

**ANNEXURE –C to the Director’s Report for the year ended 31ST March, 2018.
REPORT ON CORPORATE GOVERNANCE**

1. COMPANY’S PHILOSOPHY

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organization’s functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company’s policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, interalia, priority to clients’ interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of 4 Directors including the Non-Executive Chairman. Out of 4, 2 directors are non-executive Non independent directors and 1 director is Independent Director. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

Board procedure

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labor problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.

Sr. No.	Name of the Director	Category	Number of other		
			Director ship	Committee Member-ships	Committee Chairman-ships
1	PRAVIN DESHMUKH	DIRECTOR & CFO	2	3	-
2.	ASHOK RATHORE	DIRECTOR	-	2	-
3.	SHEWATA RATHOR	DIRECTOR	-	-	-
4.	JAYESH B SHAH	Independent Director	2	3	3

During the year 5 Board Meetings were held. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

SR.NO	NAME OF DIRECTORS	NO. OF BOARD MEETING ATTENDED	ATTENDANCE AT THE AGM HELD ON 29-09-2018
1	PRAVIN DESHMUKH	5	YES
2	ASHOK RATHORE	3	YES
3	SHEWATA RATHOR	3	YES
4	JAYESH BABULAL SHAH	5	YES

3. AUDIT COMMITTEE

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in REG. 18 OF SEBI(LODR) REGULATION, 2015. The Details of Audit Committee meetings held during the year April 2017 to March 2018 and the attendance of the Audit Committee Members are as under:

SR.NO	DIRECTOR NAME	CATEGORY	NO OF MEETING HELD ATTENDED
1	ASHOK RATHORE	MEMBER	2 2
2	JAYESH BABULAL SHAH	CHAIRMAN & NEID	4 4
3	PRAVIN DESHMUKH	MEMBER	4 4

Terms of Reference:-

As per provisions of section 177 of the Co. Act, 2013, the terms of reference for the audit committee as laid down by the Board include the following:-

- (i) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (ii) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- (iii) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements' concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- (iv) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.

- (v) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- (vi) Reviewing the Company's financial and risk management policies.
- (vii) To review the functioning of the Whistle Blower Policy adopted by the Company.
- (viii) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders

4. **NOMINATION AND REMUNERATION COMMITTEE**

The company had constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company earlier but as per new provisions u/s 178 of the Co.Act,2013, the said committee has been reconstituted consisting of same directors as are of Audit Committee. This committee will look after the functions as enumerated u/s 178 of the new Act read with Reg. 19 of SEBI(LODR) REGULATION, 2015.

There are 3 meetings held during the year under review viz. on 30/05/2017, 10/08/2017, 30/08/2017.

5. **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Composition:-

The said committee comprises of same directors as are of audit committee. This committee will look after the functions as enumerated u/s 178 of the new Act read with Reg. 20 of SEBI(LODR) REGULATION, 2015. There are 4 meetings held during the year under review viz. on 30/05/2017, 10/08/2017, 22/11/2017 and 08/02/2018.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

Compliance Officer:-

The company has designated Mr. PRAVIN DESHMUKH as Compliance Officer.

Summary of Investors' Complaints:-

During the year NIL letters / complaints were received from the share holders, out of which NIL letters/ complaints were still pending to be resolved.

Annual General Meeting :-

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

YEAR	DATE	TIME	VENUE
2014-15	30-09-2015	11.00 A.M	AT THE REGD. OFFICE OF THE COMPANY
2015-16	30-09-2016	11.00 A.M	AT THE REGD. OFFICE OF THE COMPANY
2016-17	28-09-2017	09.30 A.M	AT THE REGD. OFFICE OF THE COMPANY

No resolution was put through postal ballot during the fin. Year 2017-2018

6. **DISCLOSURES:-**

There were no transactions by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large.

7. **MEANS OF COMMUNICATION:**

The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

8. GENERAL INFORMATION FOR SHAREHOLDERS:

(a) Regd. Office:-

17/A, 4TH FLOOR, SANDESH COMMERCIAL COMPLEX, MIRZAPUR COURT, AHMEDABAD
(GUJ.)-380001

(b) Date, Time, Venue of Annual General Meeting:-

29TH September, 2018 at 09:30 AM at the Regd. Office of the company.

(c) Financial Reporting for the quarter ending:-

JUNE 30	: END JULY
SEPT 30	: END OCTOBER
DEC 31	: END JANUARY
MARCH 31	: END APRIL

(d) Date of Book Closure :

21.09.2018 to 29.09.2018 (both days inclusive)

(e) Listing Details :

Bombay Stock Exchange Limited, Mumbai : Scrip Code 524754

The Company has not paid listing fees to all Stock Exchanges till March 2018.

(f) Market price data:

Available on the BSE website.

(g) Share Transfer System:

The Company has a Share holders/ Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

(i) Investor Services:

The Company has received nil complaints from the shareholders/investors during the year and all are resolved.

(j) Distribution Of Shareholding As On 31st March, 2018

SHARE HOLDING PATTERN		
Category	No. of Shares	%
Promoters & Promoters Group	369000	8.98
Corporate Bodies	1084864	26.40
NRIs / OCBs	NIL	NIL
Public	2656136	64.62
Total	4110000	100

(k) DEMATERIALISATION OF SHARES AND LIQUIDITY :

The Company has appointed M/s CAMEO CORPORATE SERVICES, CHENNAI as Registrar and Share Transfer Agent to handle the electronic connectivity with NSDL and CDSL and physical also. Presently more than 50% shares of the company are in demat form. The ISIN no. of the company granted by NSDL/CDSL is INE010M01016.

DISPOSAL OF INVESTOR GRIEVANCES

The average time required by the Company for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the complaint. In case of non-receipt routine complaints and where external agencies are involved. The Company will strive to redress these complaints as expeditiously as possible.

CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of SEBI(LODR) REGULATION, 2015.

WHISTLE BLOWER POLICY

The Board has, pursuant to the provisions of section 178(9) of the Co Act,2013 read with Rule 7 of the Co.(Meetings of Board and its Powers) Rules,2014 and as per SEBI(LODR) Regulation, 2015 framed whistle Blower Policy to report genuine concerns or grievances which affords protection and confidentially to Whistle blowers.. The said policy has been posted on the website of the company. During the year no such instance was reported in the company.

No personnel have been denied access to the Audit Committee. As of March 31, 2018, no Protected Disclosures have been received under this policy.

CODE OF CONDUCT

The Company's Board of Directors has adopted the code of conduct which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31st March 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is in the business of consultancy and trading activity. The key issues of the Management Discussion and Analysis are given below.

(a) Industry Structure and Developments

The company is engaged in medical consultancy activities but presently the said business is not giving any substantial earning to the Company hence Company is presently engaged in consultancy, share broking and share trading mainly.

The fortunes of the Finance industry are, to a large extent, linked to the growth of the Industry and Investment sentiments of the people. The Industry is facing intense competition from the Foreign Financial Institution.

(b) Strength

The strength of the company is known from its reputation which the company has earned due to its quality business and cordial relation with its clients and presently the company's financial position is sound due to boom in capital market because of governmental support.

(c) Comment on Current year's performance

Receipts	: The Receipt has significantly increased.
Operating Expenses	: The operating Expenses are well under control.
Operating Profits	: The Operating Profits are up to industry mark.
Indirect Expenses	: The Indirect Expenses are under control.
Depreciation	: Reasonable amount of Depreciation is provided.
Profit before tax	: Profit before tax is also showing an improving trend.
Taxation	: Taxation is provided as per Income Tax Act.
Debtor/Sales	: Debtors are reasonable and realization period has Decreased due to the policy of the Company.
Creditors/Purchase	: The Company has an established credit.

d) Opportunities and Threats

The impact of boom in capital market and real estate market due to government support has provided a boost to the economy and it is set to grow at 8% to 9% supported by a smart growth in manufacturing and services sectors. This brings prosperity to a country and more and more people go for investment in Share market. Outlook for the year 2018 is positive. While the overall demand outlook for the year 2018 remains good, the Company expects the pressure on quality customers to continue due to competition.

(e) Segment wise performance

The business of the Company falls under a single segment i.e. Share broking, Investment and trading in shares and derivatives for the purpose of Accounting Standard AS-17.

(f) Outlook

The continual growth in the Finance sector is expected to give the necessary support to the Finance industry. The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

(g) Risk and concerns

The menace of local Finances and play of angadia has further compounded the problems of the organized Finance Industry as they use inferior way of transferring funds. The Stock market is also a risky place to put one's fund. The pull back of FIIs will also have an adverse effect on the share market.

(h) Internal control system

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

(i) Developments in human resources and industrial relations

The Company continued to have cordial relations with all the employees.

**By order of the Board
For GUJARAT MEDITECH LTD.**

**Sd/-
PRAVIN DESHMUKH
CHAIRMAN**

**Place :AHMEDABAD
Date : 31/08/2018**