

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 (“Listing Regulation”), a Report on Corporate Governance is given below:

1. Company’s Philosophy on code of governance

Your Company has been practicing the principles of good corporate governance over the years. The Company has adopted best practices for corporate governance, disclosure standards and enhanced shareholder value while protecting the interests of all other stakeholders including clients, suppliers and its employees.

The Directors present below the Company’s policies and practices on corporate governance.

2. Board of Directors

Composition of the Board:

As on 31st March, 2018, the Company had Eight Directors on the Board out of which 7 were Non-executive Directors, which is much higher than the minimum requirement of 50% as per Regulation 17 of Listing Regulation. Out of these eight directors, four were Independent Directors including one woman director.

The Company’s Board now comprises of one Whole-time Director and Seven Non-Executive Directors (NEDs). None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

Attendance of the Directors at the Board Meetings and the last Annual General Meeting, Directorships in other Companies and other Membership or Chairmanship of Board Committees as on 31st March, 2018, is tabulated herein under:

Name	Category	No. of Board Meetings Attended	Attendance at last AGM held on 08/08/17	No. of Directorships held in other Indian Public Limited Companies	No. of Committee Positions held in other Indian Public Limited Companies*	
					Chairman	Member
Mr. B.L. Kheruka DIN: 00016861	Chairman Non-Executive	5	Yes	4	-	2
Mr. P.K. Kheruka DIN:00016909	Vice Chairman Non-Executive	4	Yes	5	-	2
Mr. Ashok Jain DIN:00025125	Non-Executive Director	4	No	2	-	-
Mr. Shashi Kumar Mehra DIN:00032134	Independent Non-Executive	5	Yes	-	-	-
Mr. Jagdish Mahesh Joshi DIN:00276041	Independent Non-Executive	5	Yes	-	-	-
Mr. Ashok Kumar Doda DIN:00288563	Independent Non-Executive	5	Yes	6	1	7
Mrs. Shalini Kamath DIN:06993314	Independent Non-Executive	3	Yes	1	-	-
Mr. Rajesh Chaudhary DIN:07425111	Whole Time Director	4	Yes	-	-	-

* For this purpose, only Audit Committee and Stakeholders Relationship Committee have been considered taking into consideration the provisions of Regulation 26 of the Listing Regulation.

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 Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he/she is a Director. Mr. B. L. Kheruka and Mr. P. K. Kheruka are Promoter Directors.

Mr. Rajesh Chaudhary resigned as Whole Time Director of the Company with effect from March 31, 2018 and Mr. Ramaswami Velayudhan Pillai (DIN: 00011024) has been appointed as Whole Time Director and Key Managerial Personnel of the Company with effect from April 01, 2018.

Details about Directors seeking Appointments/Reappointments at the forthcoming Annual General Meeting are given separately along with Notice convening the said Meeting

Board Meetings, agenda and proceedings etc. of the Board Meeting:

The Board met five times on the following dates during the financial year 2017-2018:

Board Meetings were held on May 03, 2017, August 08, 2017, November 13, 2017, February 10, 2018 and March 30, 2018.

The Gap between two Board Meetings did not exceed 120 days.

The information as specified in Part A of Schedule II of Regulation 17 (7) of Listing Regulation, is regularly made available to the Board, whenever applicable, for discussion and consideration.

The Company also provides video-conferencing facility to its Directors to enable participation so that they can contribute in the discussions at the Meeting.

Disclosure of relationship between directors inter-se

Mr. B. L. Kheruka is father of Mr. P. K. Kheruka.

Number of shares and convertible instruments held by Non-executive directors:

Mr. Pradeep Kumar Kheruka holds 1,13,00,000 equity shares (16.57%) of the Company. None of the other Non-Executive Directors hold any share or other convertible instruments in the Company.

Web link where details of Familiarisation programme for Independent Directors

A Familiarisation Program was conducted for Independent Directors on November 13, 2017, 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 so that they can contribute in a meaningful way to the Company. Familiarization Program for Independent Directors had been uploaded on website of the Company at <http://www.gujaratborosil.com/directors.html> - click on Familiarization Programme for Independent Directors.

3. Audit Committee

Terms of reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Listing Regulation and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors.

The powers include investigating any activity within its terms of reference as specified by the Board and seeking information from any employee, obtain professional advice from external sources and have full access to information contained in the records of the Company.

The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements and Auditors report thereon, before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the

auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system; and reviewing the functioning of the whistle blower mechanism.

The committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

Composition & Meetings:

Your Company has an Audit Committee at the Board level, which acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors and it oversees the financial reporting process.

The Audit Committee of the Company as on March 31, 2018 comprised of four members all being Non-executive Directors out of which. three are Independent Directors and one Non-Independent Director.

During the financial year 2017-18, the Committee met four times on May 03, 2017, August 08, 2017, November 13, 2017 and February 10, 2018. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of Meeting	
		Held	Attended
Mr. Ashok Kumar Doda	Chairman	4	4
Mr. Shashi Kumar Mehra	Member	4	4
Mr. P.K. Kheruka	Member	4	3
Mr. Jagdish Joshi	Member	4	4

All members of the Audit Committee are capable of understanding financial statements and one member possesses financial expertise in accordance with Regulation 18 of Listing Regulation.

Invitees / participants to the committee:

Apart from the members of Audit Committee, generally, meetings are also attended by Whole-time Director, Chief Financial Officer and Company Secretary. Internal Auditor and Statutory Auditor are also invited to the meetings of the committee.

The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee was present at the 28th Annual General Meeting of the Company held on August 08, 2017.

4. Nomination and Remuneration Committee

Terms of reference

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of the Listing Regulation and Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on diversity of Board of Directors; and identification of 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 their appointment/noting and removal. On the basis of the report of performance evaluation of independent directors, whether to extend or continue the term of appointment of the independent director.

Composition & Meetings:

The Board of Directors has constituted a Nomination and Remuneration Committee (earlier called Remuneration Committee). The Committee comprises of three directors, all of whom are non-executive directors and at least half are independent directors.

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During the financial year 2017-18, the Committee met on May 03, 2017 and March 30, 2018. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. Jagdish Joshi	Chairman	2	2
Mr. Shashi Kumar Mehra	Member	2	2
Mr. B. L. Kheruka	Member	2	2

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulations 17 & 19 read with part D of Schedule II to the Listing Regulation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

The performance evaluation of the Independent Directors was carried out by the entire Board with respect to various factor like personal traits which includes ability to exercise objective independent judgment in paramount interest of the Company and on specific criteria which include commitment, highest level of personal and professional ethics, reputation, integrity and values, independence and contributor by taking part in deliberations during meetings. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Further, there were no observations of any director for Board evaluation in current and previous year. The Directors expressed their satisfaction with the evaluation process. The performance evaluation was done on March 30, 2018 except for Stakeholders Relationship Committee.

5. Remuneration of Directors:

The Board of Directors has constituted a Nomination and Remuneration Committee. The Committee had at its meeting held on June 18, 2018 formulated revised Policy relating to remuneration for the Directors, Key Managerial Personnel and Other employees. Remuneration policy form part of Directors Report.

The broad terms of reference of Nomination and Remuneration Committee are to determine on behalf of Board and on behalf of shareholders with agreed terms of reference, the Company's policy on specific remuneration package(s) for executive director(s).

Details of sitting fees, remuneration, etc. paid to Directors.

(Amount in Rs.)

Name of Directors	Sitting fee for Board / Committee Meetings
(A) Mr. B.L. Kheruka	2,60,000/-
Mr. P.K. Kheruka	2,40,000/-
Mr. Shashi Mehra	3,00,000/-
Mr. Jagdish Joshi	3,40,000/-
Mr. Ashok Doda	2,80,000/-
Mrs. Shalini Kamath	1,20,000/-
Mr. Ashok Jain	1,70,000/-
Sub Total -A	17,10,000/-
(B) Mr. Rajesh Chaudhary (Whole-time Director)	
Salary	34,84,800/-
Perquisites	7,23,000/-
Contribution to P. F.	4,18,176/-
Leave encashment	1,83,920/-
Sub Total -B	48,09,896/-
Total (A+B)	65,19,896/-

Notes:

- i. The Non-Executive Directors are paid only sitting fees for attending Board and other Committee meetings. The Board of Directors of the Company at its meeting held on May 03, 2017 had increased Board Meeting sitting fees from Rs.20,000/- to Rs.40,000/- per meeting. Accordingly, now sitting fee for attending Board meeting is Rs.40,000/-, for attending Audit Committee meeting is Rs.20,000/- and for attending Nomination and Remuneration Committee meeting, Corporate Social Responsibility Committee meeting, Stakeholders Relationship Committee meeting is Rs.10,000/- respectively. No sitting fee is paid for attending Share Transfer Committee Meeting.
- ii. For termination of employment, the Company / Whole-time Director are required to give a notice of 3 months or salary of three months in lieu thereof.
- iii. The Company has so far not issued any stock option to the Whole-time Director or any other Director.
- iv. The Criteria for making payments to non-executive directors of the Company is uploaded on the website of the Company at www.gujaratborosil.com
- v. The Company had issued memorandum of terms and conditions of appointment & remuneration of whole time director of the Company.

6. Stakeholders Relationship Committee

Composition & Meetings:

The Board of Directors has constituted a Stakeholders Relationship Committee. The Committee comprises of four directors, headed by Mr. P. K. Kheruka, Non-executive Director.

During the financial year 2017-18, the Committee met on May 03, 2017. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. P. K. Kheruka	Chairman	1	0
Mr. B L. Kheruka	Member	1	1
Mr. Jagdish Joshi	Member	1	1
Mr. Ashok Jain	Member	1	1

The Company Secretary acts as the Secretary to the Committee.

In order to look into the complaints redressal status in respect of year ended March 31, 2018, the Committee met on May 10, 2018. Details of complaints received, not solved and pending during the financial year 2017-18:

Particulars	Number
No. of complaints received	07
No. of complaints not solved to the satisfaction of shareholders	NIL
No. of complaints pending	NIL

Terms of reference of Stakeholders Relationship Committee:

The Committee has been constituted to attend to and to resolve the grievances of security holders including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends.

7. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Mr. B. L. Kheruka, Chairman, Mr. P. K. Kheruka, Member and Mr. Jagdish Joshi, Member (who is an Independent Director).

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During the financial year 2017-18, the Committee met on May 03, 2017, August 08, 2017 and November 13, 2017. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. B. L. Kheruka	Chairman	3	3
Mr. P K. Kheruka	Member	3	2
Mr. Jagdish Joshi	Member	3	3

8. Share Transfer Committee

Composition & Meetings:

The Board of Directors has constituted a Share Transfer Committee. Committee comprises of three directors.

During the financial year 2017-18, the Committee met twenty one times on May 03, 2017, May 26, 2017, June 06, 2017, June 20, 2017, June 28, 2017, July 17, 2017, August 01, 2017, August 21, 2017, September 14, 2017, September 27, 2017, October 18, 2017, October 31, 2017, November 13, 2017, November 28, 2017, December 11, 2017, December 26, 2017, January 04, 2018, January 18, 2018, January 23, 2018, February 22, 2018 and March 13, 2018. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. B. L. Kheruka	Chairman	21	20
Mr. P. K. Kheruka	Member	21	16
Mr. Ashok Jain	Member	21	19

The Company Secretary acts as the Secretary to the Committee.

Terms of reference of Share Transfer Committee

1. To approve the transfer/transmission of shares or any other securities.
2. To issue renewed or duplicate share certificates on such terms and conditions including term as to indemnity as it deems fit; and
3. To do all acts and things and to take all steps that may be necessary and incidental thereto.

Other Committees of Directors

In addition to the above referred Committees which are mandatory under the Companies Act, the Listing Regulations and under the SEBI Guidelines, the Board of Directors has constituted **a. Borrowing Committee** of Directors with the object of the committee to borrow monies from time to time from Banks / Bodies Corporate(s). **b. Securities Issue Committee** of Directors with the object of the Committee to deal with all matters, resolve all issues and take such other action and do such other things as may be required for the purpose of creation, issue, offer and allotment of the securities. No meeting was held during the year under review. **c. Postal Ballot Committee** of Directors with the object of the Committee to consider the Scrutinizer's Report regarding the Resolution(s) proposed to be passed through Postal Ballot from time to time and to empower the Chairman or at his discretion, Company Secretary to announce the results and for recording the proceedings thereof and for doing all such acts, deeds, matters and things as the said Committee may deem necessary or desirable and for taking all such steps which are incidental, consequential, relevant or ancillary in this connection. No sitting fees are paid for attending such committee meeting.

The above Committee(s) comprises of Mr. B. L. Kheruka, Chairman, Mr. P. K. Kheruka, Mr. Rajesh Chaudhary and Mr. Ashok Jain as the Members

9. Separate meeting of Independent Directors

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, a Separate

Meeting of Independent Directors of the Company was held on March 30, 2018 under the Chairmanship of Mr. Ashok Kumar Doda, Lead Independent Director, to review the performance of Non-independent directors (including the Chairman) and the Board as whole. All the Independent Directors were present at the meeting. The Independent Directors also reviewed the quality, content and time lines of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

10. General Body meetings

Location, date and time of General Meetings held during the last 3 years:

Year	Location	AGM / EGM	Date	Day	Time	No. of Special Resolution passed
2016-17	Reg. Office – Village Govali, Taluka-Jhagadia, Dist. Bharuch 393 001, Gujarat	AGM	08/08/2017	Tuesday	2.00 pm	1
2015-16	-do-	AGM	08/08/2016	Monday	2.30 pm	2
2014-15	-do-	AGM	25/08/2015	Tuesday	12.00 noon	1

Resolutions passed by Postal Ballot:

During the year under review, your Company sought the approval of the Shareholders through the Postal Ballot Mechanism for the below mentioned resolutions proposed by the Company vide Postal Ballot Notice dated August 08, 2017. The postal ballot was conducted in terms of the procedure provided under Section 110 of Companies Act, 2013 read with Rules made thereunder, as amended from time to time. Mr Virendra Bhatt, Practicing Company Secretary was appointed as Scrutinizer for conducting Postal Ballot process in a fair and transparent manner. The results on the voting conducted through Postal Ballot process were declared on October 04, 2017. The Resolutions passed through postal ballot and the voting pattern (Postal Ballot and E-Voting) of each such resolution is mentioned hereunder:

Resolutions passed on October 03, 2017 and Voting Pattern thereof

S. No.	Particulars of Resolution	% of Votes	
		In favour	Against
1	Amendment in Articles of Association of the Company.	99.99	0.01
2	Amendment in Memorandum of Association of the Company – Classification and Increase of Authorised Share Capital.	99.99	0.01
3	Raising of finance through issue of securities.	99.99	0.01
4	Increase in borrowing powers upto Rs.300 crores.	99.99	0.01

The result of the above mentioned postal ballot was declared on October 04, 2017, and the same were published in “Business Standard” (English edition) and “Divya Bhaskar” (Gujarati edition) on October 06, 2017.

Procedure followed for Postal Ballot:

The procedure prescribed under Section 110 of the Companies Act, 2013 read with Rules made thereunder was adopted for the Postal Ballot.

In compliance with aforesaid provisions, your Company offered e-Voting facility as an alternate/option, for voting by the Shareholders, in addition to the option of physical voting, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Each Shareholder/Member had to opt for exercising only one mode for voting i.e. either by Physical Ballot or by e-voting. In case of Shareholder(s)/Member(s) who casted their vote via both modes i.e. Physical Ballot as well as e-Voting, voting done through a valid Physical Postal Ballot Form was treated as prevailing over the e-Voting of that Shareholder/Member.

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The forms received upto the last day notified in the Notice and the votes cast on the e-voting platform within specified time are considered by the Scrutinizer. Scrutinizer submits his report to the Chairman/ Director/ Company Secretary authorised by him in writing, who on the basis of the report announces the results.

The results are also displayed on the Company's website (www.gujaratborosil.com) besides being communicated to the stock exchange.

Means of Communication

The quarterly, half yearly and annual financial results were published in Business Standard (English Newspaper) and Divya Bhaskar (Gujarati Newspaper). The Company has also posted its quarterly results, shareholding pattern etc. on the Company's website i.e. www.gujaratborosil.com. The financial and other information filed by the Company from time to time is also available on the website of BSE Limited. The Company has made conference calls and made presentations to the Institutional investors or analysts during the financial year 2017-18, which are displayed on Company's website, www.gujaratborosil.com.

The Annual Report is circulated to all members and is also available on the Company's website, www.gujaratborosil.com besides being communicated to the stock exchange.

11. General shareholder information

Annual General Meeting

Date and time	:	August 08, 2018 at 11.30 AM
Venue	:	Regd. Office at Village – Govali, Taluka – Jhagadia, District – Bharuch – 393 001, Gujarat.
Financial Year	:	01 st April, 2018 to 31 st March, 2019
Quarterly Results & Annual	:	First quarter - 2 nd week of August, 2018 Second quarter - 2 nd week of November, 2018 Third quarter - 2 nd week of February, 2019 Fourth quarter - 3 rd week of May, 2019
Date of book closure	:	August 02, 2018 to August 08, 2018 (both days inclusive)
Dividend payment date	:	NA
Listing on Stock Exchange & Stock Code	:	BSE Limited, P J Towers, Dalal Street, Mumbai-400001 523768

Note: Annual Listing fee for the year 2018-19 has been paid to BSE Limited

Demat ISIN in NSDL and CDSL: INE059C01022

Corporate Identity Number (CIN): L26100GJ1988PLC011663

Market price data

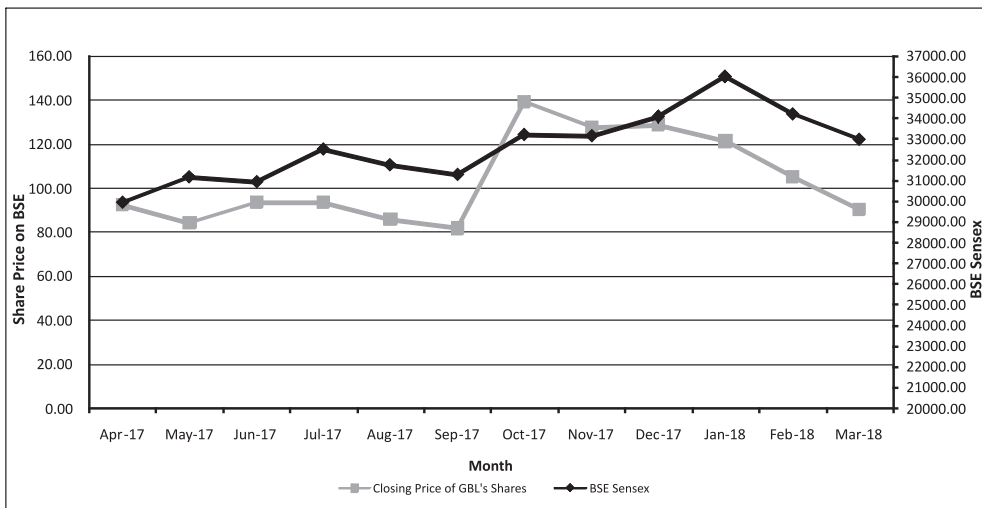
The monthly high and low quotation and the volume of shares traded on Stock Exchange as on March 31, 2018 are as under:

Month	High (Rs.)	Low (Rs.)	Volume of shares traded
April 2017	96.00	81.05	11,99,955
May 2017	103.00	80.80	30,21,983
June 2017	102.35	83.00	20,22,136

Month	High (Rs.)	Low (Rs.)	Volume of shares traded
July 2017	98.80	92.00	9,92,723
August 2017	99.50	77.00	10,15,188
September 2017	89.40	79.00	5,39,475
October 2017	174.75	80.20	61,24,272
November 2017	144.45	113.00	15,36,640
December 2017	140.45	121.55	5,59,264
January 2018	155.40	118.75	16,46,405
February 2018	125.35	104.00	6,91,499
March 2018	107.90	89.20	7,41,264

The paid up value of equity shares of the Company is ₹ 5/- per share

The Performance of the Company's scrip on the BSE compared to BSE Sensex:



Share Transfer System:

Share Transfers in physical form can be lodged with the Registrar and Transfer Agents of the Company : Universal Capital Securities Pvt. Ltd.

Unit: Gujarat Borosil Ltd.

21, Shakil Niwas,

Mahakali Caves Road,

Andheri (East), Mumbai - 400 093.

The transfers are normally processed within 10-15 days from the date of receipt if the documents are complete in all respects.

The members are requested to furnish their PAN which will help us to strengthen compliance with KYC norms and provisions of Prevention of Money Laundering Act, 2002. For registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of PAN card to the Company for registration of transfer of securities.

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Distribution of shareholding as at 31st March, 2018

No. of equity shares held	No. of Shareholders		Shares	
	Nos.	Percentage	Nos.	Percentage
Upto 500	28667	90.12	4072970	5.97
501 to 1000	1631	5.13	1377604	2.02
1001 to 2000	731	2.30	1147727	1.68
2001 to 3000	264	0.83	675311	0.99
3001 to 4000	116	0.36	421406	0.62
4001 to 5000	104	0.33	496356	0.73
5001 to 10000	181	0.57	1368709	2.01
10001 & above	116	0.36	58647417	85.98
Total	31810	100.00	68207500	100.00

Categories of shareholders

As on 31 st March, 2018			
	No. of folios	No. of shares	Percentage
Promoters			
- Indian	03	39822476	58.38
- Foreign (Non Resident Individuals)	01	11300000	16.57
Individuals	30922	11384185	16.69
HUF	407	413371	0.61
Banks, Financial Institutions, Insurance Companies, Central/ State Govt. Institutions/ Non-Govt. Institutions	02	48300	0.07
Private Corporate Bodies	194	2354526	3.45
Non Resident Individuals	150	303302	0.45
NBFC	1	100	0.00
LLP	2	1500	0.00
Trust(s)	1	100	0.00
IEPF	1	2272014	3.33
Any other – Clearing Members	126	307626	0.45
Total	31810	68207500	100.00

Dematerialisation of shares and liquidity

As on 31st March, 2018, 66,127,673 equity shares representing 96.95% of the Company's total paid-up equity capital had been dematerialized and the balance 20,79,827 equity shares representing 3.05% of the total equity capital of the Company were held in physical form. The Company's shares are regularly traded on BSE Limited.

The Company issued 90,00,000 preference shares on March 17, 2012 on private placement basis, which are not listed on any Stock Exchange and are held in physical form.

- Note:**
1. Total number of shareholders mentioned above are after consolidation of shareholding on the basis of PAN number of first shareholder.
 2. During the financial year 2272014 shares were transferred to Investor Education And Protection Fund Authority (IEPF) in dematerialised form. These shares includes 2107049 shares of 16239 physical shareholders.

Outstanding GDRs/ADRs/Warrants or any convertible instruments:-

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities:

The Board of Directors of the Company had formulated Risk Management Plan. The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which is subject to review by the Management and is required to be placed before the Board on an annual basis. In line with the requirements of the Regulation 17(9) of the SEBI LODR, the Audit Committee and the Board of Directors reviewed the Management perception of the risks faced by the Company and measures taken to minimize the same. The details of foreign currency exposure are disclosed in the Financial Statements.

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on Board and General Meetings. The Company has complied with all the applicable provisions of the Secretarial standards.

Transfer of shares to Investor Education and Protection Fund (IEPF) authority

During the year under review, pursuant to Section 124(6) of the Companies Act, 2013 read with Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, as amended, the Company has transferred 22,72,014 Equity Shares of Rs.5/- each held in 17,182 records in respect of which dividend (2008-09) have not been claimed by the shareholders for a period of more than seven years, to the demat account of the IEPF Authority, the details of records are: a. Physical - 16239 records, 2107049 equity shares b. CDSL - 239 records, 42850 equity shares c. NSDL - 704 records, 122115 equity shares. The access link to the refund webpage of the IEPF website for claiming the said shares from the IEPF Authority have been hosted on the Company's website: www.gujaratborosil.com. The Company has filed Statement of shares transferred to the IEPF in Form no.IEPF-4 with Ministry of Corporate Affairs vide SRN no.G70091624 on 15/12/2017.

Plant Location

Village – Govali
Taluka - Jhagadia
District – Bharuch 393 001, Gujarat.

Address for correspondence

Shareholders correspondence may be addressed either to the Corporate Office at

1101, Crescenzo, G Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 or at the office of Registrar and Transfer agents of the Company - Universal Capital Securities Pvt. Ltd., Unit: Gujarat Borosil Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai -400 093.

An exclusive email ID has been created namely, gbl.grievances@borosil.com, on which the investors can register their complaints. The said email ID has been displayed on Company's Website at www.gujaratborosil.com

12. Other Disclosures**Related Party Transactions**

The details of all transactions with related parties are placed before the Audit Committee periodically, with justification wherever required. The Company has formulated Related Party Transactions Policy and said policy is uploaded on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Related Party Transaction Policy.

No material transaction has been entered into by the Company with related parties that may have a potential conflict with interest of the Company. The details of related party transactions have been given in the Notes to the Accounts forming part of the Balance Sheet.

Non-compliance /strictures/penalties imposed

No non-compliance / strictures / penalties have been imposed on the Company by Stock Exchange(s) or the SEBI or any statutory authority on any matters related to capital markets during the last three years.

The Company has received an inspection notice from Regional Director, North-Western Region, Ministry of Corporate Affairs at Ahmedabad, Gujarat ("Regional Director") and subsequently a letter dated December 13, 2017 from the Regional Director in relation to certain alleged violations/irregularities of the provisions of the Companies Act, 2013. The Company replied to the said letter. Further, the Company has received Show cause notice dated May 01, 2018 from Registrar of Companies, Gujarat for violation of certain provisions of the Companies Act, 2013, which the Company is in process of compounding.

Whistle Blower Policy

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. The Board of Directors of the Company had approved & adopted Whistle Blower Policy (Vigil Mechanism) for directors and employees of the Company. No person have been denied access to the Audit Committee. The said policy is uploaded on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Whistle Blower Policy.

Subsidiary Companies

The Board of Directors of the Company had adopted the policy and procedures with regard to determination of material Subsidiaries in accordance with the requirements of the Regulation 24 of the Listing Regulation (including any amendments thereof). The said policy is uploaded on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Policy for determining 'material subsidiaries'

The Company does not have any subsidiary Company as of now.

Code of Conduct for Prevention of Insider Trading

As required by the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. Mr. Kishor Talreja, Company Secretary is the Compliance Officer. The Code of Conduct is applicable to all Directors, Whole Time Director, CFO, General Manager(s), Statutory Auditors, Cost Auditors, Secretarial Auditors and Internal Auditors who are expected to have access to Unpublished price sensitive information relating to the Company.

Code of Conduct

As required under, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down Code of Conduct for Directors and Senior Management Personnel of the Company. The Company has received affirmation of compliance from Directors and Senior Management Personnel of the Company for the financial year ended March 31, 2018. The said Code is posted on the Company's website at <http://gujaratborosil.com/corporate.htm>

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

13. Non-compliance of any requirement of Corporate Governance

The Company has complied with the mandatory requirements as contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. Discretionary requirements-Part E of schedule II

1. The Board

The Company has provided office to the Non-executive Chairman and his official expenses are paid/ reimbursed by the Company.

2. Shareholders Rights

As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

3. Audit qualifications

The Company's financial statement for the year 2017-2018 does not contain any audit qualification.

4. Separate posts of Chairman and CEO

The Chairman of the Board is Non-executive Director and his position is separate from that of the Managing / Whole time Director/CEO.

5. Reporting of Internal Auditor

The internal Auditor reports to the Management & Audit Committee as well.

15. Compliance

A Certificate from the Auditors of the Company regarding compliance of condition of corporate governance for the year ended on 31st March, 2018, as stipulated in chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.

Declaration on Compliance of the Company's Code of Conduct

As provided under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I confirm that all Directors and members of the Senior Management personnel have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management as applicable to them for the year ended 31st March, 2018.

For Gujarat Borosil Limited

Ramaswami Velayudhan Pillai
Whole Time Director
(DIN: 00011024)

Place: Mumbai
Date: June 18, 2018