

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company is committed to practice good Corporate Governance in all its activities and processes. The Directors' endeavor is to create an environment of fairness, equity and transparency with the underlying objective of securing long-term shareholder value, while, at the same time, respecting the rights of all stakeholders.

The Company adheres to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015 or SEBI Regulations) and your management is taking all possible steps to fulfill its commitment in a judicious, fair and transparent manner.

II. BOARD OF DIRECTORS

The Board is entrusted with the ultimate responsibility of management, general affairs, direction and performance of the Company and had been vested with the requisite powers, authorities and duties.

A. *Composition and Category of the Board of Directors*

As on 31st March 2018, there were Six Directors comprising One Managing Directors and Five Non-Executive Directors that includes One Women Director, One Nominee Director, and Two Independent Director.

Mr. Ashwani Gupta who retires by rotation at the previous Annual General Meeting and being

eligible, offered himself for *Re-appointment and has been re-appointed.*

The board consists of eminent persons with considerable professional experience in business, industry, finance, audit and law. *None of the Director is a member of more than ten committees and Chairman of more than five Committees across all the Companies in which they are directors.* All the members have made disclosures regarding their directorship and memberships in various committees.

None of the Non-Executive Directors are responsible for the day to day affairs of the Company.

Category and attendance of each of the Directors at the Board Meetings held during 2017 -18 and the last Annual General Meeting is given below:

S. No.	Name	Category	Number of Board Meetings held during the year 2017-2018		Whether attended last AGM for FY 2016-17	No. of Membership/ Chairpersonship in mandatory Committees	
			Held	Attended		Chairpersonship	Membership
1.	Mr. Ashwani Gupta	Managing Director	5	5	Yes	Nil	1
2.	Mr. Sushil Gupta	Director	5	5	Yes	1	4
3.	Mrs. Sanjita Gupta	Director	5	5	Yes	1	2
4.	Mr. Om Joshi	Nominee Director	5	1	No	Nil	1
5.	Mr. Ram Kumar Saini	Director	5	3	Yes	Nil	2
6.	Mr. KrishanLalHarjai	Director	5	3	Yes	1	2

Mr. Ashwani Gupta & Mrs.Sanjita Gupta and Mr. Ashwani Gupta and Mr. Sushil Gupta are relatives to each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rules, 2014.

During the period, the Board of Directors of your Company met Five times. The dates on which the meetings were held are May 12, August 14, September 6, November 13 in 2017 and February 14 in 2018 and the gap requirement of 120 days between two meetings have been complied with. The necessary quorum was present for all the meetings.

The company has also formulated a policy to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

B. Code of Conduct

The Board has approved the code of conduct for all board members and senior management personnel of the Company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

C. Non-Executive Directors Compensation and Disclosures

During the year Company has paid Rs. 4,80,000/- to Ms. Sanjita Gupta as salary.

III. COMMITTEES OF THE BOARD

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has *Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Internal Compliant Committee*. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A. Audit Committee

- i. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Regulations, 2015 read with Section 177 of Companies Act, 2013.
- ii. The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Companies Act 2013.
- iii. The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.
- iv. The previous Annual General Meeting (AGM) of the Company was held on September 30, 2017 and was attended by Mr. Krishan Lal Harjai, Chairperson of the Audit Committee.
- v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

S.No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Krishan Lal Harjai	Chairman	4	4
2.	Ram Kumar Saini	Member	4	4
3.	Sushil Gupta	Member	4	4

- vi. Four Audit Committee meetings were held during the year 2017-18 on May 12, August 14 & November 13 in 2017 and February 14, 2018.
- vii. The necessary quorum was present for all the meetings.
- viii. The role of the **audit committee** includes the following:
 1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
 2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditor;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence & performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, 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;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigation by the internal auditors in 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;
16. 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;
17. 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;

18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualification, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

ix. The audit committee shall **mandatorily** review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

x. **Audit & other duties**

1. 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.
2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

B. Stakeholders Relationship Committee (erstwhile Shareholders' Grievance Committee)

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders. Headed by Mr. Sushil Gupta, the Non-Executive Director.
- ii. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

S.No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Sushil Gupta	Chairman	4	4
2.	Om Joshi	Member	4	1
3.	Ashwani Gupta	Member	4	4

xi. Four Stakeholders' Relationship Committee meetings were held during the year 2017-18 on May 12, August 14 & November 13 in 2017 and February 14, 2018. The necessary quorum was present for all the meetings.

iii. Functions and Terms of Reference:

The Committee considers and resolves the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The functioning and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

- a) To consider and resolve the grievance of security holders of the Company.
- b) To review important circulars issued by SEBI /Stock Exchanges
- c) To take note of compliance of Corporate Governance during the quarter/year.
- d) To approve request for share transfer and transmissions.
- e) To approve request pertaining to demat of shares/sub-division/consolidation/issue of renewed/duplicate share certificate etc.

iv. Name, designation and address of Compliance Officer:

Name : Mr. Ashwani Gupta
 Designation : Managing Director & compliance officer
 Address : S C O 333-34, Sector -35B,
 Chandigarh, Punjab- 160022

v. Details of investor complaints received and redressed during the year 2017-18 are as follows:

No. of Complaints pending as on 01.04.2017	No. of Complaints received during the year 2017-18	No. of Complaints resolved during the year	No. of Complaints not resolved during the year to the satisfaction of shareholders	No. of Complaints pending as on 31.03.2018
Nil	Nil	Nil	Nil	Nil

C. Nomination & Remuneration Committee

- i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board has duly constituted the Nomination & Remuneration Committee, with all members being Non-Executive Directors and Independent Director as Chairperson. The composition of Nomination & Remuneration Committee is as follows:

S.No.	Name	Category	No. of Committee Meetings held
1.	KrishanLalHarjai	Independent Director	Chairperson
2.	Ram Kumar Saini	Independent Director	Member
3.	Sanjita Gupta	Non-Executive Women Director	Member

The committee meetings were held on August 14, 2017.

- ii. The terms of reference of the committee are as follows:
- Formulation of the criteria for determining qualification, positive attributes and independence of a director and to recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
 - Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - Devising a policy on diversity of board of directors;
 - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
 - Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - The remuneration policy as adopted by the company envisages the payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.
- iii. Performance Evaluation Criteria For Independent Directors:

Performance Evaluation Criteria of Board members including Independent Directors as approved by the Board provides:

- Each of the director(s) are required to assign the rating on different parameters for the evaluation of board, independent director(s) and committees of the Board of Directors and has to submit the same to the Nomination & Remuneration Committee.

- b) The rating is to be assigned on a scale of five for the purpose of evaluation of performance as under:

Rating Scale	Scale Performance
5	Exceptionally Good
4	Good
3	Satisfactory
2	Needs Improvement
1	Unacceptable

- c) The Nomination & Remuneration Committee shall receive the Evaluation Forms in sealed cover and summarize the results. The Chairperson of the Nomination & Remuneration Committee may have discussions with individual director where clarification or interpretation is required.
- d) The Chairperson of the NRC shall develop a report on the basis of evaluation rating received. The Committee shall review the result and submit its recommendation for the consideration of Board.
- e) The Board shall review the recommendations of the Nomination & Remuneration Committee and issue necessary directions.

iv. Remuneration of Directors

The remuneration payable to all Directors including Managing Director, if any is decided by the shareholders in the General Meeting. As per the Companies Act, 2013, the Board of Directors of the Company is empowered to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 2013.

None of the Independent Directors were paid any sitting fees during the financial year 2017-18.

Remuneration of Executive Directors for the financial year 2017-18

(Amount in Lakhs)

S. No.	Name of Director	Designation	Salary	Benefits	Performance Related Pay (PRP) for the year 2017-18	Total
1.	Ashwani Gupta	Managing Director	4,80,000	-	-	4,80,000
2.	Sanjita Gupta	Director	4,80,000	-	-	4,80,000

The Company had not given any stock options during the year 2017-18.

Except as mentioned above, there was no pecuniary relationship or transaction with Non-Executive Directors vis-a-vis the Company during the financial year 2017-18.

IV. WHISTLE BLOWER POLICY

The Company has a well defined Whistle Blower Policy for reporting the instances of unethical/ improper conduct and taking suitable steps to investigate and take remedial action. No personnel have been denied access to the Audit Committee. In addition to this, a policy to prevent frauds has also been adopted by the Company for reporting on frauds or suspected frauds, involving employees as well as representatives of vendors, suppliers, contractors, consultants, service providers or any other party doing any type of business with the company. All reports on frauds or suspected frauds are investigated with utmost speed. The mechanism for prevention of frauds is also included in the policy.

During the year under review, no complaint(s) have been reported under Whistle Blower Policy.

V. VIGILMECHANNISM

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Regulation 22 of Listing Regulations, 2015. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or letter to the Chairperson of the Audit Committee.

The vigil mechanism has provided for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

VI. RISK MANAGEMENT

As per Regulation 21 of SEBI Regulations, 2015, the Company is not required to constitute Risk Management Committee.

VII. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on August 14, 2017, inter alia to discuss the following matters:

- i. Review the performance of Non-Independent Directors and the Board as a whole;
- ii. Review the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination & Remuneration Committee discussed and thereafter decided upon the policy for selection & appointment of Directors and their remuneration. The highlights of this policy are as follows:

A. Criteria of selection of Non-Executive Directors

- i. The Non- Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- ii. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- iii. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- iv. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

B. Qualification, expertise and experience of Directors in their respective fields;

C. Personal, Professional or business standing;

D. Diversity of the Board.

E. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

IX. REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES

I. In determining the remuneration of Senior Management Employees, the Committee shall ensure/consider the following:

- a) the relationship of remuneration and performance benchmark is clear;
- b) the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- c) the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- d) the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance and current compensation trends in the market.

II. The Independent Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors and thereafter shall recommend the annual increment and performance incentive to the Committee for its review and approval.

X. SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Company during the financial year under review.

XI. RELATED PARTY TRANSACTIONS:

During the financial year under review, the Company has not entered into any material transaction with any of its related party. Accordingly, the disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

XII. PREVENTION OF INSIDER TRADING

Pursuant to SEBI Regulations, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

Disclosures



The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years which has a bearing on the going concern status of the company.

In accordance with requirement of Companies Act as well as SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairperson of the Audit Committee of the Company to report any grievance. A link to such policy is also provided in the website of the company.

Compliance, rules & regulations as laid down by various statutory authorities have always been observed by the company since such change over both in letter as well as in spirit.

The Board has obtained certificates/disclosures from key management personnel confirming that they do not have any material financial or commercial interest in transactions with the company at large.

Compliance with Accounting Standards

In the preparation of financial statements, the Company has followed Accounting Standards notified till date and has followed the relevant provisions of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to Financial Statements.

XIII. GENERAL BODY MEETING

a) Annual General Meeting

The details of last three Annual General Meetings (AGM) of shareholders held were as under:

Financial Year	Day and Date	Venue	Time	Whether any Special Resolution passed
2014-15	Wednesday & September 30, 2015	S C O 333 334 Sector 35 B, Chandigarh, Punjab-160017	12:30 p.m.	Yes
2015-16	Wednesday & September 28, 2016	S C O 333 334 Sector 35 B, Chandigarh, Punjab-160017	02:30 p.m.	No
2016-17	Saturday & September 30, 2017	S C O 333 334 Sector 35 B, Chandigarh, Punjab-160017	12:00 p.m.	No

- b) No Extraordinary General Meeting of Members was held during the year under review.
- c) No Postal Ballot was conducted during the year under review.

XIV. MEANS OF COMMUNICATION

The Company's quarterly financial results in the format prescribed under the SEBI Regulations, 2015, were approved and taken on record by the Board within the prescribed period under the Regulations and were sent to all Stock Exchanges on which the Company's shares are listed.

The quarterly, half-yearly and annual results of the Company are normally published both in Vernacular language and English National newspapers. The said results are also displayed on Company's website at www.globalknitfab.com.

The Company has not displayed any official news release in any media.

XV. DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2018 ARE GIVEN BELOW:

S. No.	Name	No. of Share held	Percentage
1.	Mr. Sushil Gupta	153,510	1.84%
2.	Mrs. Sanjita Gupta	63,300	0.76%

XVI. GENERAL SHAREHOLDER INFORMATION

S. No.	Particulars	Information
1.	Annual General Meeting:	
	Day & Date	Thursday, 27 th September, 2018
	Venue	S C O 333-34, Sector-35B, Chandigarh, Punjab-160022
2.	Financial year	2017-18
3.	Book Closure	September 22, 2018 to September 27, 2018
4.	Listed on	Bombay Stock Exchange
5.	Dividend payment date	The Company has not recommended or paid any dividend during the financial year under review

XVII. ANNUAL LISTING FEES

Out of the total amount due on the Company on account of Annual Listing Fees, the Company had paid some amount and the remaining will be paid by the Company on the terms as mutually agreed between the Company and Exchange.

XVIII. Listing Regulations Compliance

The company complies with all the mandatory requirements of the SEBI (LODR) Regulations, 2015.

XIX. The disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

According to the criteria laid down in Regulation 15(2) of the SEBI (LODR) Regulations, 2015, as on the last date of closure of financial year 2017-18, the paid up share capital of the Company was **58,112,000** (i.e. below the stipulated limit of Rs. 10 crores) and net worth was **21,378,784.15** (i.e. below the stipulated limit of Rs. 25 crores). Accordingly, the Company is not under an obligation to adhere to the requirements of Regulations **17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.**

However, in order to follow best practices of corporate governance, the Company has complied with and is committed regularly towards complying with the requirements of the following:

1. The Audit Committee has been constituted in accordance with Regulation 18 with role as mentioned therein read with Part C of Schedule II;
2. Nomination & Remuneration Committee has been constituted in accordance with Regulation 19 read with Part D of Schedule II;
3. Stakeholders' Relationship Committee has been constituted to specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders with role as mentioned in Part D of Schedule II;
4. Vigil Mechanism has been adopted by the Company pursuant to Regulation 22 of the Listing Regulations, 2015.

XX. Outstanding DRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on date, there are no outstanding warrants /bonds/ other instruments having an impact on equity.

XXI. Disclosure of commodity price risks, foreign exchange risks and hedging activities:

The Company is not exposed to any foreign exchange risk or commodity price risks and therefore, is not involved in commodity hedging activities.

XXII. STOCKEXCHANGE CODE

Stock Exchange	Scrip Code/Symbol/Security Code
Bombay Stock Exchange	531895

XXIII. Market price data- high, low during each month in last financial year and performance in comparison to broad-based indices:

The trading in shares of the Company has been suspended on the September 10, 2001 due to non-compliance of SEBI (LODR), 2015 and clauses of erstwhile Listing Agreement. However, the process for revocation of suspension of trading in the Stock Exchange is under process and trading on shares of the Company is expected to resume in a due course of time.

XXIV. REGISTRAR& SHARE TRANSFER AGENT

The details of Registrar & Share Transfer Agent of the Company are as follows:

RCMC Share Registry Private Limited
 Add: B-25/1, Okhla Industrial Area,
 Phase -2, New Delhi-110020

XXV. SHARE TRANSFER SYSTEM

The share transfer system consists of activities like receipt of shares along with transfer deed from transferees, its verification, preparation of Memorandum of Transfers, etc. Share

transfers are approved/ratified by the Stakeholders' Relationship Committee. Share transfer activities are being carried out by Share Transfer Agent of the Company.

Pursuant to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half yearly basis from Practicing Company Secretary confirming due compliance of share transfer formalities by the Company through its share transfer agent have been submitted to stock exchange(s) within the one month from the end of half financial year.

XXVI. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2018:

Shareholding of Nominal value of Rs. 10/-	No. of Shareholders	% of Shareholders	No. of Shares held	Amount	% to total
Up to 5000	3,262	96.77	3,336,700	33367000	40.09
5001-10000	62	1.85	4,61,900	4619000	5.55
10001-20000	31	.92	5,71,990	5719900	6.88
20001-30000	-	-	-	-	-
30001-40000	2	.05	71,410	714100	.85
40001-50000	-	-	-	-	-
50001-100000	2	.05	1,36,900	1369000	1.64
100001 & above	12	.36	37,43,900	37439000	44.99
Total	3,371	100	83,22,800	8,32,28,000	100%

Categories of Equity shareholders as on March 31, 2018

	Category	No. of Shares	% of Holding
1.	Promoters Holding		
	Promoters		
	-Indian Promoters	1,355,620	16.29 %
	- Foreign Promoters	-	-
	-Persons acting in concert	-	-
	Sub Total	1,355,620	16.29%
2.	Non Promoters Holding		
	Institutional Investor		
	Mutual Fund and UTI		
	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	914,000	10.98%
	FII's	-	-
	Sub Total	914,000	10.98%
3.	Others		
	Corporate Bodies	1,371,500	16.47%
	Indian Public	4,341,680	52.17%
	NRI's/OCB's	340,000	4.09%
	Any Other (HUF/Firm/Foreign Companies) Clearing Member		
	Sub Total	6,053,180	72.73%
	Grand Total	8,322,800	100%

XXVII. DEMATERIALIZATION OF SHARES AND LIQUIDITY*

The shares of the Company are in the compulsory dematerialized segment and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Share Capital Audit Report regarding reconciliation of the total issued, listed and capital held by depositories in a dematerialized form with respect to the Equity Share Capital of the Company was obtained from the Practicing Company Secretary for each quarter during the year and submitted to the Stock Exchanges within the stipulated time.

Number of shares held in dematerialized and physical mode as on 31st March 2018.

Particulars	Total Shares	% to Equity
Shares in dematerialized form with NSDL	0	0
Shares in dematerialized form with CDSL	0	0
Physical	8,322,800	100
Total	8,322,800	100

ISIN of the Company:INE010901010

The names and addresses of the depositories are as under:

- 1. National Securities Depository Limited**
Trade World, A-Wing, 4th & 5th Floors,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013
- 2. Central Depository Services (India) Limited**
Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg, Lower Parel, Mumbai 400013

XXVIII. Policy for determining material subsidiaries is available on website of the company i.e. www.globalknitfab.com

XXIX. Policy on dealing with Related Party Transactions is available on the website of the company i.e. www.globalknitfab.com

XXX. Company Details:

RegisteredOffice : S C O 333-34, Sector-35B,
Chandigarh, Punjab-160022

Addressfor communication : S C O 333-34, Sector-35B,
Chandigarh, Punjab-160022

The phone numbers and e-mail addresses for communication are given below:

Particulars	Telephone Number	Fax No.
Registered Office& Corporate office: S C O 333-34, Sector-35B, Chandigarh, Punjab-160022	91-172-5065586	91-172-5065586

As per Circular of the Securities & Exchange Board of India dated 22.01.2007, exclusive e-mail address for redressal of Investor Complaints is globalknitfab1994@gmail.com.

Limited



**On behalf of Board of Directors
For Global Knitfab**

**Date: 10.08.2018
Place: Chandigarh**

**Ashwani Gupta
Managing Director**