

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, equity, openness, fairness and accountability in all faces of its functioning and its interactions with shareholders, employees, suppliers, government, regulatory bodies and community at large. The Company recognized good corporate governance practices as a key driver to sustainable growth and long-term value creation and thus encourages timely and accurate dissemination of information to all their stakeholders.

The Company is committed to achieve the good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate cultures, which aim at a true Corporate Governance. In so far as, compliance with the requirement of Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amendment from time to time with the Stock Exchanges, Company has complied with all the mandatory norms and disclosures that have to be made on Corporate Governance front.

1. Board of Directors

The Board of Directors comprises 6 (Six) directors as on March 31, 2019 its composition and category are as under:

Composition

Name of Directors	Designation	Category	No of Directorship in other Indian Public Limited Companies	No of Chairmanship of Committees of other companies	No of Membership of Committees of other companies
Mr. Balvantsinh Rajput	Chairman & Managing Director	Non-Independent and Executive	2	Nil	Nil
Mr. Dharmendrasinh Rajput	Executive Director	Non-Independent and Executive	1	Nil	Nil
Mr. Bipinkumar Thakkar	Whole Time Director-Legal	Non-Independent and Executive	1	Nil	1
Mr. Piyushchandra Vyas	Independent Director	Independent Director	1	Nil	1
Prof.(Dr.) Dipoooba Devada	Independent Director	Independent Director	1	Nil	1
Mr. Karansinh Mahida	Independent Director	Independent Director	1	1	Nil

Notes:

- As required under Regulation 26(b) of SEBI (LODR), 2015 ("Listing Regulations") the Chairmanship and Memberships in Audit Committee and Stakeholders' Relationship Committee are only considered. Other directorships do not include directorships held in private limited companies. The Company is in compliance with the composition of Board of Directors in terms of the Listing Regulations.
- Relationship between directors inter se: Mr. Dharmendrasinh Rajput is the son of Mr. Balvantsinh Rajput. Except that, none of the directors are related to any other Board Member in terms of definition of 'relative' as per Companies Act, 2013.
- None of the non executive directors held shares in the Company.
- No Directors of company hold Directorship in other listed company

Board Meeting and Attendance

The Board meets at least once in a quarter and the maximum time gap between any two meetings is not more than one hundred twenty (120) days. The information as required under Regulation 17 (7) of SEBI (Listing Obligation and Disclosure Requirements) is made available to the Board.

During the Financial Year 2018-19 Five Board Meetings were held on the following dates:

May 21, 2018, August 13, 2018, August 27, 2018, November 14, 2018 and February 14, 2019.

Attendance at Board meetings and Annual General Meeting (AGM):

Name of Directors	No of Board Meeting attended	Attendance at last AGM
Mr. Balvantsinh Rajput	5	Y
Mr. Dharmendrasinh Rajput	5	Y
Mr. Bipinkumar Thakkar	5	Y
Mr. Piyushchandra Vyas	5	Y

Prof. (Dr.) Dipoooba Devada	5	Y
Mr. Karansinh Mahida	5	Y

Evaluation of Board Performance

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Skills/expertise/competencies of the Board of Director

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- iv) Financial and Management skills
- v) Technical / Professional skills and specialized knowledge in relation to Company's business

Separate Meeting of Independent Directors:-

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a separate meeting of the Independent Directors of the Company was held on March 30, 2019 to review:

- 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, content 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.

All the Independent Directors were present at the Meeting.

Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Familiarization Programmes for Independent Directors:-

Your Company has conducted the familiarization programme for Independent Directors of the Company. The programme was designed to familiar the directors with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year.

The details of Familiarization Programme for Independent Directors are available on the Company's website at web link :- <http://www.gokulgroup.com/investor.php>

2. Committees of the Board:

Audit Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Company has complied with the requirements of Regulation 18 of the Listing Regulations with regard to the composition of the Audit Committee.

All the Members of the Audit Committee have the requisite qualifications for appointment of the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Statutory Auditors are inviting in meeting as when required, for interacting with members of committee regarding the accounts of company. Audit Committee Meeting is attended by the Chief Financial Officer, Chief Executive Officer and the Internal Auditor of the Company. The Internal Auditor reports directly to the Audit Committee.

The terms of reference stipulated by the Board to the Audit Committee are as contained in Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, as amendment from time to time are as under:

Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

- 1) To investigate any activity within its terms of reference.
- 2) To seek information from any employee.
- 3) To obtain outside legal or other professional advice.
- 4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee shall include the following:

- 1) 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;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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. Qualifications 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the company, 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 there on;
- 15) 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;
- 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 nonpayment of declared dividends) and creditors;
- 18) To review the functioning of the Whistle Blower mechanism;
- 19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

Review of information by Audit Committee

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 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.

During the Financial Year 2018-19, Four Audit Committee Meetings were held on the following Dates:

May 21, 2018, August 13, 2018, November 14, 2018, and February 14, 2019.

The Composition of this Committee and the attendance details are as under:

Name of Member	Category	No of Meeting Attendance
Mr Piyushchandra R Vyas - Chairman	Independent	4
Mr. Bipinkumar Thakkar – Member	Non-Independent and Executive	4
Mr. Karansinh Mahida – Member	Independent	4
Prof. (Dr.) Dipooaba Devada – Member	Independent	4

Nomination and Remuneration Committee

The terms of reference stipulated by the Board to the Nomination and Remuneration Committee are as contained in Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amendment from time to time are as under:

- 1) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- 2) Recommend to the Board their appointment and removal,
- 3) Carry out evaluation of every director's performance.
- 4) 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) Devising a policy on diversity of board of directors;
- 6) 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
- 7) Recommend to the board, all remuneration, in whatever form, payable to senior management.

During the Financial Year 2018-19, one meeting of Nomination and Remuneration Committee was held on February 14, 2019.

The composition of this Committee and the attendance details of the Members are given below:

Name of Member	Category	No. of meeting Attended
Prof. (Dr.) Dipooaba Devada – Chairperson	Independent and Non-Executive	01
Mr. Karansinh Mahida – Member	Independent and Non-Executive	01
Mr. Piyushchandra R Vyas – Member	Independent and Non-Executive	01

Criteria for evaluation of Independent Directors:

Performance of evaluation of Independent Director shall be done by the entire Board of Directors, excluding the director being evaluated.

Independent Director being evaluated shall be evaluated on the basis of Role and Functions performed and duties discharged by him during the year. Their role, functions and duties are evaluated on the basis of criteria such as attendance and contribution in the meeting, exercise of Independent Judgment, Managing Relationship with fellow Board Members, their knowledge and skill, assist the Company in implementing best corporate governance practice and its monitor, level of confidentiality and ethical standards of integrity and probity.

Remuneration Policy

The Company has in place the policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The detailed remuneration policy of the Company forms part of the Board's Report.

Details of Remuneration Paid to the Directors for the Financial Year ended March 31, 2019 and other terms of appointment of Directors-

Name of Directors	Salary (Rs. in akhs)	Sitting fees (Rs. in Lakhs)	Terms of Appointment	No. of equity shares held as on 31 st March, 2019
Mr. Balvantsinh Rajput	00	-	5 years	34344515
Mr. Bipinkumar Thakkar	11.35	-	3 years	-
Mr.Dharmendrasinh Rajput	24.00	-	5 years	917704
Mr. Piyushchandra Vyas	-	0.45		
Prof. (Dr.) Dipooaba Devada	-	0.55		
Mr. Karansinh Mahida	-	-		

Apart from the above remuneration, no Director is entitled for any other benefit, Bonus, Severance fees or Performance Linked Incentives for the financial year 2018-19.

The Company has not issued any stock option to its Employees or Directors.

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

Stakeholder Relationship Committee

The terms of reference stipulated by the Board to the Stakeholders Relationship Committee are as contained in Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 .

During the Financial Year 2018-19 four Stakeholders' Relationship Committee Meetings were held on the following dates:

May 21, 2018, August 13, 2018, November 14, 2018, February 14, 2019

The composition of the Committee and the attendance details of the Members are given below:

Name of Member	Category	No. of Meeting Attended
Prof. (Dr.) Dipooaba Devada – Chairperson	Independent and Non-Executive	04
Mr. Bipinkumar Thakkar – Member	Non-Independent and Executive	04
Mr. Balvantsinh Rajput- Member	Non-Independent and Executive	04

The total number of complaints received and resolved to the satisfaction of the shareholders during the year under review was Nil (0).

No complaints were pending as on March 31, 2019.

Company Secretary of the company is appointed as Compliance Officer.

Corporate Social Responsibility (CSR) Committee:

In terms of the requirement of Section 135(1) of the Companies Act, 2013, the Board has constituted Corporate Social Responsibility ("CSR") Committee comprising of 3 (three) Directors of which 2 (two) are non-executives.

The terms of reference and scope of work is same as prescribed in Section 135 of the Act and the Rules framed thereunder.

The Committee has met one time during the year on August 13, 2018.

The composition of the Corporate Social Responsibility Committee as on March 31, 2019:-

Name of Member	Category	No. of Meeting Attended
Mr. Balvantsinh Rajput – Chairman	Non Independent	01
Prof. (Dr.) Dipooaba Devada – Member	Independent	01
Mr. Piyushchandra Vyas – Member	Independent	01

3. General Body Meetings:

Details of last three Annual General Meetings held are as under;

AGM	Venue	Date	Time
23 rd AGM	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India	September 24, 2016	11.00 a.m
24 th AGM	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India	September 27, 2017	11.00 a.m
25 th AGM	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India	September 29, 2018	11.00 a.m

The details of Special Resolutions passed by Company in last three Annual General Meetings are as under:

Date of AGM	Special Resolution Passed

September 24, 2016	Adoption of new set of Articles of Association
September 27, 2017	NIL
September 29, 2018	1. To re-approve the appointment of Mr. Piyushchandra Vyas, as an Independent Director of the Company 2. Alteration of the Object Clause of Memorandum of Association of the Company

Extra Ordinary General Meeting (EGM) : No EGM was held during the year 2018-19.

No resolution was passed through postal ballot during 2018-19 and there is no any proposal to pass resolution through postal ballot.

4. Means of Communication:

- Quarterly Results: The quarterly, half yearly and annual results are published in widely circulating national and local dailies such as "Financial Express" in English and Gujarati. These results are not sent individually to the shareholders but are displayed on the Company's Website www.gokulgroup.com.
- News Releases, Presentations, etc: Official news releases, detailed presentations made to media, institutional investors, etc are displayed on the Company's website www.gokulgroup.com Official media releases are sent to the Stock Exchanges.
- Website: The Company's website www.gokulgroup.com contains a separate section for "Investor Relations" where shareholders information is available. The Annual report of the Company is also available on the website in a user-friendly and downloadable form.
- Annual Report: Annual Report containing, interalia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors Report and other important information is circulated to members and other entitled thereto.
- No presentations were made to the institutional investors or to the analysts.

5. General Shareholders Information

a) Date, time and venue of the 26th Annual General Meeting:

Day & Date	Time	Venue
September 27, 2019	11.00 a.m	State Highway No. 41, Nr. Sujanpur Patia, Sidhpur -384 151, Gujarat. India

b) Financial year: 1st April, 2018 to 31st March, 2019.

c) Dividend Payment Date: N.A.

d) Listing on Stock Exchanges:

The Company's shares are listed on the following Stock Exchanges with effect from 4th June, 2008.

BSE Limited

25th Floor, P. J. Towers, Dalal Street,

Fort, Mumbai – 400 001

Stock code: 532980

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C-1, G Block,

Bandra-Kurla Complex, Bandra East,

Mumbai – 400 051.

Stock code: GOKULEQ

ISIN No. of Equity Shares: INE020J01029

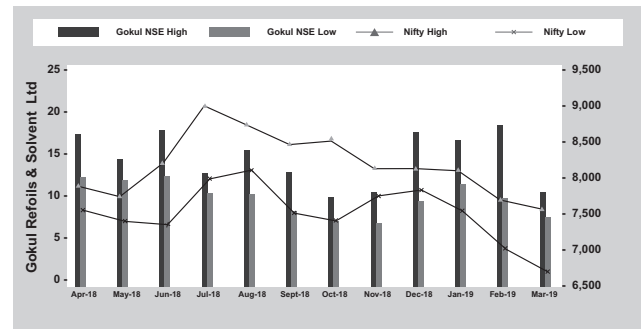
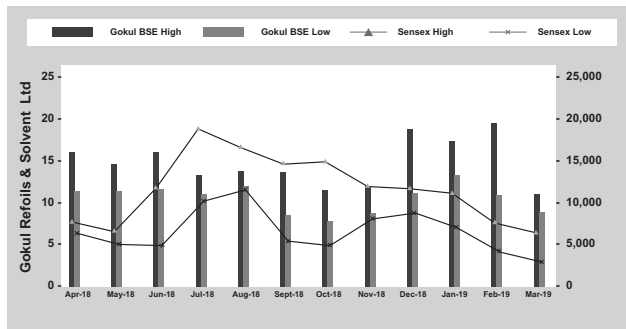
Note: Annual Listing Fees for the year 2018-2019 have been paid by the Company to BSE and NSE.

e) Market Price Data: (Face Value of Rs.2)

The details of Monthly High and Low price(s) on the Stock Exchange, Mumbai, during the Financial Year 2018- 2019 are as under:

Month	NSE High (Rs.)	NSE Low(Rs.)	BSE High (Rs.)	BSE Low (Rs.)
April, 2018	16.70	12.00	16.50	12.40
May, 2018	14.70	12.10	14.80	12.00
June, 2018	16.80	12.30	16.85	12.05
July, 2018	13.45	10.55	13.48	10.40
August, 2018	15.00	11.10	14.89	11.00

September, 2018	13.20	8.80	13.20	8.60
October, 2018	10.55	7.20	10.90	7.66
November, 2018	10.85	7.90	10.94	7.85
December, 2018	18.20	10.10	18.41	10.45
January, 2019	17.45	13.05	17.75	13.10
February, 2019	18.70	10.10	19.25	10.35
March, 2019	10.75	8.15	10.74	8.50

f) Performance of the Share Price of the Company in Comparison to BSE Sensex and NSE Nifty:

g) Registrar and Share Transfer Agents:

Name : Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited)

R&T Address: Link Intime India Private Limited

5th Floor, 506 to 508, Amarnath Business Center - I (ABC-I),

Nr. St. Xavier's College Corner Off C G Road, Ellisebridge, Ahmedabad 380006

Tel : +91 79 26465179 /86 / 87

E-mail : ahmedabad@linkintime.co.in

Website : www.linkintime.co.in

h) Share Transfer System:

In order to expedite the process of share transfers, the Board has delegated the power to approve share transfers to senior executives, who attend to share transfer formalities fortnightly. The Company has appointed Link Intime India Pvt. Ltd. as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization/ rematerialization of securities.

i) Distribution of Shareholding as on March 31, 2019:

SR. NO.	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
		to					
1	1	to	500	4092	78.6016	671909	0.5094
2	501	to	1000	516	9.9116	445359	0.3377
3	1001	to	2000	259	4.9750	404553	0.3067
4	2001	to	3000	83	1.5943	217120	0.1646
5	3001	to	4000	59	1.1333	212459	0.1611
6	4001	to	5000	50	0.9604	241174	0.1829
7	5001	to	10000	66	1.2678	489714	0.3713
8	10001 to above			81	1.5559	129212712	97.9663

j) Categories of shareholders as on March 31, 2019:

Category	Demat Securities	Physical Securities	Total Securities	%-Issued Capital
Corporate Bodies (Promoter Co)	17062500	0	17062500	12.9364
Clearing Members	524632	0	524632	0.3978
Other Bodies Corporate	24723384	0	24723384	18.7447

Financial Institutions	1000000	0	1000000	0.7582
Hindu Undivided Family	148691	0	148691	0.1127
Non Resident Indians	90592	0	90592	0.0687
Non Resident (Non Repatriable)	804294	0	804294	0.6098
Office Bearers	10	0	10	0.0000
Public	6368614	5415	6374029	4.8327
Promoters	81162272	0	81162272	61.5355
NBFCs registered with RBI	4596	0	4596	0.0035
TOTAL :	131889585	5415	131895000	100

k) Dematerialization of shares:

The Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to handle dematerialization of shares. As on March 31, 2019, a total of 131889585 equity shares which form 99.99% of the share capital stand dematerialized.

l) Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments:

The Company has not issued Global Depository Receipts or American Depository Receipt or Warrants or any Convertible instruments.

m) Commodity Price Risk/ Foreign Exchange Risk and Hedging:

Information with respect to 'Commodity Price Risk or Foreign Exchange Risk and Hedging Activities' is provided in the Management Discussion and Analysis' in the Report.

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:	Nil
Total exposure of the listed entity to commodities in INR	Nil
Exposure of the listed entity to various commodities	Nil
Commodity risks faced by the listed entity during the year and how they have been managed.	NA

n) Address for Correspondence :

Any query on Annual Report :

Company Secretary & Compliance Officer

Gokul Refoils and Solvent Limited (Secretarial Department)

Gokul House, 43, Shreemali Co. Op.- Soc Ltd,

Opp. Shikhar Building, Navrangpura – 380009.

Ahmedabad.

Exclusive e-mail ID of the grievance redressal division : investor_relations@gokulgroup.com

Corporate website: www.gokulgroup.com

- o)** "list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad." -NIL

6. Disclosures:

- a) There are no Materially Significant related party transactions made by the Company with its promoters, directors or management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of Company at large.
- b) During the last three years, there were no strikes or penalties imposed by SEBI or Stock Exchanges or any statutory authority, for non-compliance of any matter related to the capital markets.
- c) Whistle Blower Policy

The Company has established a vigil mechanism called 'Whistle Blower Policy', for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

Accordingly, the Company has established a mechanism for employees vide 'Whistle Blower Policy' which seeks (i) to ensure greater transparency in all aspects of the Company's functioning by formulating a procedure to bring to the attention of Company incidents of improper-activities or violation of the company's Code of Conduct & Ethics for Board Members and Senior Management, and (ii) to provide for adequate safeguards against victimization of employees who avail of the mechanism.

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

d) **Subsidiary Companies**

All the subsidiary companies of the Company (including step down subsidiaries) are managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. As a majority of shareholders, the Company nominates its representative on the Boards of subsidiary companies and monitors the performance of such companies, inter alia, by the following means –

- Financial Statements, in particular the investment made by the subsidiary companies are reviewed quarterly by the Audit Committee of the Company.
- All the minutes of the meeting of subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered in to by the subsidiary companies is placed before the Company's Board.
- In terms of Regulation 34(3) read with Schedule V of the SEBI (LODR), 2015, The policy on Material Subsidiaries as approved by the Board is uploaded on the Company's website at the web link (<http://www.gokulgroup.com/investor.php>).

e) **Disclosure of Related Party Transactions:**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Listing Regulation during the financial year were in the ordinary course of business and on an arms' length pricing basis. The transactions with related parties are disclosed in Notes to the accounts. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the web link (<http://www.gokulgroup.com/investor.php>)

f) **Management Discussion and Analysis**

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

g) **Disclosure of Accounting Treatment**

In preparation of financial statements, the Company has followed the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

h) **Code of Conduct**

The Board has formulated a code of conduct for the Board Members and Senior Management of Company which has also been posted on the website of Company. All Board members and senior management personnel have affirmed their compliance with code. A declaration to this effect signed by the Chief Executive Officer of Company is given elsewhere in the Annual Report.

(i) **Legal Compliances**

The Company has formalised a system for legal compliances applicable to the Company. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company. Status of legal compliances and steps taken to rectify non-compliances, if any, are placed before the Board of Directors at its meetings.

There were no instances of material non-compliances during the year under review. No strictures or penalties were imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years.

(j) **CEO- CFO certification**

The CEO and CFO of the Company have certified to the Board of Directors inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2019. They also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33 of the Listing Regulations.

k) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). - NIL**

l) **Certificate from Company Secretary in Practice regarding appointment and continuation of directors.**

The Company has obtained the Certificate from the Practicing Company Secretary certifying that none of the directors of the Company are debarred or disqualified from being appointed or continuing as directors of Company by SEBI / MCA or any such authority.

m) **During the financial year 2018-19, the Board has accepted all the recommendations of its Committees.**

n) **Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:**

(Amount ₹ in Lakhs)

Payment to Statutory Auditors	FY 2018-19
Audit Fees	16.46
Tax Audit Fees	1.00
Other Services	1.50
Reimbursement of expenses	---
Total	18.96

- o) "disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

number of complaints filed during the financial year	Nil
number of complaints disposed of during the financial year	Nil
number of complaints pending as on end of the financial year"	Nil

7. **The Company has complied with the mandatory requirements of the Listing Regulation. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.**

Adoption of Non-Mandatory Requirements

I. The Board

Since the Company does not have a Non-Executive Chairman, it does not maintain such office.

II. Shareholder Rights

Half yearly financial results are forwarded to the Stock Exchanges and uploaded on the website of the Company like quarterly results.

III. Audit Qualifications

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial Statements.

IV. Separate posts of Chairman and CEO

The post of the Chairman of the Company and the CEO are held by different persons.

V. Reporting of Internal Auditor

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

8. **There has been no instance of non-compliance of any requirement of Corporate Governance Report.**
9. **The Company has fully complied with the applicable requirement specified in Reg. 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46.**
10. **Unclaimed Shares lying in Demat Suspense Account:**

In terms of Regulation 34(3) read with Schedule V of the SEBI (LODR), 2015:

Sr. No.	Particulars	Number of shareholders	Number of Equity Shares
i	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	9	2215
ii	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	Nil	Nil
iii	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil	Nil
iv	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	9	2215
v	The voting rights on these shares shall remain frozen till the rightful owner of such share claim the shares.		

Annual Compliance with the Code of Conduct for the Financial Year 2018-2019

Pursuant to the Schedule V (Part D) of SEBI (LODR) Regulation, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2019 from all the Board Members and Senior Management Personnel.

For, **Gokul Refoils and Solvent Limited**

Praveen Khandelwal

CEO

Date:- 31st March, 2019

Place:- Ahmedabad