk Management and internal audit functions complement each other at GHCL. The company strives to adopt a de-risking strategy in its operations while making growth investments. This involves setting up and monitoring risk on a regular basis.

In addition to the above, the Company had voluntarily constituted a Risk Management Committee in line with the requirement of Regulation 21 of the Listing Regulations. The Company applies Risk Management in a well-defined, integrated framework, which promotes awareness of risks and an understanding of the Company's risk tolerances. The Risk Management Committee monitors the internal control system, designed to identify, assess, monitor and manage risks, associated with the Company.

HUMAN RESOURCE DEVELOPMENT IN GHCL

The Company had 3106 employees on its permanent roll on 31st of March 2016, each committed towards playing their roles and discharging given responsibilities to enable the organisation to meet its objectives. The prime advantage of this company has always been its human capital. Employees of GHCL, apart from accomplishing their functional activities, are always willing to take an extra step to bring in process improvements, innovation and creativity at work place as well as better cost and time management. Upholding this trait, during the year 2015-

16 also, GHCLians were successful in completing many project and process initiatives leading to higher work efficiency in the organisation. The organisation has, continuing its efforts to improve the employability of its people, also ensured to provide all avenues to learn and experiment, also bringing in, through the process, greater job satisfaction and motivation among the workforce.

The company has been pursuing its culture of transparency, creativity and empowerment as it believes that the best in people can be brought out only if they feel free, empowered and encouraged. In year 2015-16 also the HR function started many initiatives in promoting this culture and one of the most important step in that direction was the announcement of the Compensation philosophy. The Company firmly believes that Compensation & benefits help in attaining a competitive advantage in market through supporting a behavior unique to it. So the compensation philosophy mainly focuses on "Pay for Performance - Pay for Behavior: fairly & competitively by adopting tools & techniques that help in achieving it" with a commitment to reward its Top Performers significantly. Under this initiative the Company gives due importance to the Performance in general, which will be assessed on elements, as driven by new Mission & Vision of the company. Apart from this, the Compensation decisions will also be based on the behaviour of the employee viz a viz the culture and values of the company.

HR also played a pivotal role during the year in the propagation of the new Mission and Vision of the company. The Mission and Vision was rolled out through different mediums in order to create a clarity and alignment in the minds of all the employees of GHCL.

On the organisational values, in year 2015-16 too, the company spared no measures in upholding them in all its thoughts, activities and transactions internally or in dealing with its external stakeholders or the society in general. The four core values, Respect, Ownership, Trust and Integrated Teamwork have been the guiding principles for the HR function also while conducting all people related operations and these values have contributed tremendously in creating a unique organisational culture and corporate identity for GHCL. In line with the practice that was started previous year, the employees who exhibit the core values in their behaviour are identified as Core Value champions and are rewarded suitably. Going further, this year, the organisation has started assimilating feedback from external business associates, i.e. its customers and vendors on GHCL core values as well.

With regard to addressing the training and development needs of employees in general, during 2015-16 also, various training programs were organized on the basis of the 8 competencies that were identified as vital for the success of the organisation and, such programmes will continue to be provided in the coming years also since it will be an ongoing process. For providing such programmes, the HR Function identifies the best faculty and training agencies based on their credentials and experience in delivering successful programmes in similar organisations. According to the analysis of the feedback received from the participants, the effectiveness of training faculties, who had conducted programmes in the organisation has been excellent, which translates in to meeting the desired objectives.

Apart from this, a new initiative was taken up by HR under the name of VIKAS or earn your training. Under this initiative, the employees are encouraged to participate in some activities that go beyond their job role. By participating in these activities



the employees not only build their competencies but also earn some points that can be redeemed by them to attend a training program of their choice.

As per the ongoing practice, during the year 2015-16 also, the HR function undertook organisation-wide surveys on Core Value Adherence and Employee Engagement to basically ascertain the impact of various ongoing developmental HR and OD initiatives. It was based on such findings, the above mentioned Core Value Champions were identified and appreciated.

While Corporate Social Responsibilities are being discharged in a big way by the specific team established under the GHCL Foundation Trust, during the year 2015-16 the HR Function also organised few medical camps for eye check-up, blood donation, etc. volunteered by the employees to benefit the society in general as well as to re-inforce the social commitment of employees as individual citizens of the Country. During the year company has also provided short term training opportunities to students pursuing various professional courses enabling them to have valuable industrial exposure.

Many other programmes for employee rejuvenation and creating stronger inter-personnel relations, team building as well as aimed at further strengthening the bonding across all divisions and locations of the company were organised in year 2014-15 also. These programmes help employees significantly in leading a balanced work life in the organisation.

GHCL's HR Function remains open to adopting new and innovative HR functions which have been proved effective in successful organisations or develop such initiatives on its own to maintain company's human capital as willing and competent to contribute towards achieving its business objectives. The human resources strategy is always kept aligned with the long term business strategy of the organisation and almost all HR initiatives are developed keeping that aspect in mind. To sum up, the human resources function has been, during the year 2015-16, able to provide strategic HR support to the organisation as well as the individual employees in a very effective way. The HR function is committed to improve all its processes based on the results and feedback and ensure that its manpower will remain its greatest asset.

CSR Initiatives

GHCL endeavors to make a positive contribution to surrounding communities by supporting a wide range of socio-economic, educational and health initiatives for last few years by structure way. We make sure that communities benefit from our company's presence by pro- actively responding to their needs. Through our programs, we aim to bring about overall development and a perceptible change in the lives of the communities we are associated with.

GHCL Foundation Trust supports more than 77 villages like 55 villages of Gir Somnath District (Three blocks Sutrapada, Veraval and Talala) around GHCL's soda ash and limestone mining operations, 17 villages of Salt operation in Amreli District (Rajula, Jafrabad & Kodinar of Gir-Somnath), 02 villages of Bhavnagar Lignite mining area and 03 villages of Textile Division Valsad District (Umbergoan block).

GHCL Limited under its CSR efforts has implemented need based development programs in sectors of health, education, sanitation and drinking water, sustainable livelihoods, enterprise development and community institution building.

Our programs in education, which provides free alternet education to children at mining site schools and Learning enhancement centers. The learning enhancement programs which improve student learning levels and extending scholarships to children are helping migrant and disadvantaged children to avail of better quality education. Also we targeting 10 primary schools, 18 Anganwadis and 2 High schools under "Vidhya Jyot" project with aiming to Support Pre-primary education to High school education through parents awareness, Teacher training, dropout monitoring and counseling to enhanced quality education. Our remedial education program for academic weak students has been implemented very well in 10 Govt. Schools of Amreli distric and it has given the very good result in "Gunotsav" an evaluation program of Gujarat Govt.

The regular health camps organised by GHCL, the Sunday Clinic and the Mobile Medical Unit has made high quality and affordable health care available to at the doorstep of communities. In addition to conducting exposure visits and crop demonstrations for farmers, providing drip and sprinkler irrigation technologies, distributing and promoting the use of organic manure, this year we partnered with Cotton Connect to enhance the scale and productivity of cotton farming in the region. Our partnership with CSPC and WASMO for the Coastal Area Development Program (CADP) II has made sanitation and drinking water facilities a reality for rural communities and has helped to create water distribution systems in villages. In 2014-15, we established 02 Vocational Training Institute at Port Victor (Salt division) to improve skills and capabilities of the youth around our industrial premises and Bhilad (Textile Division).

We have partnership with Sir Ratan Tata Trust (SRTT) for multiple activities. SRTT has accredited only two partners in Gujarat for innovation work promotion and we are one of them. SRTT has experimented ATM –RO system only with us for drinking water for villager of Coastal villages. We have piloted SIM Bio-gas (New technology, Netherland based) with coloration of coastal salinity prevention cell. We installed three Biogas plants and research going on by FINISH organization. Our Vocational Training Centre, Bhilad has affiliated under ISDS program of Ministry of Textile through CED, Gujarat.

A recent external impact assessment on GHCL's CSR interventions has revealed three major areas of impact. These include Community Well-being though varied development programs, Improvement in natural resources and environment and Strengthened relationships with surrounding communities and employees through increased faith in the company.

We have been working to increase the reach and impact of our efforts in partnership with esteemed organisations and community stakeholders. The work at GHCL Foundation takes an integrated approach to improve living conditions for communities and create a solid foundation for their future.

CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

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

1. Company's Philosophy on Code of Corporate Governance

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

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

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

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

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

2. Board of Directors

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

2.1 Composition:

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

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

Note:

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

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

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

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

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

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

Note:

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

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

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

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

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

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

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

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

2.2 Independent Directors' Meeting

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

All the Independent Directors were present at the Meeting.

2.3 Directors' Profile:

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

Mr. Sanjay Dalmia:

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

Mr. Anurag Dalmia:

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

Mr. Neelabh Dalmia:

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

Mrs. Padma Vinod Betai

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

Dr. B C Jain

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

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

Mr. G C Srivastava

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

Mr. Mahesh Kumar Kheria

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

Mr. Sanjiv Tyagi

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

Mr. K C Jani

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

Mr. Lavanya Rastogi

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

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

Mr. R S Jalan

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

Mr. Raman Chopra

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

3. Committees of the Board

(i) Audit Committee

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

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

Terms of Reference:

The role of the Audit Committee shall include the following:

- a. Oversight of the company’s financial reporting process and the disclosure of its financial

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

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

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

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

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

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

(ii) Nomination & Remuneration Committee:

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

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

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

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

2. To recommend to the Board the appointment and removal of person identified under point (1) above;
3. To formulate the criteria for evaluation of performance of Independent Directors and Board of Directors;
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
5. To devise a policy on Board diversity of Board of Directors.
6. Any other activities as per the requirement of Regulation 19 of the Listing Regulations and the Companies Act, 2013.

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

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

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

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

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

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

Remuneration Policy:

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

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

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

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

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

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

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

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

Note:

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

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

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

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

(iii) Stakeholders Relationship Committee:

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

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

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

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

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

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

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

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

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

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

(iv) Banking and Operations Committee

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

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

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

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

(v) Project Committee

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

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

(vi) Corporate Social Responsibility (CSR) Committee

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

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

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

(vii) Compliance Committee

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

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

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

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

(viii) Business Strategy & Planning Committee

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

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

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

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

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

(ix) Risk Management Committee

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

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

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

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

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

4. General Body Meeting:

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

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

b) **Special Resolutions:**

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

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

c) **Extraordinary General Meeting (EGM)**

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

d) **Postal Ballot**

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

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

5. Means of communication:

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

6. General shareholder's Information:

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



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

7. Corporate Benefits to Shareholders

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

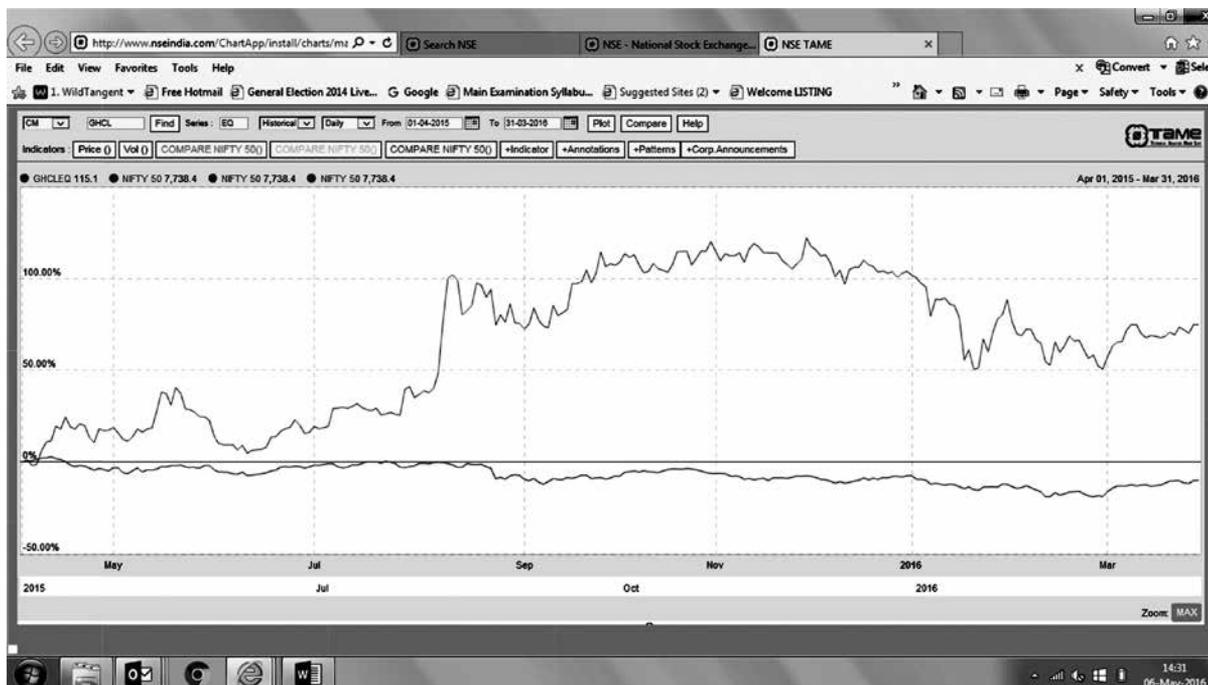
Equity share of paid up value of ₹ 10 per share

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

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



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



10. Shareholders Reference

Unclaimed Dividend

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

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

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

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

SHAREHOLDING PATTERN AS ON 31ST MARCH 2016

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

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

Plant Locations:

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

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

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

12. Disclosures:

12.1 Disclosure on materially significant related party transactions

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

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

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

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

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

12.3 Vigil Mechanism / Whistle Blower Policy

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

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

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

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

The details of Ombudsperson is given below:

Name: Mr. Mahesh Kumar Kheria

Email ID: mkheria@rediffmail.com

Mobile No.: 09313743974

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

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

12.4 Disclosures regarding web link of the Company

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

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

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

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

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

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

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

13. Code for Prevention of Insider Trading Practices

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

14. Code of Conduct:

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

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

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

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

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

DECLARATION

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

For GHCL LIMITED

sd/-

R S Jalan
Managing Director

sd/-

Raman Chopra
CFO & Executive Director (Finance)

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

We the undersigned certify to the Board that:

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

For GHCL LIMITED

sd/-

R S Jalan
Managing Director
Date: May 19, 2016

sd/-

Raman Chopra
CFO & Executive Director (Finance)

AUDITORS' CERTIFICATE

To the Members of
GHCL LIMITED

We have examined the compliance of regulations of corporate governance by GHCL Limited ('the Company'), for the financial year ended 31st March, 2016, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

For and on behalf of

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

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

Place : New Delhi
Date : May 19, 2016

For and on behalf of

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

(RAHUL DIVAN)
Partner
Membership No: 100733

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
GHCL Limited
Ahmedabad
Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GHCL Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 March 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)

Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**).
- (vi) No law is applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and The Securities and Exchange Board of India (Listing Obligations Requirements) Regulations, 2015 notified on October 28, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. Company has obtained in-principle approval from NSE and BSE for listing of its fifty lacs equity shares of face value of ₹ 10 each to be issued to its employees, over a period of time, pursuant to Employees Stock Options Scheme approved by the shareholders in their general meeting held on July 23, 2015.;
2. Telforce Holdings India Limited, a subsidiary of the company, dissolved w.e.f. April 28, 2015.
3. Indian England NV, a subsidiary of the company is liquidated with effect from August 14, 2015.

K.K. Mishra
FCS No. 1723, C P No: 13058

Place: Ahmedabad
Date : 19 May, 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
GHCL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of GHCL Limited ("the Company") which comprises the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 2.26 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by 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: 19 May 2016

For and on behalf of
RAHUL GAUTAM DIVAN & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 120294W)

(RAHUL DIVAN)
Partner
Membership No: 100733

ANNEXURE - A TO INDEPENDENT AUDITORS’ REPORT

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of these fixed assets is being conducted by the management at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and the nature of the fixed assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties as covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, with respect to loans, investments, guarantees and security made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records have been prescribed under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the records of the Company and the information and explanations given to us, the Company has generally been regularly depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs , Duty of Excise, Value added Tax, Cess and any other statutory dues applicable to it. There are no undisputed statutory dues as referred to above as at 31st March, 2016 outstanding for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, Service Tax, Duty of Customs and Excise Duty and that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below :-

Name of Statute	Nature of Dues	Amount (₹ In Cr)	Period to which the Amount Relates	Forum where dispute is pending
Income Tax Act, 1961	Write off of loans of Subsidiaries, Corporate Guarantee, Foreign Sales Commission	11.06	F.Y. 2010-2011, F.Y. 2011-12	ITAT, Ahmedabad
	Foreign Sales Commission, Interest on loan to Subsidiaries	5.46	F.Y. 2011-2012, F.Y. 2012-13	CIT (Appeal), Ahmedabad
Central Excise Act, 1944	CENVAT credit & Non Payment of Service Tax, changes in classification of duty rate	0.03	2001-2002	High Court Chennai
		4.50	2012-2013	High Court Gujarat
		33.25	2002-03, 2005-06, 2008-09, 2009-10 to 2014-15	Customs, Excise and Service tax Appellate Tribunal
		0.86	2010-11, 2011-12, 2012-13, 2014-15	Commissioner (Appeals)
Customs Act, 1962	Changes in classification of custom duty rate	5.71	2012-13	Customs, Excise and Service tax Appellate Tribunal
Urban Land Tax Act, 1966	Urban Land Tax	0.74	1981-2014	High Court Chennai
Bombay Tenancy & Agricultural Land Tax Act, 1948	NA conversion Premium for Land	1.21	2005-2006	High Court Ahmedabad
The Employee's State Insurance Act, 1948	Contribution Demand	0.03	1998-2002	ESI Court, Madurai
		0.01	1985-1986	Supreme Court

- (viii) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans from bank.
- (ix) In our opinion and according to the information and the explanations given to us, the term loans have been applied for the purposes for which they were obtained. Further as per the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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: 19 May 2016

For and on behalf of
RAHUL GAUTAM DIVAN & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 120294W)

(RAHUL DIVAN)
Partner
Membership No: 100733

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GHCL Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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: 19 May 2016

For and on behalf of
RAHUL GAUTAM DIVAN & ASSOCIATES
 Chartered Accountants
 (Firm Reg. No. 120294W)

(RAHUL DIVAN)
 Partner
 Membership No: 100733

BALANCE SHEET AS AT 31ST MARCH 2016

	Notes	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	100.02	100.02
Reserves and Surplus	2.2	885.36	669.71
		985.38	769.73
NON-CURRENT LIABILITIES			
Long-term borrowings	2.3	676.81	783.75
Deferred Tax Liability (Net)	2.4	195.12	172.73
Other Long Term liabilities	2.5	5.04	4.68
Long-term provisions	2.6	5.32	3.78
		882.29	964.94
CURRENT LIABILITIES			
Short-term borrowings	2.7	489.67	454.16
Trade payables	2.8	315.18	391.93
Other current Liabilities	2.9	174.59	168.77
Short-term Provisions	2.10	58.01	41.28
		1,037.45	1,056.14
Total		2,905.12	2,790.81
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible assets	2.11	2,047.05	1,932.03
Intangible assets	2.11	0.45	0.32
Capital Work-in-Progress		36.89	7.01
		2,084.39	1,939.36
Non-current Investments	2.12	1.59	1.59
Long-term loans and advances	2.13	41.31	13.09
Other non-current assets	2.14	0.41	0.47
CURRENT ASSETS			
Inventories	2.15	407.63	417.33
Trade receivables	2.16	246.14	267.51
Cash and cash equivalents	2.17	40.95	31.99
Short-term loans and advances	2.18	82.70	119.47
		777.42	836.30
Total		2,905.12	2,790.81

SIGNIFICANT ACCOUNTING POLICES AND NOTES ON ACCOUNTS

The Notes referred to above form an integral part of the standalone financial statements

As per our report attached		For and on behalf of the Board	
For and on behalf of Jayantilal Thakkar & Co. Chartered Accountants	For and on behalf of Rahul Gautam Divan & Associates Chartered Accountants	Sanjay Dalmia Chairman	Dr. B. C. Jain Director
(C. V. Thakker) Partner	(Rahul Divan) Partner	R. S. Jalan Managing Director	Raman Chopra CFO & Executive Director - Finance
Place : New Delhi Date : 19th May 2016		Place : New Delhi Date : 19th May 2016	Bhuwneshwar Mishra General Manager & Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	Note	For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
INCOME			
Revenue from operations (Gross)	2.19	2,735.56	2,538.57
Less: Excise Duty		176.57	164.96
Revenue from operations(Net)		2,558.99	2,373.61
Other Income	2.20	5.39	11.26
TOTAL REVENUE		2,564.38	2,384.87
EXPENSES			
Cost of Material consumed	2.43(i)	906.03	903.92
Purchase of Stock-in-trade		69.34	62.15
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.21	(5.34)	(12.77)
Employees benefits expenses	2.22	134.61	125.87
Others expenses	2.23	824.44	772.06
		1,929.08	1,851.23
Profit Before Finance costs and Depreciation and Amortisation expenses		635.30	533.64
Finance costs	2.24	161.65	163.84
Profit Before Depreciation and Amortisation expenses		473.65	369.80
Depreciation and Amortisation expenses	2.11	81.74	84.45
		391.91	285.35
Exceptional Items	2.28	(13.50)	(27.41)
Profit Before Tax		378.41	257.94
Tax expenses			
- Current Tax		99.40	64.21
- Deferred Tax (Net)	2.4	22.39	10.71
Profit For The Year after Tax		256.62	183.02
Earnings per Share(Rupees) - Basic / Diluted	2.25	25.78	18.43

SIGNIFICANT ACCOUNTING POLICES AND NOTES ON ACCOUNTS

The notes referred to above form an integral part of the standalone financial statements

As per our report attached		For and on behalf of the Board	
For and on behalf of Jayantilal Thakkar & Co. Chartered Accountants	For and on behalf of Rahul Gautam Divan & Associates Chartered Accountants	Sanjay Dalmia Chairman	Dr. B. C. Jain Director
(C. V. Thakker) Partner	(Rahul Divan) Partner	R. S. Jalan Managing Director	Raman Chopra CFO & Executive Director - Finance
Place : New Delhi Date : 19th May 2016		Place : New Delhi Date : 19th May 2016	Bhuwadeshwar Mishra General Manager & Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extraordinary items	391.91	285.35
Adjustment for :		
Depreciation / Amortisation	81.74	84.45
Unrealised Exchange (Gain) / Loss	4.50	2.54
Interest Income	(0.52)	(0.87)
Income From Dividend	(0.04)	(0.03)
Prior Period Adjustments	(0.01)	0.09
(Profit)/Loss on Sales/Discarding of Fixed Assets (Net)	(0.58)	(4.33)
Extraordinary Items (VRS)	(13.50)	-
Profit on Sale of Investments (Net)	(0.27)	(2.11)
Financial Expenses (Net)	163.66	164.70
Operating Profit before Working Capital Changes	626.89	529.79
Adjustments for :		
[i] Trade & Other Receivables		
* (Increase) / decrease in Trade receivables	20.82	29.48
* (Increase) / decrease in Long term Loans and Advances	(0.11)	1.49
* (Increase) / decrease in Short term Loans and Advances	36.23	(158.49)
* (Increase) / decrease in other Non - Current Assets	0.06	0.08
[ii] Trade & Other payables		
* Increase / (decrease) in Trade payables	(80.70)	(26.85)
* Increase / (decrease) in Long term provisions	1.54	2.10
* Increase / (decrease) in Short term provisions	1.08	(0.17)
* Increase / (decrease) in other current liabilities	1.71	(10.84)
* Increase / (decrease) in other long term liabilities	0.36	(1.09)
[iii] (Increase) / decrease in in Inventories	9.70	(13.15)
Cash Generated from Operations	617.58	352.35
Direct taxes paid	(97.70)	(62.43)
Net cash from Operating Activities	519.88	289.92
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(251.00)	(137.58)
Sale of Fixed Assets	1.30	5.32
Purchase of non current Investments	-	0.00
Purchase of current Investments	(208.00)	(343.50)
Sale of current Investments	208.27	347.60
Interest Received	0.52	0.87
Dividend Received	0.04	0.03
Net cash used in Investing Activities	(248.87)	(127.26)



	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term borrowings	127.30	354.89
Repayments against Long Term Borrowings	(234.24)	(294.47)
Short Term Borrowings (Net)	35.50	(40.61)
Interest and Finance Charges Paid	(163.77)	(166.14)
Dividend and tax thereon paid	(26.84)	(23.40)
Net Cash from Financing Activities	(262.05)	(169.73)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	8.96	(7.07)
Cash and Cash Equivalents at beginning of year	31.99	39.06
Cash and Cash Equivalents at end of year	40.95	31.99

As per our report attached		For and on behalf of the Board	
For and on behalf of	For and on behalf of		
Jayantilal Thakkar & Co. Chartered Accountants	Rahul Gautam Divan & Associates Chartered Accountants	Sanjay Dalmia Chairman	Dr. B. C. Jain Director
(C. V. Thakker) Partner	(Rahul Divan) Partner	R. S. Jalan Managing Director	Raman Chopra CFO & Executive Director - Finance
			Bhwneshwar Mishra General Manager & Company Secretary
Place : New Delhi Date : 19th May 2016		Place : New Delhi Date : 19th May 2016	

NOTE 1 : NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES
Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention (except for revaluation of certain fixed assets in earlier years) in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual results and estimates are recognised in the year in which the results are known/ materialised.

Revenue Recognition

Sales represent value of goods sold and revenue from trade related activities as reduced by quality claims and rebates but includes excise duty and export benefits under DFIA Scheme and Focus Product Scheme.

Fixed Assets and Depreciation

Fixed Assets are recorded at cost net of CENVAT, VAT and subsidies less depreciation and impairment loss, if any. In earlier years, some of the fixed assets have been revalued at their respective fair market value and such assets are stated at revalued amount. Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the management. Depreciation for assets purchased/ sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line method commencing from the date the assets is available to the company for its use. Leases relating to land are amortized equally over the period of lease. Leased mines are depreciated over the estimated useful life of the mine or lease period, which ever is lower. Assets acquired during the year whose cost does not exceed ₹ 10,000 are fully depreciated in the year of acquisition. The Management estimates the useful lives for the others fixed assets as follows.

Building *	30-60 years
Plant and Machinery *	15-25 years
Office equipment	5 years
Computers equipment	3-6 years
Furniture and fixtures	10 years
Vehicles	8-10 years
Intangible assets	3 years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end

Government Grants

Cash Subsidies relating to specific fixed assets are recorded as deduction from the cost of the assets concerned in arriving at its book value.

Impairment of Assets

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset at an arm's length transaction between knowledgeable willing parties, less the costs of disposal.

Investments

Investments are classified into current and long term investments. Current investments are stated at the lower of cost or fair value. Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments. Investments in subsidiary companies are of long term strategic value and except as already provided, diminution, if any, in the value of these investments is temporary in nature.

Inventories

Inventories comprising Raw Materials and Finished Goods are stated at cost or net realizable value, whichever is lower. Cost of Raw Materials is arrived at mainly on weighted average basis for every month. The cost of Finished Goods include material cost, cost of conversion, depreciation, other overheads to the extent applicable and excise duty.

Stock-in-process is valued at cost determined by taking material cost, labour charges, and direct expenses.

Stores and Spares are stated at cost less provision, if any, for obsolescence. The cost of Loose Tools is written off equally over three years.

Foreign Currency Transactions

Transaction denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

Non-monetary foreign currency items are carried at cost. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss .

Foreign currency monetary assets and liabilities other than net investments in non integral foreign operations are translated at the exchange rate prevailing on the Balance Sheet date. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except for the exchange difference arising on translation of long term foreign currency monetary items as at the balance sheet date, which are being amortised over the maturity period of the said long term foreign currency monetary items.

Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a Foreign Currency Translation Reserve.

Derivative Instruments

The Company enters into derivative contracts in the nature of forward contracts with an intention to hedge its firm commitments and highly probable transactions. Derivative contracts which are closely linked to the underlying transactions are recognised in accordance with the contract terms. All other contracts are marked-to-market at the reporting date and resultant losses are recognised in the financial statements and the net gains, if any, however are ignored.

Retirement Benefits

Contribution payable to recognized Provident Fund and Superannuation Scheme which are defined contribution scheme is charged to the Statement of Profit and Loss. Gratuity and Leave Encashment which are defined benefits are accrued based on actuarial valuation as at the Balance Sheet date. The Company has opted for a Group Gratuity Scheme and the contribution is charged to the Statement of Profit and Loss each year.

Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortization/depreciation.

On amalgamation/acquisition the excess of consideration over the value of net assets acquired is treated as goodwill arising on amalgamation and is written off over a period of five years.

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. The capitalization rate is the weighted average of the borrowing cost applicable to the borrowings of the Company that are outstanding during the year. All other borrowing costs are recognized as an expense in the year in which they are incurred.

Leases

Leases entered into before 1st April, 2001 are treated as operating leases and lease rentals paid are charged to Statement of Profit and Loss. Leases entered into on or after 1st April, 2001 are accounted for in accordance with Accounting Standard -19.

Taxation

Income Tax expenses comprises of current tax and deferred tax charge or credit. The deferred tax assets and/ or liabilities are calculated by applying tax rates and tax laws that have been enacted at the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation (due to amalgamation) under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing difference are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to re-assess realization.

Provisions, Contingent Liabilities and Contingent Assets

In accordance with Accounting Standard - 29 Provisions, Contingent Liabilities and Contingent Assets, provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

NOTES FORMING PART OF THE BALANCE SHEET
NOTE 2.1 : SHARE CAPITAL

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
SHARE CAPITAL		
Authorised		
175,000,000 Equity Shares of ₹.10/- each	175.00	175.00
	<u>175.00</u>	<u>175.00</u>
Issued, Subscribed and Paid up		
100,019,286 Equity Shares of ₹ 10/- each fully paid up	100.02	100.02
	<u>100.02</u>	<u>100.02</u>

Additional Notes :

- a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Equity shares	31.03.2016		31.03.2015	
	No. of Shares	(₹ in Cr)	No. of Shares	(₹ in Cr)
At the beginning of the year	10,00,19,286	100.02	10,00,19,286	100.02
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	10,00,19,286	100.02	10,00,19,286	100.02

- b) Rights, Preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share held. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation on the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

- c) Shareholder's holding more than 5 % Shares as on Balance Sheet date: NIL NIL

As per the records of the Company, including its register of shareholders/members and others declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

NOTE 2.2 : RESERVES AND SURPLUS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
CAPITAL RESERVE		
Cash subsidy	0.26	0.26
Surplus on re-issue of forfeited Shares	0.15	0.15
Forfeiture of Preferential Convertible Warrants	7.16	7.16
	<u>7.57</u>	<u>7.57</u>
BUSINESS DEVELOPMENT RESERVE		
As per last Balance Sheet	75.16	321.93
Less: Diminution in value of Investment/ Advances/ Receivables from Subsidiaries	-	(238.92)
Less: Write back on Sales of Revalued Assets	-	(7.85)
	<u>75.16</u>	<u>75.16</u>
CAPITAL REDEMPTION RESERVE		
As per last Balance Sheet	10.00	10.00
SECURITIES PREMIUM RESERVE		
As per last Balance Sheet	18.15	18.15
GENERAL RESERVE		
As per last Balance Sheet	98.16	98.16

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
As per last Balance Sheet	460.67	302.84
Add: Profit For The Year after Tax	256.62	183.02
Prior period adjustments	(0.01)	0.09
Excess/ (Short) provision for Tax for earlier years	1.17	1.20
Amount Available For Appropriation	<u>718.45</u>	<u>487.15</u>
APPROPRIATIONS		
Proposed Dividend on Equity Shares	35.01	22.00
Tax on Dividend	7.12	4.48
	<u>42.13</u>	<u>26.48</u>
	676.32	460.67
Total	<u>885.36</u>	<u>669.71</u>

NOTE 2.3 : LONG TERM BORROWINGS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
FROM BANKS / FINANCIAL INSTITUTIONS		
Secured Loan		
Rupee Term Loans	676.81	783.75
Total	<u>676.81</u>	<u>783.75</u>

Notes:

Rupee Term Loans from Banks / Institutions have been secured against :-

- a) Loan aggregating to ₹ 37.27 Cr is secured by extension of first charge on pari passu basis, by way of equitable mortgage on immovable properties of the Soda Ash Division situated at Sutrapada, Veraval, Gujarat and extension of hypothecation charge on movable fixed assets, both present and future of the company's Soda Ash division situated at village – Sutrapada, Veraval in Gujarat with other term lenders of the said project. The remaining tenure of the loans is 1 to 2 years.
- b) Loan aggregating to ₹ 117.71 Cr is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Soda Ash Division situated at village Sutrapada, Veraval in Gujarat. The remaining tenure of the loans is 3 to 9 years.
- c) Loan aggregating to ₹ 22.49 Cr is secured by way of first pari passu charge on movable fixed assets of Soda Ash Division situated at village Sutrapada, Veraval, Gujarat excluding assets exclusively charged to other lenders both present and future . The remaining tenure of the loans is 10 years.
- d) Loan aggregating to ₹ 167.71 Cr is secured by way of first pari passu charge on movable fixed assets of Soda Ash Division situated at village Sutrapada, Veraval in Gujarat. The remaining tenure of the loans is 1 to 4 years.
- e) Loan aggregating to ₹ 44.28 Cr is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Home Textile Division situated at Vapi in Gujarat. The remaining tenure of the loans is 3 to 9 years.
- f) Loan aggregating to ₹ 12.97 Cr is secured by way of first pari passu charge on movable fixed assets of Company's Home Textile Division situated at Vapi in Gujarat. The remaining tenure of the loans is 1 to 2 years.
- g) Loan aggregating to ₹ 1.88 Cr is secured by first charge on pari passu basis by way of equitable mortgage on Factory Land & Building of Textile Division situated at Paravai and Manaparai, Tamil Nadu and hypothecation of specified movable assets, both present and future of the Company's Textile Division. The said loan is availed under Technology Upgradation Fund Scheme for Textile. The remaining tenure of the loans is 1 year.
- h) Loan aggregating to ₹ 88.99 Cr is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Textile Division situated at Madurai, Tamil Nadu. The remaining tenure of the loans is 3 to 9 years.
- i) Loan aggregating to ₹ 74.95 Cr is secured by extension of first charge on pari passu basis on Factory Land & Building of Textile Division situated at Paravai and Manaparai, Tamil Nadu with other term lenders of the said project. The remaining tenure of the loans is 2 to 4 years.
- j) Loan aggregating to ₹ 70.00 Cr is secured by first exclusive charge on movable fixed assets of Textile Division situated at Paravai and Manaparai, Tamil Nadu, both present and future, excluding assets exclusively charged to other lenders. The remaining tenure of the loan is 5 years.

- k) Loan aggregating to ₹ 48.66 Cr is secured by an exclusive first charge on movable fixed assets situated at Tirunelveli District, Tamilnadu, both present and future, created out of the proceeds of the loan. The remaining tenure of the loan is 9 years.
- l) Loan aggregating to ₹ 25.55 Cr is secured by an exclusive first charge on movable and immovable fixed assets situated at Tirunelveli District, Tamilnadu, both present and future, created out of the proceeds of the loan. The remaining tenure of the loan is 10 years.
- m) Loan aggregating to ₹ 45.83 Cr is secured by extension of first charge on movable fixed assets of Edible Salt division situated at Chennai and Industrial Salt Division situated at Bhavnagar and exclusive first charge on the factory land and building situated at Thiruporur village, Chengalpattu Taluka, Kancheepuram District, Chennai. The remaining tenure of the loan is 5 years.
- n) Out of all the aforesaid secured Loans appearing in note 2.3 (a) to 2.3 (m) totaling ₹ 758.29 Cr, an amount of ₹ 81.48 Cr is due for payment in next 12 months and accordingly reported under note no 2.9 under the head " Other Current Liabilities" as 'current maturities of Long Term Debt'.

NOTE 2.4 : DEFERRED TAX LIABILITIES (NET)

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Deferred tax liability on account of:		
i) Depreciation	207.14	181.54
Total (A)	207.14	181.54
Deferred tax assets on account of:		
i) Employee Benefit	3.74	3.24
ii) Disallowance u/s 43 (B)	4.68	3.65
iii) Carry forward loss as per IT Act	3.60	1.70
iv) Deferred Revenue Expenditure	-	0.22
Total (B)	12.02	8.81
Total (A-B)	195.12	172.73

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

NOTE 2.5 : OTHER LONG TERM LIABILITIES

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Trade Deposits from Dealers	4.51	3.74
Security Deposits	0.53	0.94
Total	5.04	4.68

NOTE 2.6 : LONG TERM PROVISIONS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Mines Restoration Expenditure:		
Opening Provision	3.78	1.68
Add: Provision during the year	2.23	2.13
Less: Utilisation during the year	(0.69)	(0.03)
Total	5.32	3.78

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the period of estimated mineral reserves and a provision is made based on minerals extracted during the year. The total estimate of restoration expenses is reviewed periodically, on the basis of technical estimates.

NOTE 2.7 : SHORT TERM BORROWINGS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
SECURED LOANS REPAYABLE ON DEMAND		
Working Capital Loans from Banks	489.67	454.16
Total	489.67	454.16

- Working Capital Loans are secured by way of hypothecation of stock-in-trade and book debts of Soda Ash / Home Textile Division / Edible Salt / Textile Divisions and second charge on fixed assets of Soda Ash Division / Home Textile Division and Textile Division, both present and future.
- Specified movable assets referred to in the above notes include all movable assets of Soda Ash Division, Home Textile Division and Textile Division both present and future but subject to prior charge created and / or that may be created in favour of Company's Bankers on stock-in-trade for securing borrowing for working capital.

NOTE 2.8 : TRADE PAYABLES

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Sundry Creditors for Goods and Expenses	314.92	391.51
Sundry Creditors- Micro, Small & Medium Enterprises* 2.49	0.26	0.42
Total	315.18	391.93

* There are no interests due or outstanding to Micro, Small & Medium Enterprises beyond the due date.

NOTE 2.9 : OTHER CURRENT LIABILITIES

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Current maturities of long term debt	81.48	85.63
Interest accrued but not due on borrowings	0.32	0.77
Interest accrued and due on borrowings	11.03	10.69
Sundry Creditors for Capital Expenditure	15.88	12.00
Advances from Customers	2.60	2.77
* Investor Education & Protection Fund in respect of Unclaimed Dividend	2.92	2.57
Other liabilities		
Accrued salaries and benefits	19.06	18.94
Withholding and other taxes payable	9.57	9.03
Provision for Expenses	26.42	20.18
Other payable	5.31	6.19
Total	174.59	168.77

* The figure reflects the position as of 31st March, 2016. The actual amount to be transferred to the Investor Education & Protection Fund in this respect shall be determined on the due date.

NOTE 2.10 : SHORT TERM PROVISIONS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Provision for employees' benefits		
Unavailed leave	10.02	10.51
Bonus/gratuity	5.85	4.14
Others		
Proposed Dividend on Equity Shares	35.01	22.00
Provision for		
Tax on Dividend	7.13	4.48
Wealth Tax	-	0.15
Total	58.01	41.28

NOTE 2.11 : FIXED ASSETS

(₹ In Cr)								
PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01-04-2015	Additions (Deletions)	As at 31-03-2016	As at 01-04-2015	Addition (Deletion)	As at 31-03-2016	As at 31-03-2016	As at 31-03-2015
(A) TANGIBLE ASSETS								
Free hold Land	379.43	3.31	382.74	-	-	-	382.74	379.43
Leasehold Land	387.33	-	387.33	34.93	4.86	39.79	347.54	352.40
Buildings	222.91	16.36	239.27	68.65	7.20	75.85	163.42	154.26
Plant and Machinery	1,838.22	93.81 (3.02)	1,929.01	857.24	57.38 (1.37)	913.25	1,015.76	980.98
Wind Turbine Generators	67.23	80.58	147.81	21.31	3.87	25.18	122.63	45.92
Furniture and Fixture	7.83	0.83 (0.14)	8.52	4.86	0.84 (0.09)	5.61	2.91	2.97
Office Equipments	15.21	2.65 (0.47)	17.39	12.74	1.42 (0.47)	13.69	3.70	2.47
Vehicles	5.12	0.86 (0.61)	5.37	2.67	0.69 (0.41)	2.95	2.42	2.45
Leased Mines	62.02	-	62.02	52.55	4.52	57.07	4.95	9.47
Salt Works Reservoirs and Pans	65.30	-	65.30	63.62	0.70	64.32	0.98	1.68
SUB-TOTAL (A)	3,050.60	198.40 (4.24)	3,244.76	1,118.57	81.48 (2.34)	1,197.71	2,047.05	1,932.03
(B) INTANGIBLE ASSETS								
Goodwill	2.63	-	2.63	2.63	-	2.63	-	-
Software	6.90	0.39 (0.03)	7.26	6.58	0.26 (0.03)	6.81	0.45	0.32
Trade Mark	0.00	-	-	0.00	-	-	-	-
SUB-TOTAL (B)	9.53	0.39 (0.03)	9.89	9.21	0.26 (0.03)	9.44	0.45	0.32
GRAND TOTAL (A+B)	3,060.13	198.79 (4.27)	3,254.65	1,127.78	81.74 (2.37)	1,207.15	2,047.50	1,932.35
Previous Year	2,915.82	158.26 (13.95)	3,060.13	1,048.27	84.45 (4.94)	1,127.78	1,932.35	

1. Building include a sum of ₹ 4.98 Cr being cost of office premises acquired on ownership basis.
2. Leased mines represent expenditure incurred on development of mines.
3. Cash Subsidy amounting to ₹ 8.23 Cr (previous year ₹ 8.23 Cr) relating to Home Textile division at Vapi has been reduced from respective Fixed Assets.
4. Deletion of Free Hold Land includes ₹ NIL (Previous Year ₹ 7.86 Cr) being revaluation amount of land of Sree Meenakshi Mills Division at Madurai sold during the year.

NOTE 2.12 : NON CURRENT INVESTMENTS /CURRENT INVESTMENTS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
NON CURRENT INVESTMENTS		
Investment in Equity Instruments		
OTHER THAN TRADE		
Quoted (at cost)		
41,500 Equity Shares of HDFC Bank Limited of ₹ 2/- each fully paid up	0.01	0.01
68,598 Equity Shares of IDBI Limited of ₹ 10/- each fully paid up	0.49	0.49
2,595 Equity Shares of Dena Bank of ₹ 10/- each fully paid up	0.01	0.01
272,146 Equity Shares of Golden Tabacco Limited of ₹ 10/- each fully paid up	4.95	4.95
4,500 Equity Shares of Canara Bank of ₹ 10/- each fully paid up	0.02	0.02
100 Equity Shares of TCP Ltd of ₹ 10/- each fully paid up (cost ₹.40 Lacs)	0.00	0.00
SHARES IN ASSOCIATE COMPANY	5.48	5.48
Unquoted (at cost unless stated otherwise)		
5200 Equity Shares of ₹ 10/- each fully paid up of DM Solar Farm Pvt Ltd	0.01	0.01
SHARES IN SUBSIDIARY COMPANY		
Unquoted (at cost unless stated otherwise)		
750 Equity Shares of \$ 10 each fully paid of Grace Home Fashion LLC	0.04	0.04
Investment in Government securities		
Unquoted (at cost unless stated otherwise)		
7 year National Savings Certificates (Pledged with Government Authorities)	0.01	0.01
Total (A)	5.54	5.54
Less: Permanent diminution in the value of investment written off	Total (B)	3.95
	3.95	3.95
Total (A-B)	1.59	1.59
	As at 31.03.2016	As at 31.03.2015
	Book Value	Book Value
	Market Value	Market Value
Quoted	1.54	1.54
Others	6.03	5.91
	0.05	0.05
	1.59	1.59

NOTE 2.13 : LONG-TERM LOANS AND ADVANCES (UNSECURED-CONSIDERED GOOD)

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
(Unsecured, considered good)		
Advances against capital expenditure	32.46	4.35
Security Deposits	8.85	8.74
Total	41.31	13.09

NOTE 2.14 : OTHERS NON-CURRENT ASSETS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Long Term Trade Receivable (Unsecured, considered good)	0.41	0.47
Total	0.41	0.47

NOTE 2.15 : INVENTORIES

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Inventory (as taken, valued and certified by the Management)		
At cost or net realisable value which ever is lower		
Raw materials	191.54	188.62
Finished goods	103.11	94.30
Stock in process	44.04	42.05
Stock in trade	0.59	6.05
Stores and spares	68.35	86.31
Total	407.63	417.33

NOTE 2.16 : TRADE RECEIVABLES

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Trade Receivable (Unsecured, considered good unless stated otherwise)		
Outstanding over six months from due date		
Considered Good	0.42	0.09
Other Trade Receivables	245.72	267.42
Total	246.14	267.51

NOTE 2.17 : CASH AND CASH EQUIVALENTS

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
Cash and cash equivalents		
(a) Cash -on- hand	0.27	0.28
(b) Balances with Banks		
On current Account	36.85	28.00
On unpaid dividend account	2.92	2.57
Others bank balances		
Banks deposits with original maturity for more than 12 months	0.19	0.12
Margin money deposit	0.72	1.02
Total	40.95	31.99

NOTE 2.18 : SHORT-TERM LOANS AND ADVANCES

	As at 31.03.2016 (₹ in Cr)	As at 31.03.2015 (₹ in Cr)
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received - Considered Good	35.95	42.75
Duty Drawback / FPS receivable on Export	18.13	36.63
Loan to Employee Stock Option Scheme Trust	6.81	6.81
Due from Subsidiary Company	6.85	9.31
Interest Accrued on Investments	-	0.01
Balances with Customs, Port Trust, Central Excise etc.	10.30	18.77
Income Tax paid / TDS (net of provisions of ₹.99.40 Cr Previous Year ₹.64.21 Cr)	4.66	5.19
Total	82.70	119.47

NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS
NOTE 2.19 : REVENUE FROM OPERATIONS

		For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
Revenue from operations	2.43(g)		
Sales of Products			
Finished Goods		2,616.73	2,450.49
Traded Goods		79.37	66.09
Sales of Services		26.31	9.97
Stock Transfers		-	-
Other operating revenue			
Waste & Scrap sales		13.15	12.02
Revenue from operations(Gross)		2,735.56	2,538.57
Less: Excise Duty		176.57	164.96
Revenue from operations(Net)	Total	2,558.99	2,373.61

NOTE 2.20 : OTHER INCOME

		For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
Interest on Investment		0.24	0.08
Dividend Income (Non Current Investment)		0.04	0.03
Interest on Income Tax Refund		0.15	1.16
Gain on Foreign Exchange (net)		1.45	-
Profit on sale of Assets (net)		0.58	4.33
Profit on sale of Investment (net) (Current Investment)		0.27	2.11
Bad debts written off recovered		1.32	1.73
Sundry Balances Written back (net)		0.73	0.21
Rent Income (Tax Deducted at Source 0.003 Cr. Previous year 0.003 Cr.)		0.03	0.25
Other non-operating income		0.58	1.36
	Total	5.39	11.26

NOTES 2.21 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

		For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
Opening stock	2.46(b)		
Finished Goods		94.30	81.11
Stock in trade		6.05	0.96
Stock in Process		42.05	47.56
	(A)	142.40	129.63
Closing stock	2.46(h)		
Finished Goods		103.11	94.30
Stock in trade		0.59	6.05
Stock in Process		44.04	42.05
	(B)	147.74	142.40
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(A-B)	(5.34)	(12.77)

NOTES 2.22 : EMPLOYEES BENEFITS EXPENSES

	For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
Salaries, Wages and Bonus	113.76	106.62
Contribution to PF and other funds	11.72	10.84
Staff Welfare	5.17	5.01
Commission to Whole time Directors	3.96	3.40
Total	134.61	125.87

NOTES 2.23 : OTHERS EXPENSES

	For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
Repairs and Maintenance		
Machinery	26.53	22.68
Building	2.48	1.71
Others	4.66	4.44
	33.67	28.83
Stores and Spares	62.36	55.19
Power, Fuel and Water	355.89	389.57
Other Manufacturing Expenses	105.62	79.48
Packing Expenses	87.45	81.96
Cash Discount	19.63	17.65
Freight and Forwarding	78.73	44.14
Commission on Sales	10.50	12.03
Sales Promotion Expenses	9.73	6.90
Travelling & Conveyance	12.22	10.74
Rent and Lease Rent	5.46	5.71
Rates and Taxes	0.86	1.55
Insurance	8.41	6.65
Loss on Exchange (net)	-	3.22
Commission to Non Whole time Directors (includes service tax of ₹.0.26 Cr (previous year ₹ 0.08 Cr)	2.41	1.99
Communication Expenses	1.87	1.76
Legal & Professional Expenses	11.63	9.04
Bad Debts / Irrecoverable amounts written off	-	0.50
Donation	0.08	0.11
CSR Expenditure	3.36	2.98
Excise Duty	1.05	1.19
Miscellaneous Expenses	13.51	10.87
Total	824.44	772.06

NOTES 2.24 : FINANCE COSTS

	For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
Interest - Fixed Loans	110.77	110.86
- Others	29.29	33.88
Loss on foreign currency transactions and translation (net)	11.82	9.80
Other borrowing costs	11.78	11.62
	163.66	166.16
Less : Interest and Financial charges capitalised	1.49	1.45
Less : Interest Income Others	0.52	0.87
Total	2.01	2.32
Total	161.65	163.84

NOTES 2.25 : EARNING PER SHARE (EPS)

	For the Year Ended 31.03.2016 (₹ in Cr)	For the Year Ended 31.03.2015 (₹ in Cr)
Basic /Diluted EPS		
Earnings per Share has been computed as under:		
Profit after Taxation (₹ in Cr.)	256.62	183.02
(Less)/Add : Prior year Adjustment	1.16	1.28
	257.78	184.30
The weighted average number of Equity Shares for Basic /Diluted EPS	10,00,19,286	10,00,19,286
Earnings per share (Face value of ₹ 10/- per share) (A) / (B)	25.78	18.43

	As at 31st March, 2016 (₹ in Cr.)	As at 31st March, 2015 (₹ in Cr.)
2.26 a) Estimated value of contracts remaining to be executed on Capital Account and not provided for	136.71	21.84
b) Contingent Liabilities :		
(i) Guarantees issued by banks	14.23	14.55
(ii) Bills discounted with banks (since realized)	24.24	24.07
(iii) Claims against the Company not acknowledged as debts		
- Income Tax & Wealth Tax	16.52	11.17
- Sales Tax / VAT	0.04	0.15
- Excise, Custom & Service Tax	99.30	86.60
- Other claims	46.03	43.50
(iv) Corporate guarantee to Bank on behalf of subsidiaries of the Company	81.24	72.75
c) Export Obligation on duty free imports	299.53	271.50

2.27 In Accordance with the Scheme of Arrangement duly approved by Hon'ble High Court of Gujarat vide its order dated 30th November 2009, the Company has not taken any effect in the current financial statements for the year ended 31 March 2016. Consequently there is no change in Business Development Reserve.

2.28 Exceptional items represent one time employees' separation cost incurred during the year on account of Voluntary Retirement Scheme (VRS) given to employees of Soda Ash division. The benefits of VRS would be accruing over a period of time

2.29 The following changes have taken place during the year with regard to Subsidiary Companies

a) Liquidation of the company	Country	Date of Liquidation
1 Teliforce Holding India Limited	Cyprus	28th April 2015
2 Indian England N.V.	Netherlands	14th August 2015
b) Current position of the subsidiaries which under are Liquidation / have filed for administration are as under:		
1 Rosebys Interiors India Limited	India	7th August 2015
2 Textile & Design Limited	UK	25th September 2009

2.30 In accordance with the requirements of Accounting Standard - 19, Leases future obligation/rights as at Balance Sheet date for lease arrangements amount to

	Payable	
	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Due within one year	3.01	2.79
Due within the following four years	6.37	6.25
Due after five years	0.25	0.31

2.31 Prior Period Item of ₹.0.01 Cr. (Previous year ₹ 0.09 Cr.) is on account of short provision for consultancy services of earlier year.

2.32 As per Accounting Standard-15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below :

Defined Contribution Plan

Provident Fund and Superannuation Fund are Defined Contribution Plan. Contribution paid for Provident Fund and Superannuation Fund are recognised as expense for the year :

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Employer's contribution to Provident Fund/Pension Scheme	6.89	6.42
Employer's contribution to Superannuation Fund	1.09	1.13

The Company's Provident Fund is exempt under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for grant of exemption stipulate that the employer shall make good, deficiency if any, in the interest rate declared by the trust vis-à-vis statutory rate.

Defined Benefit Plan

Gratuity (Funded)

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Leave Encashment (Unfunded)

The Company recognises the leave encashment expenses in the Statement of Profit & Loss based on actuarial valuation.

The expenses recognised in the Statement of Profit & Loss and the Leave encashment liability at the beginning and at the end of the year :

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Liability at the beginning of the year	10.45	9.48
Paid during the year	1.85	1.27
Provided during the year	1.35	2.24
Liability at the end of the year	9.95	10.45

Reconciliation of opening and closing balances of the present value of defined benefit obligation in respect of Gratuity Fund

Particulars	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Obligation at year beginning	34.43	29.64
Service cost	2.12	1.77
Interest cost	2.75	2.78
Actuarial gain/(loss)	-0.99	-2.06
Benefits paid	-6.11	-1.83
Obligation at year end	34.18	34.42
Change in plan assets		
Plans assets at year beginning, at fair value	33.59	27.95
Expected return on plan assets	2.68	2.43
Actuarial gain/(loss)	-0.38	1.04
Contributions	3.55	4.00
Benefits paid	-6.01	-1.83
Plan Assets at year end, at fair value	33.43	33.59



	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Reconciliation of the present value of the obligation and the fair value of the plan asset		
Fair value of the plan assets at the end of the year	33.43	33.59
Present value of the defined benefit obligation at the end of the year	34.18	34.43
Liability recognised in the Balance Sheet	-0.75	-0.83
Gratuity cost for the year		
Service cost	2.12	1.77
Interest cost	2.75	2.78
Expected return on plan assets	2.68	2.43
Actuarial gain/(loss)	-1.37	-1.02
Net Gratuity cost	3.56	3.14
Investment details of plan assets		
% of the Plan Assets invested in debt instruments	92.35%	92.10%
% of the Plan Assets invested in equity	7.65%	7.90%
Assumptions		
Mortality Table -LIC	2006-08 (Ultimate)	2006-08 (Ultimate)
Interest rate	7.99%	7.99%
Estimated rate of return on plan assets	7.99%	7.99%
Estimated future salary growth	8.00%	8.00%

2.33 Related Party Transactions

a. Subsidiaries & Associate :

Dan River Properties LLC
 Grace Home Fashions LLC
 Textile & Design Limited (under Liquidation since 25th September, 2009)
 Rosebys Interiors India Limited (under Liquidation since 7th August ,2015)
 Indian England N.V. (Liquidated 14th August 2015)
 Indian Wales N.V. (Liquidated on 23rd January 2015)
 Teliforce Holding India Limited (Liquidated on 28th April, 2015)
 DM Solar Farm Pvt Limited

b. Key Management Personnel:

Mr. R. S. Jalan, Managing Director
 Mr. Raman Chopra, CFO & Executive Director (Finance)
 Mr. Bhuwadeshwar Mishra, General Manager & Company Secretary

c. Relative of Key Management Personnel:

Ravi Shanker Jalan, HUF
 Mrs. Sarita Jalan, w/o Mr. R. S. Jalan
 Mrs. Bharti Chopra, w/o Mr. Raman Chopra
 Mr. Aniket Chopra, s/o Mr. Raman Chopra
 Mrs. Vandana Mishra, w/o Mr. Bhuwadeshwar Mishra

d. Enterprises over which Key Management Personnel are able to exercise significant influence

Dalmia Centre for Research & Development
 GHCL Foundation Trust
 Sachin Holdings P Ltd

Disclosure of transactions between the Company and related parties and the status of outstanding balances as at 31st March, 2016

Sr. No.	Description	(₹ in Cr.) For the Year Ended 31st March, 2016	(₹ in Cr.) For the Year Ended 31st March, 2015
a) Transactions with Subsidiaries & Associate			
1.	Purchase of Electricity	0.85	1.10
	DM Solar Farm Pvt Limited	0.85	1.10
2.	Sales of Goods	159.05	197.93
	Grace Home Fashions LLC	159.05	197.93
3.	Net Payment/(Receipt) of Loans & Advances	(2.46)	169.95
	Rosebys Interiors India Limited	-	4.79
	Dan River Properties LLC	(2.46)	(1.60)
	Indian England N.V.	-	166.76
4.	Investment in Equities	-	(0.05)
	Rosebys Interiors India Limited	-	(0.05)
	Indian England N.V.	-	(0.00)
5.	Loans & Advances Recoverable at the year end	6.85	9.31
	Dan River Properties LLC	6.85	9.31
6.	Balance of Investment in Equities at the year end	0.05	0.05
	Grace Home Fashions LLC	0.04	0.04
	DM Solar Farm Pvt Limited	0.01	0.01
8.	Balance receivable at the year end	87.10	70.57
	Grace Home Fashions LLC	87.10	70.57
b) Transactions with Key Management Personnel			
1.	Remuneration	7.93	7.15
	Mr. R. S. Jalan, Managing Director	4.78	4.37
	Mr. Raman Chopra, Executive Director - Finance	2.77	2.43
	Mr. Bhuwleshwar Mishra, General Manager & company Secretary	0.38	0.35
2.	Dividend on Shares	0.02	0.01
	Mr. R. S. Jalan, Managing Director	0.02	0.01
c) Transactions with Relative of Key Management Personnel			
1.	Leasing & Hire purchase transactions	0.23	0.12
	Mrs. Sarita Jalan, w/o Mr. R. S. Jalan	0.12	0.05
	Mrs. Bharti Chopra, w/o Mr. Raman Chopra	0.09	0.05
	Mrs. Vandana Mishra, w/o Mr. Bhuwleshwar Mishra	0.02	0.02
2.	Dividend on Shares	0.00	0.00
	Ravi Shanker Jalan, HUF (*0=₹ 220)	*0	*0
	Mrs. Bharti Chopra, w/o Mr. Raman Chopra (*0=₹ 28600)	*0	0.00
	Mr. Aniket Chopra, s/o Mr. Raman Chopra (*0=₹ 15400)	*0	-
d) Transactions with Enterprises over which significant influence exercised by Directors			
1.	Purchase of Goods	0.03	0.02
	Dalmia Centre for Research & Development	0.03	0.02
2.	Royalty paid	0.06	0.06
	Dalmia Centre for Research & Development	0.06	0.06
3.	CSR Contribution	3.36	2.90
	GHCL Foundation Trust	3.36	2.90
4.	Leasing & Hire purchase transactions	-	0.02
	Sachin Holdings P. Ltd.	-	0.02

* Balances of Investment and Loan and Advance are after writing off of ₹ Nil Amount (Previous year ₹ 0.05 Cr.) and ₹ Nil amount (Previous year ₹ 263.43 Cr.).

2.34 Disclosure as per Clause 32 of the Listing Agreement.

- i) Loans and Advances in the nature of
Loans given to Subsidiary

Name of the Company	Relationship	Amount o/s as at 31st March, 2016	Max. Balance outstanding	Investment outstanding during the year
		₹ in Cr.	₹ in Cr.	₹ in Cr.
Dan River Properties LLC	Subsidiary	6.85	9.31	-

- ii) Loans and Advances in the nature of Loans where there is no interest comprise employee loans of ₹.1.30 Cr. (previous year ₹.1.35 Cr.).

2.35 Capital Work in Progress includes Incidental Expenditure during Project Implementation/Expansion

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Legal and Professional Expenses	-	0.00
Financial Charges	0.07	0.45
Interest Charges	1.42	1.00
Total Preoperative Expenses	1.49	1.45
Add : Preoperative expenses incurred up to previous year	0.30	0.42
	1.79	1.87
Less : Capitalised during the year	1.54	1.57
Balance	0.25	0.30

2.36 Raw material and Power & Fuel costs include expenditure on captive production of Salt, Limestone, Briquette and Lignite as under:

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Manufacturing Expenses	141.30	176.32
Stores and spares consumed	2.44	1.98
Power and Fuel	4.44	4.51
Excise Duty, Cess and Royalty	6.55	6.55
Repairs and maintenance		
Building	0.30	0.39
Plant and machinery	0.92	0.84
Earth work	3.27	2.12
Others	0.45	0.29
Salaries and Wages	8.53	9.04
Travelling & Conveyance	0.73	0.75
Lease Rent	0.82	0.77
Rates and taxes	0.19	0.12
Insurance	0.48	0.50
Misc. Expenses (Including Deferred Revenue & Intangible Expenses)	1.83	1.28
Less: Interest on Investments (other than trade)	(0.02)	(0.02)
Other Misc. Income	(0.77)	(1.43)
TOTAL	171.46	204.01

2.37 Payment to Auditors

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
a) To Statutory Auditors as (excluding service tax)		
Auditors	0.30	0.28
Fees for Limited Review	0.12	0.12
Fee for tax financial statements	0.02	0.03
Certification fees and Others	0.04	0.05
Out of pocket expenses	0.00	0.01
Total	0.48	0.49
b) To Cost Auditors (excluding service tax)		
Audit Fee	0.02	0.02
Out of pocket expenses	0.00	0.00
Total	0.02	0.02

2.38 Managerial Remuneration

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
a) Whole time Directors		
Salaries	3.35	3.03
Contribution to Provident and Superannuation funds	0.17	0.17
Perquisites	0.01	0.28
Gratuity & Leave Encashment	0.06	0.06
Commission	3.96	3.40
b) Other Directors (excluding service tax)		
Sitting Fees	0.22	0.13
Commission	2.15	1.91
	9.92	8.98

2.39 Expenditure in Foreign Currencies

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Foreign Travel	1.48	0.99
Commission on Export Sales	6.40	4.15
Interest and Commitment Charges	13.85	16.38
Others	10.16	5.24

2.40 Remittances during the year in foreign currency on account of

	2014-15	2013-14
Dividend for the financial year ended		
Dividends to non-resident shareholders (₹ In Cr.)	1.30	1.20
Number of non-resident shareholders	601	719
Number of Shares	59,18,623	60,13,508

2.41 Earnings in Foreign exchange

	2014-15	2013-14
Export of Finished Goods on FOB basis	674.91	537.97
Recovery towards Freight etc. on Exports	0.65	0.90

2.42 Value of imports on CIF basis

	For the Year Ended 31st March, 2016 (₹ in Cr.)	For the Year Ended 31st March, 2015 (₹ in Cr.)
Raw Materials and Utilities	193.06	207.61
Components and spare parts	5.89	5.68
Capital Goods	13.19	14.59
Trading Goods	42.86	46.21

2.43 Quantitative information in respect of Company's operations
(a) Capacity (as certified by the Management)

	UNIT	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
		Installed	Licensed	Installed	Licensed
Soda Ash	MT	8,50,000	N.A.	8,50,000	N.A.
Refined Salt	MT	72,000	N.A.	72,000	N.A.
Yarn - Spindles	Nos.	1,75,488	N.A.	1,75,488	N.A.
Sodium bicarbonate	MT	27,000	N.A.	27,000	N.A.
Wind Turbine Generators	MW Per Hour	25.20	N.A.	12.60	N.A.
Cloth Looms	Nos.	162	N.A.	162	N.A.
Cloth Processing	MTRS. ('000)	34,000	N.A.	34,000	N.A.

(b) Opening Stock

	UNIT	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
		Quantity	₹ in Cr.	Quantity	₹ in Cr.
Soda Ash	MT	8,164	11.14	5,053	6.53
Yarn	MT	512	10.74	457	10.76
Cloth	MTRS. ('000)	472	7.34	422	6.47
Bed Sheet Sets	MTRS. ('000)	3,410	63.12	2,988	55.52
Others		N.A.	1.96	N.A.	1.83
			94.30		81.11

(c) Production

Soda Ash - (Gross)	MT	7,49,136	7,38,768
Refined Salt	MT	58,643	58,091
Yarn	MT	23,745	21,082
Cloth - Job work + Own Production	MTRS. ('000)	42,028	39,587
Bicarb - (Produced from Soda Ash)	MT	24,541	23,894
Bed Sheet Sets - Job Work	MTRS. ('000)	29,796	25,124

(d) Purchase of Trading Goods

₹ In Cr.	69.34	62.15
----------	-------	-------

(e) Purchase of Cloth

Yarn	MT	-	66
Cloth	MTRS. ('000)	19,692	16,349

(f) Consumption for internal use *

Soda Ash	MT	44,754	49,657
Yarn	MT	4,997	4,577
Cloth	MTRS. ('000)	59,851	52,072

	UNIT	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
		Quantity	₹ in Cr.	Quantity	₹ in Cr.
(g) Sales					
Soda Ash	MT	7,01,423	1,484.83	6,86,000	1,433.99
Yarn	MT	18,694	304.62	16,516	302.02
Cloth	MTRS. ('000)	1,747	8.84	3,814	31.41
Bed Sheet Sets	MTRS. ('000)	30,199	687.86	24,702	594.15
Others		N.A.	249.41	N.A.	177.00
			<u>2,735.56</u>		<u>2,538.57</u>
(h) Closing Stock					
Soda Ash	MT	11,123	14.36	8,164	11.14
Yarn	MT	566	10.07	512	10.74
Cloth	MTRS. ('000)	594	10.11	472	7.34
Bed Sheet Sets	MTRS. ('000)	3,007	66.05	3,410	63.12
Others		N.A.	2.52	N.A.	1.96
			<u>103.11</u>		<u>94.30</u>

* Including transit differences and process wastage.

(i) Consumption of Raw Materials and Consumables

Salt	MT	14,12,030	105.29	14,00,557	102.92
Lime Stone	MT	14,04,572	107.96	14,48,236	104.01
Coke	MT	94,932	107.99	1,01,609	120.45
Cotton & Staple Fiber	MT	29,431	277.22	26,648	282.10
Yarn	MT	383	4.86	692	32.02
Fabric	MTRS. ('000)	18,163	243.54	15,226	202.95
Others		N.A.	59.17	N.A.	59.47
			<u>906.03</u>		<u>903.92</u>

The Consumption of Lime Stones net of undersize realization/sales of ₹.9.57 Cr. (previous year ₹ 11.78 Cr.) respectively.

(j) Consumption of Raw Materials & Stores and Spares

	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015	
	Value of Consumption	% AGE	Value of Consumption	% AGE
Raw Materials :				
Imported	79.59	8.78%	56.81	6.28%
Indigenous	826.44	91.22%	847.11	93.72%
	<u>906.03</u>	<u>100.00%</u>	<u>903.92</u>	<u>100.00%</u>
Stores and Spares :				
Imported	4.57	7.33%	4.03	7.30%
Indigenous	57.79	92.67%	51.16	92.70%
	<u>62.36</u>	<u>100.00%</u>	<u>55.19</u>	<u>100.00%</u>

2.44 Impairment of Assets

In pursuance of Accounting Standard - 28, the Company has reviewed its carrying cost of assets with value in use (determined based on future earnings) / net selling price (determined based on valuation). Based on such review, management is of the view that in the current financial year impairment of assets is not considered necessary.

- 2.45 ESOS Trust owns total 20,46,195 shares, out of which 15,79,922 shares were illegally sold by a party against which ESOS Trust has initiated legal proceedings and 4,66,273 shares are held by Stock Exchange based on an arbitration award. Pending final decision on these shares held by Trust, the Trust will continue for the limited purpose of litigation.

2.46 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act 2013 , a CSR committee has been formed by the company. The area for CSR activities are drinking water / sanitation, infrastructure for roof rain water harvesting, coastal area development projects, agriculture, agro based livelihood, irrigation, animal husbandry, healthcare, education/ literacy enhancement, employment enhancing vocational skill etc. The funds were primarily allocated to a corpus and utilised throughout the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

S No	Particulars	₹.in Cr.		
(a)	Gross amount required to be spent by the company during the year			3.31
		In cash	Yet to be paid in cash	Total
(b)	Amount spent during the year			
	(1) Constriction / acquisition of any asset	-	-	-
	(2) On purpose other than (1) above	3.36	-	3.36
	Total	3.36	-	3.36

2.47 The previous year's/corresponding period's figures have been regrouped / reclassified.

Signature to Note 1 to 2

	As per our report attached	For and on behalf of the Board	
For and on behalf of	For and on behalf of		
Jayantilal Thakkar & Co.	Rahul Gautam Divan & Associates	Sanjay Dalmia	Dr. B. C. Jain
Chartered Accountants	Chartered Accountants	Chairman	Director
(C. V. Thakker)	(Rahul Divan)	R. S. Jalan	Raman Chopra
Partner	Partner	Managing Director	CFO & Executive Director - Finance
			Bhuvneshwar Mishra
			General Manager & Company Secretary
Place : New Delhi		Place : New Delhi	
Date : 19th May 2016		Date : 19th May 2016	

Form AOC-1 Part"A" Subsidiaries

Statement Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

₹ In Cr.

S. No.	Particulars	Particulars
i.	Name of Subsidiary	Grace Home Fashion LLC
ii.	Reporting period for the subsidiary concerned	31st March 2016
iii.	Reporting Currency and Exchange rate as on the last date of the relevant financial year/Period.	USD 1 USD = INR 66.26
iv.	Share Capital	0.04
v.	Reserve & Surplus	0.29
vi.	Total Assets	122.60
vii.	Total Liabilities	122.27
viii.	Investments	-
ix.	Turnover	177.91
x.	Profit before Taxation	0.71
xi.	Provison for taxation	0.85
xii.	Profit after Taxation	-0.14
xiii.	Proposed Dividend	-
xiv.	% of Shareholding	100.00%

Form AOC-1 Part"B" Associates

Statement Pursuant to sub-section (3) of section 129 of Companies Act 2013, related to Associate Companies

S.No.	Name of Associate	DM Solar Farm Pvt. Limited
1	Latest Audited Balance sheet date	31st March 2015
2	Shares of Associate held by the company on the year end	
	No.	5,200
	Amount of Investment in Associates	52,000
	Extend of Holding %	26%
3	Description of how there is significant influence	Due to Holding of 26%
4	Reason why the associate is not consolidated	Non materiality
5	Networth attributable to Shareholding as per latest audited Balance Sheet	N/A
6	Profit / Loss for the year	
	i. Considered in Consolidation	NIL
	ii. Not Considered in Consolidation (in ₹)	1,93,114

For and on behalf of the Board

Sanjay Dalmia
Chairman

Dr. B.C. Jain
Director

R.S. Jalan
Managing Director

Raman Chopra
CFO & Executive Director (Finance)

Place: New Delhi
Date: 19th May 2016

Bhuvneshwar Mishra
General Manager & Company Secretary

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF GHCL LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GHCL LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of the foreign subsidiary, whose financial statements reflect total assets of ₹ 122.60 Cr as at 31st March, 2016, total revenues of ₹ 177.91 Cr and net cash outflows amounting to ₹ 0.21 Cr for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements received.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the financial statements received.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note No.2.26 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For and on behalf of
JAYANTILAL THAKKAR & CO
Chartered Accountants
(Firm Reg. No. 104133W)

For and on behalf of
RAHUL GAUTAM DIVAN & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 120294W)

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

(RAHUL DIVAN)
Partner
Membership No: 100733

Place: New Delhi
Date: 19 May 2016

ANNEXURE - A TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of GHCL Limited ("the Holding Company") which is incorporated in India, as of that date. The subsidiary company which is part of the Group is incorporated outside India and Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is not applicable to the subsidiary company.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, which is a company incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating

effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, which is a company incorporated in India, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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: 19 May 2016

For and on behalf of
RAHUL GAUTAM DIVAN & ASSOCIATES
 Chartered Accountants
 (Firm Reg. No. 120294W)

(RAHUL DIVAN)
 Partner
 Membership No: 100733

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	100.02	100.02
Reserves and Surplus	2.2	885.65	670.14
NON-CURRENT LIABILITIES			
Long-term borrowings	2.3	676.81	783.75
Deferred Tax Liability (Net)	2.4	195.12	172.73
Other Long Term liabilities	2.5	5.04	4.68
Long-term provisions	2.6	5.32	3.78
CURRENT LIABILITIES			
Short-term borrowings	2.7	489.67	454.16
Trade payables	2.8	315.18	391.93
Other current Liabilities	2.9	219.84	228.95
Short-term Provisions	2.10	58.01	41.28
Total		2,950.66	2,851.42
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible assets	2.11	2,048.73	1,933.56
Intangible assets	2.11	0.45	0.32
Capital Work-in-Progress		36.89	7.01
		2,086.07	1,940.89
Non-current Investments	2.12	1.55	1.54
Long-term loans and advances	2.13	41.31	13.09
Other non-current assets	2.14	0.41	0.47
CURRENT ASSETS			
Inventories	2.15	503.31	487.39
Trade receivables	2.16	192.42	244.35
Cash and cash equivalents	2.17	42.66	33.91
Short-term loans and advances	2.18	82.93	129.78
Total		2,950.66	2,851.42

SIGNIFICANT ACCOUNTING POLICES AND NOTES ON ACCOUNTS

The Notes referred to above form an integral part of the Consolidated financial statements

As per our report attached		For and on behalf of the Board	
For and on behalf of Jayantilal Thakkar & Co. Chartered Accountants	For and on behalf of Rahul Gautam Divan & Associates Chartered Accountants	Sanjay Dalmia Chairman	Dr. B. C. Jain Director
(C. V. Thakker) Partner	(Rahul Divan) Partner	R. S. Jalan Managing Director	Raman Chopra CFO & Executive Director - Finance
Place : New Delhi Date : 19th May 2016		Place : New Delhi Date : 19th May 2016	Bhuwneshwar Mishra General Manager & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
INCOME			
Revenue from operations (Gross)	2.19	2,735.56	2,538.57
Less: Excise Duty		176.57	164.96
Revenue from operations(Net)		2,558.99	2,373.61
Other Income	2.20	5.39	11.26
TOTAL REVENUE		2,564.38	2,384.87
EXPENDITURE			
Cost of Material consumed		906.03	903.92
Purchase of Stock-in-trade		76.93	62.15
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.21	(30.95)	(44.68)
Employees benefits expenses	2.22	134.61	126.26
Others Expenses	2.23	833.91	793.18
Loss on Conversion into INR (nett)		5.09	4.47
		1,925.62	1,845.30
Profit Before Finance costs and Depreciation and Amortisation expenses		638.76	539.57
Finance costs	2.24	164.40	170.42
Profit Before Depreciation and Amortisation expenses		474.36	369.15
Depreciation and Amortisation expenses	2.11	81.74	84.92
		392.62	284.23
Exceptional Items		(13.50)	(27.40)
Profit Before Tax		379.12	256.83
Tax expenses			
- Current Tax		100.25	64.22
- Deferred Tax (Net)	2.4	22.39	10.71
Profit For The Year after Tax		256.48	181.90
Share in Profit from Associates		-	-
Net Profit For The Year after Tax		256.48	181.90
Earnings per Share (Rupees) - Basic /Diluted	2.25	25.76	18.32

SIGNIFICANT ACCOUNTING POLICES AND NOTES ON ACCOUNTS

The Notes referred to above form an integral part of the Consolidated financial statements

As per our report attached		For and on behalf of the Board	
For and on behalf of Jayantilal Thakkar & Co. Chartered Accountants	For and on behalf of Rahul Gautam Divan & Associates Chartered Accountants	Sanjay Dalmia Chairman	Dr. B. C. Jain Director
(C. V. Thakker) Partner	(Rahul Divan) Partner	R. S. Jalan Managing Director	Raman Chopra CFO & Executive Director - Finance
Place : New Delhi Date : 19th May 2016		Place : New Delhi Date : 19th May 2016	Bhwneshwar Mishra General Manager & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the Year Ended 31 March 2016 (₹ in Cr)	For the Year Ended 31 March 2015 (₹ in Cr)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and Extraordinary items	392.62	284.23
Adjustment for :		
Depreciation / Amortisation	81.74	84.92
Effects of Exchange Rate change	4.50	3.25
Interest Income	(0.52)	(0.87)
Income From Dividend	(0.04)	(0.03)
Prior Period Adjustments	(0.01)	0.09
(Profit)/Loss on Sales/Discarding of Fixed Assets (Net)	(0.58)	(4.33)
Extraordinary Items (VRS)	(13.50)	-
Profit on Sale of Investments (Net)	(0.27)	(2.11)
Financial Expenses (Net)	166.41	171.29
	<u>237.73</u>	<u>171.29</u>
Operating Profit before Working capital Changes	630.35	536.44
Adjustments for :		
[i] Trade & Other Receivables		
* (Increase) / decrease in Trade receivables	55.43	63.22
* (Increase) / decrease in Long term Loans and Advances	(0.11)	1.49
* (Increase) / decrease in Short term Loans and Advances	36.23	(168.22)
* (Increase) / decrease in other Non - Current Assets	0.06	-
	<u>91.61</u>	<u>-</u>
[ii] Trade & Other payables		
* Increase / (decrease) in Trade payables	(89.63)	(26.85)
* Increase / (decrease) in Long term provisions	1.54	2.10
* Increase / (decrease) in Short term provisions	1.08	(0.17)
* Increase / (decrease) in other current liabilities	1.71	16.55
* Increase / (decrease) in other long term liabilities	0.36	(1.09)
	<u>(84.94)</u>	<u>(1.09)</u>
[iii] (Increase) / decrease in Inventories	(15.92)	55.00
Cash generated from Operations	621.10	478.47
Direct taxes paid	(98.61)	(62.45)
Net cash generated from Operating Activities	522.49	416.02
	<u>522.49</u>	<u>416.02</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(251.18)	(137.75)
Sale of Fixed Assets	1.30	5.33
Purchase of non current Investments	-	-
Purchase of current Investments	(208.00)	(343.50)
Sale of current Investments	208.27	347.60
Interest Received	0.52	0.87
Dividend Received	0.04	0.03
Net cash used from Investing Activities	(249.05)	(127.42)
	<u>(249.05)</u>	<u>(127.42)</u>



	For the Year Ended 31 March 2016 (₹ in Cr)	For the Year Ended 31 March 2015 (₹ in Cr)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term borrowings	127.30	354.89
Repayments against Long Term Borrowings	(234.24)	(421.15)
Short Term Borrowings (Net)	35.50	(40.61)
Interest and Finance Charges Paid	(166.41)	(166.14)
Dividend and tax thereon paid	(26.84)	(23.40)
Net Cash used from Financing Activities	(264.69)	(296.41)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	8.75	(7.81)
Cash and Cash Equivalents at beginning of year	33.91	41.72
Cash and Cash Equivalents at end of year	42.66	33.91

As per our report attached		For and on behalf of the Board	
For and on behalf of Jayantilal Thakkar & Co. Chartered Accountants	For and on behalf of Rahul Gautam Divan & Associates Chartered Accountants	Sanjay Dalmia Chairman	Dr. B. C. Jain Director
(C. V. Thakker) Partner	(Rahul Divan) Partner	R. S. Jalan Managing Director	Raman Chopra CFO & Executive Director - Finance
Place : New Delhi Date : 19th May 2016		Place : New Delhi Date : 19th May 2016	Bhuwneshwar Mishra General Manager & Company Secretary

NOTE : NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF CONSOLIDATION

- a GHCL Limited together with its subsidiary and its interest in Associates (Collectively "The Group") is engaged in the business of manufacturing and trading of Inorganic Chemicals, Home Textiles and Wind Power Generation.
- b The consolidated Financial Statements of the Group have been combined on a line- by- line basis by adding together book value of like items of assets, liabilities, income and expenses in accordance with Accounting Standard on "Consolidated Financial Statements" (AS - 21) and Accounting for "Investment in Associates Consolidated Financial Statements" (AS-23)
- c The subsidiary company which is included in the consolidation with the country of incorporation and the Group's holding therein is given below:

NAME OF THE COMPANY	COUNTRY OF INCORPORATION	Direct % of Holding	
		As at 31st March, 2016	As at 31st March, 2015
1 Grace Home Fashions LLC	USA	100	100

- d Following subsidiary of the Company, are under closure as on 31st March 2016.

	Name of subsidiary	Date	Status
1	Teliforce Holding India Limited	28th April 2015	Dissolved
2	Indian England N.V.	14th August 2015	
3	Rosebys Interiors India Limited	7th August 2015	Under Liquidation
4	Textile & Design Limited	25th September, 2009	

- e The accounts of Grace Home Fashions LLC which is not required to be audited under domestic law or whose audited accounts are not required to be prepared upto the reporting date of parent company are drawn on the basis of Financial Statements certified by the Management.
- f All material inter- company balances and transactions are eliminated on consolidation.
- g The excess of value of investments in the subsidiary company over its share of the net assets of the subsidiary company, at the date on which the investments in the subsidiary company are made, is recognised as "goodwill" being an asset in the consolidated Financial Statements. The net asset value, considered for the purpose of goodwill in respect of tranches of investment, is the value as at the date of the first investment for acquiring subsidiary company. Goodwill arising out of consolidation is impaired during the year.
- h Minority interest in the net assets of the subsidiary consists of the amount of equity attributable to the minority shareholders at the date on which investments are made by the Company in the subsidiary company and further movements in their share in the equity, subsequent to the date of investments attributable to their equity.
- i Revenue and expenses are translated into Indian Rupee at average rate for the year of the respective Financial year of the company . Fixed Assets, Share Capital and Reserves as at date of acquisition of subsidiary company are translated into Indian Rupee on the prevailing rate on the same day. All other assets and liabilities are translated into Indian Rupee at the rate of exchange prevailing as at Balance Sheet date. Grace Home Fashions LLC, USA, is considered as integral part of the company's business under AS-11 and accordingly the gain/loss on translation has been recognised in the Statement of Profit and Loss.
- j Investment in Associates are accounted for using equity method in accordance with AS-23. For this purpose investment are initially recorded at cost. Any goodwill/ capital reserve arising at the time of acquisition are identified and carrying amount of investment are adjusted thereafter for the post acquisition share of profit or losses. Adjustment for any change in equity that has not been included in through the consolidated Statement of Profit and Loss. The corresponding debit/credit are made in the relevant head of the equity interest in the Consolidated Balance Sheet. Due to the unavailability of the Financial Statements of the Associates, DM Solar Farm Pvt Ltd as at 31st March 2016, the same is not included in the Consolidated Financial Statements. This non-inclusion will not have a material impact on the Consolidated Financial Statements
- k Consolidated Financial Statements have been prepared using uniform accounting policies for all major transactions and other events in similar circumstances except the policies adopted by the subsidiary based on local laws which are given below :-
 1. The parent and the subsidiary write off Intangible Assets over different number of years.
 2. Parent and subsidiary provide depreciation at different rates on Tangible Assets.
 3. The parent and the subsidiary follow their local guidelines for accounting the leases.

4. Foreign subsidiary company recognise tax liabilities and assets in accordance with the applicable local legislation.
5. The parent and subsidiary follow different method of valuation of inventory.

It is not practicable to adopt uniform accounting policies in respect of the aforesaid items. The proportion of these items vis-a-vis results/assets of the Group is not significant.

2 SIGNIFICANT ACCOUNTING POLICIES

- a Investments other than in subsidiary have been accounted as per Accounting Standard 13 -"Accounting for Investments".
- b **Other Significant accounting policies**

Other Significant accounting policies are set out under " Significant Accounting Policies" as given in the standalone Financial Statements of the parent company.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

NOTE 2.1 : SHARE CAPITAL

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
SHARE CAPITAL		
Authorised		
175,000,000 Equity Shares of ₹.10/- each	<u>175.00</u>	<u>175.00</u>
	175.00	175.00
Issued, Subscribed and Paid up		
100,019,286 Equity Shares of ₹ 10/- each fully paid up	<u>100.02</u>	<u>100.02</u>
	100.02	100.02

Additional Notes :

- a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Equity shares	31.03.2016		31.03.2015	
	No. of Shares	(₹ in Cr.)	No. of Shares	(₹ in Cr.)
At the beginning of the year	10,00,19,286	100.02	10,00,19,286	100.02
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	10,00,19,286	100.02	10,00,19,286	100.02

- b) Rights, Preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share held. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation on the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

- c) Shareholder's holding more than 5 % Shares as on Balance Sheet date: **NIL** **NIL**

As per the records of the Company, including its register of shareholders/members and others declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

NOTE 2.2 : RESERVES AND SURPLUS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
CAPITAL RESERVE		
Cash subsidy	0.26	0.26
Surplus on re-issue of forfeited Shares	0.15	0.15
Forfeiture of Preferential Convertible Warrants	7.16	7.16
	<u>7.57</u>	<u>7.57</u>
BUSINESS DEVELOPMENT RESERVE		
As per last Balance Sheet	75.16	201.24
Less: Diminution in value of Investment/ Advances/ Receivables from Subsidiaries	-	(52.57)
Less: Adjustment consequent to liquidation of subsidiaries	-	(65.65)
	<u>75.16</u>	<u>83.02</u>
Less: Write back on Sales of Revalued Assets	-	7.86
	<u>75.16</u>	<u>75.16</u>
CAPITAL REDEMPTION RESERVE		
As per last Balance Sheet	10.00	10.00
SECURITIES PREMIUM ACCOUNT		
As per last Balance Sheet	18.15	18.15
GENERAL RESERVE		
As per last Balance Sheet	98.16	98.16
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
As per last Balance Sheet	461.10	146.02
Net Profit for the Year after Tax	256.48	181.90
Adjustment consequent to liquidation of subsidiaries	-	158.37
Prior period adjustments	(0.01)	0.09
Excess/(Short) provision for Tax for earlier years	1.17	1.20
	<u>718.74</u>	<u>487.58</u>
APPROPRIATIONS		
Proposed Dividend on Equity Shares	35.01	22.00
Tax on Dividend	7.12	4.48
	<u>42.13</u>	<u>26.48</u>
	<u>676.61</u>	<u>461.10</u>
Total	<u>885.65</u>	<u>670.14</u>

NOTE 2.3 : LONG TERM BORROWINGS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
FROM BANKS / FINANCIAL INSTITUTIONS		
Secured Loan		
Rupee Term Loans	676.81	783.75
Total	<u>676.81</u>	<u>783.75</u>

Notes :

1) Rupee Term Loans from Banks / Institutions have been secured against :-

- a) Loan aggregating to ₹ 37.27 Cr is secured by extension of first charge on pari passu basis, by way of equitable mortgage on immovable properties of the Soda Ash Division situated at Sutrapada, Veraval, Gujarat and extension of hypothecation charge on movable fixed assets, both present and future of the company's Soda Ash division situated at village – Sutrapada, Veraval in Gujarat with other term lenders of the said project. The remaining tenure of the loans is 1 to 2 years.
- b) Loan aggregating to ₹ 117.71 Cr. is secured by exclusive charge on the specific fixed assets created out of the proceeds

of the loan for Company's Soda Ash Division situated at village Sutrapada, Veraval in Gujarat. The remaining tenure of the loans is 3 to 9 years.

- c) Loan aggregating to ₹ 22.49 Cr is secured by way of first pari passu charge on movable fixed assets of Soda Ash Division situated at village Sutrapada, Veraval, Gujarat excluding assets exclusively charged to other lenders both present and future. The remaining tenure of the loans is 10 years.
- d) Loan aggregating to ₹ 167.71 Cr is secured by way of first pari passu charge on movable fixed assets of Soda Ash Division situated at village Sutrapada, Veraval in Gujarat. The remaining tenure of the loans is 1 to 4 years.
- e) Loan aggregating to ₹ 44.28 Cr is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Home Textile Division situated at Vapi in Gujarat. The remaining tenure of the loans is 3 to 9 years.
- f) Loan aggregating to ₹ 12.97 Cr is secured by way of first pari passu charge on movable fixed assets of Company's Home Textile Division situated at Vapi in Gujarat. The remaining tenure of the loans is 1 to 2 years.
- g) Loan aggregating to ₹ 1.88 Cr is secured by first charge on pari passu basis by way of equitable mortgage on Factory Land & Building of Textile Division situated at Paravai and Manaparai, Tamil Nadu and hypothecation of specified movable assets, both present and future of the Company's Textile Division. The said loan is availed under Technology Upgradation Fund Scheme for Textile. The remaining tenure of the loans is 1 year.
- h) Loan aggregating to ₹ 88.99 Cr is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Textile Division situated at Madurai, Tamil Nadu. The remaining tenure of the loans is 3 to 9 years.
- i) Loan aggregating to ₹ 74.95 Cr is secured by extension of first charge on pari passu basis on Factory Land & Building of Textile Division situated at Paravai and Manaparai, Tamil Nadu with other term lenders of the said project. The remaining tenure of the loans is 2 to 4 years.
- j) Loan aggregating to ₹ 70.00 Cr is secured by first exclusive charge on movable fixed assets of Textile Division situated at Paravai and Manaparai, Tamil Nadu, both present and future, excluding assets exclusively charged to other lenders. The remaining tenure of the loan is 5 years.
- k) Loan aggregating to ₹ 48.66 Cr is secured by an exclusive first charge on movable fixed assets situated at Tirunelveli District, Tamilnadu, both present and future, created out of the proceeds of the loan. The remaining tenure of the loan is 9 years.
- l) Loan aggregating to ₹ 25.55 Cr is secured by an exclusive first charge on movable and immovable fixed assets situated at Tirunelveli District, Tamilnadu, both present and future, created out of the proceeds of the loan. The remaining tenure of the loan is 10 years.
- m) Loan aggregating to ₹ 45.83 Cr is secured by extension of first charge on movable fixed assets of Edible Salt division situated at Chennai and Industrial Salt Division situated at Bhavnagar and exclusive first charge on the factory land and building situated at Thiruporur village, Chengalpattu Taluka, Kancheepuram District, Chennai. The remaining tenure of the loan is 5 years.
- n) Out of all the aforesaid secured Loans appearing in note 2.3 (a) to 2.3 (m) totaling ₹ 758.29 Cr, an amount of ₹ 81.48 Cr is due for payment in next 12 months and accordingly reported under note no 2.9 under the head " Other Current Liabilities" as 'current maturities of Long Term Debt'.

NOTE 2.4 : DEFERRED TAX LIABILITIES (NET)

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Deferred tax liability on account of:		
i) Depreciation	207.14	181.54
Total (A)	207.14	181.54
Deferred tax assets on account of:		
i) Employee Benefit	3.74	3.24
ii) Disallowance u/s 40 (a)	4.68	3.65
iii) Carry forward loss as per IT Act	3.60	1.70
iv) Deferred Revenue Expenditure	-	0.22
Total (B)	12.02	8.81
Total (A-B)	195.12	172.73

NOTE 2.5 : OTHER LONG TERM LIABILITIES

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Trade Deposits from Dealers	4.51	3.74
Security Deposits	0.53	0.94
Total	5.04	4.68

NOTE 2.6 : LONG TERM PROVISIONS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Mines Restoration Expenditure:		
Opening Provision	3.78	1.68
Add: Provision during the year	2.23	2.13
Less: Utilisation during the year	(0.69)	(0.03)
Total	5.32	3.78

NOTE 2.7 : SHORT TERM BORROWINGS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
SECURED LOANS REPAYABLE ON DEMAND		
Working Capital Loans from Banks	489.67	454.16
Total	489.67	454.16

- 1) Working Capital Loans are secured by way of hypothecation of stock-in-trade and book debts of Soda Ash / Home Textile Division / Edible Salt / Textile Divisions and second charge on fixed assets of Soda Ash Division / Home Textile Division and Textile Division, both present and future.
- 2) Specified movable assets referred to in the above notes include all movable assets of Soda Ash Division, Home Textile Division and Textile Division both present and future but subject to prior charge created and / or that may be created in favour of Company's Bankers on stock-in-trade for securing borrowing for working capital.

NOTE 2.8 : TRADE PAYABLE

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Sundry Creditors for Goods and Expenses	314.92	391.51
Sundry Creditors - Micro, Small & Medium Enterprises* 2.36	0.26	0.42
Total	315.18	391.93

* There are no interests due or outstanding to Micro, Small & Medium Enterprises beyond the due date.

NOTE 2.9 : OTHER CURRENT LIABILITIES

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Current maturities of long term debt	81.48	85.63
Interest accrued but not due on borrowings	0.32	0.77
Interest accrued and due on borrowings	11.03	10.69
Sundry Creditors for Capital Expenditure	15.88	12.00
Advances from Customers	2.60	2.77
*Investor Education & Protection Fund in respect of Unclaimed Dividend	2.92	2.57
Other liabilities		
Accrued salaries and benefits	19.06	18.94
Withholding and other taxes payable	9.57	9.03
Provision for Expenses	31.82	26.70
Other payable	45.16	59.85
Total	219.84	228.95

* The figure reflects the position as of 31st March, 2016. The actual amount to be transferred to the Investor Education & Protection Fund in this respect shall be determined on the due date.

NOTE 2.10 : SHORT TERM PROVISIONS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Provision for employees' benefits		
Unavailed leave	10.02	10.51
Bonus/gratuity	5.85	4.14
Others		
Proposed Dividend on Equity Shares	35.01	22.00
Provision for		
Tax on Dividend	-	4.48
Wealth Tax	7.13	0.15
Total	58.01	41.28

NOTES 2.11: FIXED ASSET

PARTICULARS	₹ In Cr							
	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01-04-2015	Additions (Deletions)	As at 31-03-2016	As at 01-04-2015	Additions (Deletions)	As at 31-03-2016	As at 31-03-2016	As at 31-03-2015
(A) TANGIBLE ASSETS								
Free hold Land	379.43	3.31	382.74	-	-	-	382.74	379.43
Leasehold Land	387.33	-	387.33	34.93	4.86	39.79	347.54	352.40
Buildings	222.91	16.36	239.27	68.65	7.20	75.85	163.42	154.26
Plant and Machinery	1,838.22	93.81 (3.02)	1,929.01	857.24	57.38 (1.37)	913.25	1,015.76	980.98
Wind Turbine Generators	67.23	80.58	147.81	21.31	3.87	25.18	122.63	45.92
Furniture and Fixtures	10.02	0.98 (0.14)	10.86	5.58	0.84 (0.09)	6.33	4.53	4.44
Office Equipments	15.40	2.65 (0.47)	17.58	12.87	1.42 (0.47)	13.82	3.76	2.53
Vehicles	5.12	0.86 (0.61)	5.37	2.67	0.69 (0.41)	2.95	2.42	2.45
Leased Mines	62.02	-	62.02	52.55	4.52	57.07	4.95	9.47
Salt Works Reservoirs and Pans	65.30	-	65.30	63.62	0.70	64.32	0.98	1.68
Sub Total (A)	3,052.98	198.55 (4.24)	3,247.29	1,119.42	81.48 (2.34)	1,198.56	2,048.73	1,933.56
(B) INTANGIBLE ASSETS								
Goodwill	2.63	-	2.63	2.63	-	2.63	-	-
Trade mark	0.00	-	-	0.00	-	-	-	-
Software	6.90	0.39 (0.03)	7.26	6.58	0.26 (0.03)	6.81	0.45	0.32
Sub Total (B)	9.53	0.39 (0.03)	9.89	9.21	0.26 (0.03)	9.44	0.45	0.32
Grand Total (A+B)	3,062.51	198.94 (4.27)	3,257.18	1,128.63	81.74 (2.37)	1,208.00	2,049.18	1,933.88
Previous Year	2,918.03	158.43 (13.95)	3,062.51	1,048.65	84.92 (4.94)	1,128.63	1,933.88	

- Building include a sum of ₹ 4.98 Cr being cost of office premises acquired on ownership basis.
- Leased mines represent expenditure incurred on development of mines.
- Cash Subsidy amounting to ₹ 8.23 Cr (previous year ₹ 8.23 Cr) relating to Home Textile division at Vapi has been reduced from respective Fixed Assets.
- Deletion of Free Hold Land includes ₹ NIL (Previous Year ₹ 7.86 Cr) being revaluation amount of land of Sree Meenakshi Mills Division at Madurai sold during the year.

NOTE 2.12 : NON CURRENT INVESTMENTS /CURRENT INVESTMENTS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
NON CURRENT INVESTMENTS		
Investment in Equity Instruments		
OTHER THAN TRADE		
Quoted (at cost)		
41,500 Equity Shares of HDFC Bank Limited of ₹ 2/- each fully paid up	0.01	0.01
68,598 Equity Shares of IDBI Limited of ₹ 10/- each fully paid up	0.49	0.49
2,595 Equity Shares of Dena Bank of ₹ 10/- each fully paid up	0.01	0.01
272,146 Equity Shares of Golden Tobacco Limited of ₹ 10/- each fully paid up	4.95	4.95
4,500 Equity Shares of Canara Bank of ₹ 10/- each fully paid up	0.02	0.02
100 Equity Shares of ₹ 10/- each fully paid up of TCP Ltd	0.00	0.00
	5.48	5.48
SHARES IN ASSOCIATS COMPANY		
Unquoted (at cost unless stated otherwise)		
5200 Equity Shares of ₹ 10/- each fully paid up of DM Solar Farm Pvt Limited	0.01	0.01
Investment in Government securities		
Unquoted (at cost unless stated otherwise)		
7 year National Savings Certificates (Pledged with Government Authorities)	0.01	0.01
	5.50	5.50
Less: Permanent diminution in the value of investment written off	3.95	3.95
Total	1.55	1.55

	As at 31.03.2016		As at 31.03.2015	
	Book Value	Market Value	Book Value	Market Value
Quoted	1.54	6.03	1.54	5.91
Others	0.01	-	0.01	
	1.55		1.55	

NOTE 2.13 : LONG-TERM LOANS AND ADVANCES (UNSECURED-CONSIDERED GOOD)

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
(Unsecured, considered good)		
Advances against capital expenditure	32.46	4.35
Security Deposits	8.85	8.74
Total	41.31	13.09

NOTE 2.14 : OTHERS NON-CURRENT ASSETS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Long Term Trade Receivable (Unsecured, considered good)	0.41	0.47
Total	0.41	0.47

NOTE 2.15 : INVENTORIES

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Inventory (as taken, valued and certified by the Management)		
At cost or net realisable value which ever is lower		
Raw materials	191.54	188.62
Finished goods	103.11	94.30
Stock in process	44.04	42.05
Stock in trade	96.27	76.11
Stores and spares	68.35	86.31
Total	503.31	487.39

NOTE 2.16 : TRADE RECEIVABLES

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
Trade Receivables (Unsecured, considered good unless stated otherwise)		
Outstanding over six months from due date		
Considered good	0.42	0.09
Other Trade Receivables	192.00	244.26
Total	192.42	244.35

NOTE 2.17 : CASH AND CASH EQUIVALENTS

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
(a) Cash -on- hand	0.27	0.28
(b) Balances with Banks		
On current account	38.56	29.92
On unpaid dividend account	2.92	2.57
Others bank balances		
Banks deposits with original maturity for more than 12 months	0.19	0.12
Margin money deposite	0.72	1.02
Total	42.66	33.91

NOTE 2.18 : SHORT-TERM LOANS AND ADVANCES

	As at 31.03.2016 (₹ in Cr.)	As at 31.03.2015 (₹ in Cr.)
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received - Considered Good	43.03	62.37
Duty Drawback / FPS receivable on Export	18.13	36.63
Loan to Employee Stock Option Scheme Trust	6.81	6.81
Interest Accrued on Investments	-	0.01
Balances with Customs, Port Trust, Central Excise etc.	10.30	18.77
Income Tax paid / TDS	4.66	5.19
Total	82.93	129.78

NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS
NOTE 2.19 : REVENUE FROM OPERATIONS

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Revenue from operations		
Sales of Products		
Finished Goods	2,616.73	2,450.49
Traded Goods	79.37	66.09
Sales of Services	26.31	9.97
Other operating revenue		
Waste & Scrap sales	13.15	12.02
Revenue from operations(Gross)	2,735.56	2,538.57
Less: Excise Duty	176.57	164.96
Revenue from operations(Net)	2,558.99	2,373.61

NOTE 2.20 : OTHER INCOME

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Interest on Investment	0.24	0.08
Dividend Income (Non Current Investment)	0.04	0.03
Interest on Income Tax Refund	0.15	1.16
Gain on Foreign Exchange (net)	1.45	-
Profit on sale of Assets (net)	0.58	4.33
Profit on sale of Investment (net) (Current Investment)	0.27	2.11
Bad debts written off recovered	1.32	1.73
Sundry Credit Balances Written back (net)	0.73	0.21
Rent Income (Tax deducted at source ₹ 0.003 Cr., Previous year ₹ 0.003 Cr.)	0.03	0.25
Other non-operating income	0.58	1.36
Total	5.39	11.26

NOTES 2.21 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Opening stock		
Finished Goods	94.30	81.11
Stock in trade	76.12	39.12
Stock in Process	42.05	47.56
(A)	212.47	167.79
Closing stock		
Finished Goods	103.11	94.30
Stock in trade	96.27	76.12
Stock in Process	44.04	42.05
(B)	243.42	212.47
Changes in inventories of finished goods, work-in-progress and stock-in-trade	Total (A-B) (30.95)	(44.68)

NOTES 2.22 : EMPLOYEES BENEFITS EXPENSES

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Salaries, Wages and Bonus	113.76	107.00
Contribution to PF and other funds	11.72	10.84
Staff Welfare	5.17	5.02
Commission to Wholetime Directors	3.96	3.40
Total	134.61	126.26

NOTES 2.23 : OTHERS EXPENSES

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Repairs and Maintenance		
Machinery	26.53	22.68
Building	2.48	1.71
Others	4.66	4.44
	33.67	28.83
Stores and Spares	62.36	55.19
Power, Fuel and Water	355.89	389.57
Other Manufacturing Expenses	105.62	79.48
Packing Expenses	87.45	81.96
Cash Discount	19.63	17.65
Freight and Forwarding	78.73	44.14
Commission on Sales	14.21	17.51
Sales Promotion Expenses	11.73	13.16
Travelling & Conveyance	12.22	10.75
Rent and Lease Rent	6.20	6.78
Rates and Taxes	0.86	1.55
Insurance	8.65	7.01
Loss on Foreign Exchange (net)	-	3.25
Commission to Non Whole time Directors (includes service tax of ₹.0.26 Cr (previous year ₹ 0.08 Cr)	2.41	1.99
Communication Expenses	2.07	2.22
Legal & Professional Expenses	13.04	10.73

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Bad Debts / Irrecoverable amounts written off (net)	-	0.50
Donation	0.08	0.11
CSR Expenditure	3.36	2.98
Excise Duty	1.05	1.19
Miscellaneous Expenses	14.68	16.63
Total	833.91	793.18

NOTES 2.24 : FINANCE COSTS

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Interest - Fixed Loans	110.77	110.86
- Others	31.19	37.77
Loss on foreign currency transactions and translation (net)	11.82	9.80
Other borrowing costs	12.63	14.31
	166.41	172.74
Less : Interest and Financial charges capitalised	1.49	1.45
Less : Interest Income Others	0.52	0.87
	2.01	2.32
Total	164.40	170.42

NOTES 2.25 : EARNING PER SHARE(EPS)

	For the Year Ended 31.03.2016 (₹ in Cr.)	For the Year Ended 31.03.2015 (₹ in Cr.)
Basic /Diluted EPS		
Earnings per Share has been computed as under:		
Profit after Taxation (₹ in Cr.)	256.48	181.90
(Less)/Add : Prior year Adjustment	1.16	1.28
	257.64	183.18
The weighted average number of Equity Shares for Basic EPS	10,00,193	10,00,193
Earnings per share (Face value of ₹ 10/- per share) (A) / (B)	25.76	18.32

	As at 31st March,2016 (₹ in Cr)	As at 31st March,2015 (₹ in Cr)
2.26 (a) Estimated value of contracts remaining to be executed on Capital Account and not provided for	136.71	21.84
(b) Contingent Liabilities :		
(i) Guarantees issued by banks	14.23	14.55
(ii) Bills discounted with banks (since realized)	24.24	24.07
(iii) Claims against the Company not acknowledged as debts		
- Income Tax & Wealth Tax	16.52	11.17
- Sales Tax/VAT	0.04	0.15
- Excise & Service Tax	99.30	86.60
- Other claims	46.03	43.50
(c) Export Obligation on duty free imports	299.53	271.50

2.27 In Accordance with the Scheme of Arrangement duly approved by Hon'ble High Court of Gujarat vide its order dated 30th November 2009, the Company has not taken any effect in the current financial statements for the year ended 31 March 2016. Consequently there is no change in Business Development Reserve.

- 2.28 Prior Period Item of ₹.0.01 Cr. (Previous year ₹ 0.09 Cr.) is on account of short provision for consultancy services of earlier year.
- 2.29 In accordance with the requirements of Accounting Standard- 19 Leases, future obligation/ rights as at Balance Sheet Date for lease arrangements amount to :-

	(₹ in Cr)	
	Payable	
	For the Year Ended	
	31st March, 2016	31st March, 2015
Due within one year	3.01	2.79
Due within the following four years	6.37	6.25
Due after five years	0.25	0.31

2.30 Segment

The Company and its subsidiary are primarily engaged in the business of manufacture of Inorganic Chemicals and Textiles.

Secondary segment reporting is performed on the basis of the geographical location of customers distinguished between India and Rest of the World.

BUSINESS SEGMENT

	₹ In Cr							
	INORGANIC CHEMICALS		TEXTILES		Others		Total	
	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15
SEGMENT REVENUE								
External Revenue	1,495.57	1,416.41	1,063.42	957.20	-	-	2,558.99	2,373.61
Less : Inter Segment Revenue							-	-
Total Revenue	1,495.57	1,416.41	1,063.42	957.20	-	-	2,558.99	2,373.61
SEGMENT RESULT							564.53	454.40
Unallocated Corporate Expenses.							12.89	11.00
Operating Profit							551.64	443.40
Interest Expenses							164.40	170.42
Interest Income							-	-
Other Income							5.12	8.93
Unallocated Corporate Other Income							0.06	2.32
Total Other Income							5.38	11.26
Profit from Ordinary Activities							392.62	284.23
Exceptional Items							(13.50)	(27.40)
NET PROFIT BEFORE TAXES							379.12	256.83
OTHER INFORMATION								
Segment Assets	1,257.62	1,587.50	1,349.74	1,198.47	45.84	60.91	2,653.20	2,846.88
Unallocated Corporate . Assets	-	-	-	-	-	-	297.46	4.54
Total Assets	1,257.62	1,587.50	1,349.74	1,198.47	45.84	60.91	2,950.66	2,851.42
Segment Liabilities	960.62	1,146.56	720.99	674.41	46.13	61.08	1,727.74	1,882.05
Unallocated Corporate . Liabilities							237.25	199.21
Total Liabilities	960.62	1,146.56	720.99	674.41	46.13	61.08	1,964.99	2,081.26
Capital Expenditure	40.67	136.01	158.12	22.07	-	-	198.79	158.08
Unallocated Capital Expenditure	-	-	-	-	-	-	0.15	0.35
Total Capital Expenditure	40.67	136.01	158.12	22.07	-	-	198.94	158.43

₹ In Cr

	INORGANIC CHEMICALS		TEXTILES		Others		Total	
	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15
Depreciation	51.87	57.70	29.21	25.48	-	-	81.08	83.18
Unallocated Depreciation							0.66	1.74
Total Depreciation	51.87	57.70	29.21	25.48	-	-	81.74	84.92
Non-Cash Expenses other than Depreciation	-	-	-	-	-	-	-	-
Unallocated Non Cash Expenses other than Depreciation								
Total Non Cash Expenses other than Depreciation	-	-	-	-	-	-	-	-

GEOGRAPHICAL SEGMENT

Particulars	India		Rest of The World		Total	
	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15	Apr. 15 - Mar. 16	Apr. 14 - Mar. 15
Segment Revenue	2,558.99	2,373.61	-	-	2,558.99	2,373.61
Carrying Costs of Segment Assets	2,905.12	2,790.80	45.54	60.62	2,950.66	2,851.42
Additions to Fixed Assets and Intangible Assets	198.79	158.26	0.15	0.17	198.94	158.43

2.31 Related Party Transactions:
Related Party
a Associate :

DM Solar Farm Pvt Limited

b Key Management Personnel:

Mr. R. S. Jalan, Managing Director
 Mr. Raman Chopra, CFO & Executive Director (Finance)
 Mr. Bhuwleshwar Mishra, General Manager & Company Secretary

c Relative of Key Management Personnel:

Ravi Shanker Jalan, HUF
 Mrs. Sarita Jalan, w/o Mr. R. S. Jalan
 Mrs. Bharti Chopra, w/o Mr. Raman Chopra
 Mr. Aniket Chopra, s/o Mr. Raman Chopra
 Mrs. Vandana Mishra, w/o Mr. Bhuwleshwar Mishra

d Significant influence

Dalmia Centre for Research & Development
 GHCL Foundation Trust
 Sachin Holdings P Ltd

2.32 Disclosure of transactions between the Company and related parties and the status of outstanding balances as at 31st March, 2016

Sr. No.	Description	₹ in Cr	
		For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
a) Transactions with subsidiary & Associate			
1.	Purchase of Electricity	0.85	1.10
	DM Solar Farm Pvt Limited	0.85	1.10
2.	Balance of Investment in Equities at the year end	0.01	0.01
	DM Solar Farm Pvt Limited	0.01	0.01
b) Transactions with Key Management Personnel			

		₹ in Cr	
Sr. No.	Description	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
1.	Remuneration	7.93	7.15
	Mr. R. S. Jalan, Managing Director	4.78	4.37
	Mr. Raman Chopra, CFO & Executive Director - Finance	2.77	2.43
	Mr. Bhuneshwar Mishra, General Manager & Company Secretary	0.38	0.35
2.	Dividend on Shares	0.02	0.01
	Mr. R. S. Jalan, Managing Director	0.02	0.01
c)	Transactions with Relative of Key Management Personnel		
1.	Leasing & Hire purchase transactions	0.23	0.12
	Mrs. Bharti Chopra, w/o Mr. Raman Chopra	0.12	0.05
	Mrs. Sarita Jalan, w/o Mr. R. S. Jalan	0.09	0.05
	Mrs. Vandana Mishra, w/o Mr. Bhuneshwar Mishra	0.02	0.02
2.	Dividend on Shares	0.00	0.00
	Ravi Shanker Jalan, HUF (*0=₹ 220)	*0	*0
	Mrs. Bharti Chopra, w/o Mr. Raman Chopra (*0=₹ 28600)	*0	0.00
	Mr. Aniket Chopra, s/o Mr. Raman Chopra (*0=₹ 15400)	*0	0.00
d)	Transactions with Enterprises over which significant influence exercised by Directors		
1.	Purchase of Goods	0.03	0.02
	Dalmia Centre for Research & Development	0.03	0.02
2.	Royalty paid	0.06	0.06
	Dalmia Centre for Research & Development	0.06	0.06
3.	CSR Contribution	3.36	2.90
	GHCL Foundation Trust	3.36	2.90
4.	Leasing & Hire purchase transactions	-	0.02
	Sachin Holdings P Ltd	-	0.02

2.33 Impairment of Assets

In pursuance of Accounting Standard - 28 - Impairment of Assets, the Company has reviewed its carrying cost of assets with value in use (determined based on future earnings) / net selling price (determined based on valuation). Based on such review, management is of the view that in the current Financial year impairment of assets is not considered necessary.

2.34 Figures pertaining to the subsidiary company have been reclassified wherever necessary to bring them in line with the parent company's Financial Statements.

2.35 The previous year's/corresponding period's figures have been regrouped / reclassified.

As per our report attached		For and on behalf of the Board	
For and on behalf of Jayantilal Thakkar & Co. Chartered Accountants	For and on behalf of Rahul Gautam Divan & Associates Chartered Accountants	Sanjay Dalmia Chairman	Dr. B. C. Jain Director
(C. V. Thakker) Partner	(Rahul Divan) Partner	R. S. Jalan Managing Director	Raman Chopra CFO & Executive Director - Finance
			Bhuneshwar Mishra General Manager & Company Secretary

Place : New Delhi
Date : 19th May 2016

Place : New Delhi
Date : 19th May 2016



GHCL Limited

(CIN: L24100GJ1983PLC006513)

Registered Office: GHCL House, Opp. Punjabi Hall, Navrangpura, Ahmedabad – 380009 (Gujarat)

Email: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in, Website: www.ghcl.co.in

Phone: 079- 39324100, Fax: 079-26423623

RE: E-SERVICE OF DOCUMENTS THROUGH EMAIL

Dear Members,

The Companies Act, 2013 has provided the facility of service of documents on members by a Company through electronic mode.

Accordingly the company is permitted to send various notices and documents, including Annual Report, to its members in electronic form at the email address provided by him/her and/or made available to the Company by his/her Depository. Please note that these documents shall be available at the Company's website www.ghcl.co.in for download by the shareholders.

In case you have not yet registered your email id (or you wish to change your already registered email id) you may get the same registered/ updated –

- With your Depository Participant, in case you hold the shares in Demat form;
- By writing to the Company's Registrar & Transfer Agent (RTA), Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West) Mumbai – 400078, Tel: 25963838, E-mail : mumbai@linkintime.co.in by sending back the Form given below, in case you hold shares in physical form.

Kindly note that, as a member of the Company, in addition to receiving documents by e-mail, you will be entitled to receive, free of cost, a copy of the documents referred above upon receipt of a request by the Company from you.

We look forward for your continued support in this initiative.

Best Regards

Bhuwneshwar Mishra

General Manger & Company Secretary

E- COMMUNICATION REGISTRATION FORM

To, The Company Secretary
GHCL House, Opp. Punjabi Hall,
Navrangpura, Ahmedabad – 380009, (Gujarat)

Dear Sir,

I / We shareholder(s) of GHCL Limited agree to receive all future correspondence / documents of the Company in electronic mode at the Email Id mentioned below:

Email id to be registered : _____

Folio No. / DP ID & Client ID : _____

Name of First holder : _____

Address of First holder : _____

Name of Joint holder (s) : 1) _____

2) _____

Date : _____

(Signature of First holder)

(Note: Shareholder(s) may also send a scanned copy of this form, duly filled and signed, at the Email id for investors: mumbai@linkintime.co.in)



FORM NO. SH-13-NOMINATION FORM
 [Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies
 (Share Capital and Debentures) Rules 2014]

To,
 (Name of the Company) _____
 (Address of the Company) _____
 _____ Pin code _____

I/We _____ residing at _____
 _____ the holder(s) of the securities particulars of which
 are given hereunder wish to make nomination and do hereby nominate the following person in whom shall vest, all the rights in respect
 of such securities in the event of my/our death.

1) Particulars of the Securities (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

2) Particulars of Nominee

Name: _____		Date of Birth: ___/___/___		Please affix recent passport size photograph of the Nominee signed across
Father's/Mother's/ Spouse's name: _____		Occupation: _____	Nationality: _____	
E-mail id: _____				
Phone No : _____	Relationship with the security holder: _____			
Address: _____ _____ Pincode _____			Signature of the Nominee	

3) In case Nominee is a Minor

Date of birth: ___/___/___	Date of attaining Majority ___/___/___	Name of guardian: _____
Address of guardian: _____ _____ Pincode _____		

Name of the Security Holder(s)	Signature
1.	
2.	
3.	
Name of witness	Signature of Witness with date
Address of witness: _____ _____ Pin code _____	
Place: _____	Date: ___/___/___



Please fill this Nomination form in Duplicate after carefully reading the instruction given below:

1. The Nomination can be made by individual's only holdings shares singly or jointly. Non- individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The shareholder [s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per section 72 of Companies Act 2013, if the shares are held by more than one person jointly, then the joint holders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of anyone of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders.
6. The nomination form filled in "duplicate" should be lodged with the Registrar and Share transfer Agent of the Company i.e. **M/s. LINK INTIME INDIA PVT LTD**, C-13 Pannalal Silk Mills Compound, L B S Marg, Bhandup West, Mumbai - 400078. The Registrar will return one copy of the nomination form to the shareholder after registering the nomination. The registration number allotted will be furnished in the said form.
7. The shareholder[s] can delete or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form)
8. Nomination stands cancelled whenever the shares in the given folio are transferred/ dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
9. The nomination made through Form No. SH-13 will be considered valid if the nomination made by the holder[s] of the shares is registered with the company before the death of the registered holder[s] of the shares.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
11. Affixing photograph of the Nominee is not mandatory and if affixed the nominee should sign across the photograph.



FOR OFFICE USE ONLY		
Nomination Registration No.	Date of Registration	Signature of Employee with Code No.



FORM NO. SH-14-CANCELLATION OR VARIATION OF NOMINATION
 [Pursuant to sub section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the
 Companies(Share Capital and Debentures) Rules 2014]

(Name of the Company) _____
 (Address of the Company) _____
 _____ Pincode _____

I/ We hereby _____ residing at _____
 _____ the nomination(s) made by me/us in favor of
 _____ residing at _____
 in respect of the below mentioned securities.

Or

I/We hereby _____ residing at _____
 _____ nominate the following person in place of _____
 _____ residing at _____
 _____ as nominee in respect of the below
 mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

1) Particulars of the Securities (in respect of which nomination is being cancelled/ varied)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To



2) (a) Particulars of Nominee/s

Name: _____	Date of Birth: ___/___/___	Please affix recent passport size photograph of the Nominee signed across
Father's/Mother's/ Spouse's name: _____	Nationality: _____ Phone No: _____	
E-mail id: _____		
Relationship with the security holder: _____		
Address: _____ _____ Pincode _____		Signature of the Nominee

(b) In case New Nominee is a Minor

Date of birth: ___/___/___	Date of attaining Majority ___/___/___	Name of guardian: _____
Address of guardian: _____ _____ Pincode _____		

Name of the Security Holder(s)	1. _____	2. _____	3. _____
Signature of the Security Holder(s)	1. _____	2. _____	3. _____
Name of witness	Signature of Witness with date		
Address of witness: _____ _____ Pin code _____			
Place:	Date: ___/___/___		



Please fill this Nomination form in Duplicate after carefully reading the instruction given below:

1. The Nomination made earlier can be cancelled and new nomination can made either singly or jointly. Non- individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The shareholder[s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per sub section (3) of section 72 of Companies Act 2013, if the shares are held by more than one person jointly, the joint holders may together nominate a person to whom all the rights in the securities of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of anyone of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders.
6. The nomination form filled in “**duplicate**” should be lodged with the Registrar and Share transfer Agent of the Company i.e. **M/s. LINK INTIME INDIA PVT LTD**, C-13 Pannalal Silk Mills Compound, L B S Marg, Bhandup West, Mumbai - 400078. The Registrar will return one copy of the nomination form to the shareholder after registering the nomination. The registration number allotted will be furnished in the said form.
7. The shareholder[s] can delete or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form)
8. Nomination stands cancelled whenever the shares in the given folio are transferred/ dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
9. Kindly note that the nomination being a legal document the same should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
10. Affixing photograph of New Nominee is not mandatory and if affixed the nominee should sign across the photograph.

FOR OFFICE USE ONLY		
Nomination Registration No.	Date of Registration	Signature of Employee with Code No.

GHCL Limited
(CIN: L24100GJ1983PLC006513)
Registered Office: GHCL House, Opp. Punjabi Hall, Navrangpura, Ahmedabad – 380009 (Gujarat)
Email: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in Website: www.ghcl.co.in
Phone: 079- 39324100, Fax: 079-26423623

ATTENDANCE SLIP

Folio No./DP ID & Client ID No.	No. of Shares :
Name of Member(s)/ Proxy: _____	
Address : _____	
Email Id: _____	

I/We certify that I/We am/are member(s)/proxy for the member(s) of the Company.

I hereby authorise GHCL Limited to send me all notices, Annual Report and other communications at the aforesaid email id.

I/We hereby record my/our presence at the 33rd **Annual General Meeting** of the Company being held at The Institution of Engineers (India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad - 380 006 (Opp. Gajjar Hall) on Tuesday, July 19, 2016 at 9.30 A.M.

Signature of First holder/Proxy

Signature of 1st Jointholder

Signature of 2nd Jointholder

Note (s):

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the Meeting Venue Shareholder / Proxy attending the meeting is requested to bring his/ her copy of the Annual Report.

GHCL Limited
(CIN: L24100GJ1983PLC006513)
Registered Office: GHCL House, Opp. Punjabi Hall
Navrangpura, Ahmedabad – 380009 (Gujarat)
Email: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in Website: www.ghcl.co.in
Phone: 079- 39324100, Fax: 079-26423623

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]



Name of the Member(s): _____

Registered Address: _____

Email ID _____

Folio No. / DP ID & Client ID No.:	
------------------------------------	--

I/we, being the member(s) of _____ shares of GHCL Limited hereby appoint:

1. Name: _____ Address: _____
 _____ E-mail Id _____ or failing him
2. Name: _____ Address: _____
 _____ E-mail Id _____ or failing him
3. Name: _____ Address: _____
 _____ E-mail Id _____ or failing him

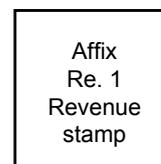
And whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd **Annual General Meeting** of the Company to be held on Tuesday, July 19, 2016 at 9.30 A.M. at The Institution of Engineers



(India), Gujarat State Centre, Bhaikaka Bhavan, Law College Road, Ahmedabad - 380 006 (Opp. Gajjar Hall) and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	
Ordinary Business	
1	Adoption of audited accounts (standalone and consolidated) for the financial year 2015-16
2	Declaration of dividend for the financial year 2015-16
3	Re-appointment of Mr. Sanjay Dalmia as a director retiring by rotation
4	Re-appointment of Mr. Anurag Dalmia as a director retiring by rotation
5	Appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants as one of the Joint Statutory Auditors
6	Ratification for the re-appointment of M/s Rahul Gautam Divan & Associates, Chartered Accountants as one of the joint Statutory Auditors
Special Business	
7	Approval for Payment of Commission to Non Whole-time Directors of the Company

Signed this _____ day of _____ 2016



Signature of Shareholder _____

Signature of 1st Proxy holder

Signature of 2nd Proxy holder

Signature of 3rd Proxy holder

Notes:

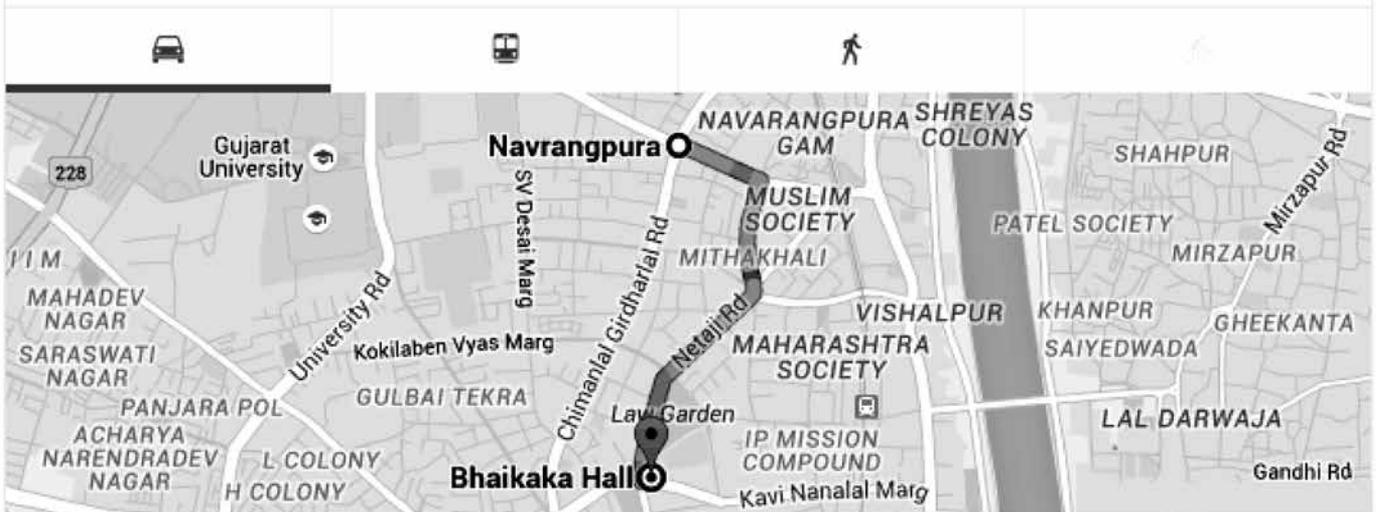
- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- A Proxy need not be a member of the Company.**
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

Route Map

From Navrangpura, Ahmedabad, Gujarat

To Bhaikaka Hall, Law Garden, Ellisbridge, Ahmedabad, Gujarat 380006

Closed now See opening hours



6 min (1.9 km) via Netaji Rd


Directions



GHCL Limited

Registered Office:

"GHCL HOUSE" Opp. Punjabi Hall, Navrangpura, Ahmedabad - 380 009 (Gujarat)
www.ghclindia.com

