

## ANNEXURE-A TO DIRECTORS' REPORT: REPORT ON CORPORATE GOVERNANCE

Corporate Governance refers to mechanisms, processes and relations by which corporations are controlled and directed. It is a systematic process driven by the ethical conduct of the business and affairs of an organisation aimed at promoting sustainable business and enhancing shareholders value in long term. It brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders. It is the broad framework which defines the way the Company functions and interacts with its environment. Implementation of good governance indicates not only the compliance of the laws and regulations of the land but also indicates the values, practices and culture of your organization. As a result, it brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and stakeholder value. Good Governance ensures that the best corporate practices are followed by a Company.

### 1. Company's philosophy on Code of Corporate Governance

The philosophy underlying Corporate Governance seeks to create a system of "Checks and Balances" based on transparency, accountability, integrity, clarity, and consistency in the dealings of the Company with its stakeholders. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with the adherence to the highest standards of transparency, accountability and business ethics. Our governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in our value system and reflected in our strategic thought process.

Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target with a view to translate opportunities into reality. We believe in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and client satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation.

In line with this philosophy, the Company continuously strives for excellence through adoption of best governance and disclosure practices. The Company has adopted the Code of Conduct and Business Ethics for Employees, Board Members and Senior Managerial Personnel and also the Whistle Blower Policy in due compliance of Regulations 17 and 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and in pursuit of excellence in Corporate Governance. These codes are available on the Company's website. The Company's corporate governance philosophy has been further strengthened through the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by insiders pursuant to SEBI (Prohibition of Insiders Trading) Regulations, 2015. The Company believes in timely and adequate information and protection to minority shareholders.

Above all, we believe that Corporate Governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and sense of responsibility & justice. Achieving this balance depends upon how accountable and transparent the Company is. Accountability improves decision making. Transparency helps to explain the rationale behind decisions and thereby creating long term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

### 2. Board of Directors

During the F.Y. 2016-17, the Board of Directors of the Company comprised of 10 (ten) Members and Chairman being Executive Director. Out of 10 (ten) Directors on the Board, 6 (six) were Non-Executive Directors and out of 6 (six) Non-Executive Directors, 5 (five) Directors (50% of total) were Independent Directors.

Thus, composition of the Board is in conformity with Regulation 17 of the Listing Regulations.

**(A) The names and categories, inter personal relationship of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting (AGM), as also the number of Directorships in other Companies and Committee membership/chairpersonship held by them are given below:**

Name of Director	Category & Inter personal relationship as on 31 <sup>st</sup> March, 2017	Attendance Particulars		As on 31 <sup>st</sup> March, 2017		
		Board meeting	Last AGM	Directorship in other Companies	Membership and Chairpersonship of the Committees*	
					Member	Chairperson
Shri Vijaykumar Gupta	Executive Director & Promoter, Husband of Smt. Sulochana Gupta and father of Shri Manish Gupta and Shri Mohit Gupta	5	Yes	6 (including 4 private limited)	1	Nil
Shri Manish Gupta	Executive Director & Promoter, Son of Shri Vijaykumar Gupta and Smt. Sulochana Gupta and brother of Shri Mohit Gupta	6	Yes	5 (including 2 private limited)	Nil	Nil
Smt. Sulochana Gupta	Non-Executive Director & Promoter, Wife of Shri Vijaykumar Gupta and mother of Shri Manish Gupta and Shri Mohit Gupta	5	Yes	4 (including 2 private limited)	1	Nil



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Name of Director	Category & Inter personal relationship as on 31 <sup>st</sup> March, 2017	Attendance Particulars		As on 31 <sup>st</sup> March, 2017		
		Board meeting	Last AGM	Directorship in other Companies	Membership and Chairpersonship of the Committees*	
Shri Mohit Gupta	Executive Director & Promoter, Son of Shri Vijaykumar Gupta and Smt. Sulochana Gupta and brother of Shri Manish Gupta	6	Yes	1 private limited	Nil	Nil
Shri Sandeep Agrawal	Executive & Non Independent Director Not related	6	Yes	1 public company	Nil	Nil
Shri Rohit Patel	Non-Executive & Independent Director Not related	5	Yes	1 public company	2	2
Shri Sudhin Choksey	Non-Executive & Independent Director Not related	6	Yes	4 (including 2 private limited)	1	2
Shri Rashmikan Joshi	Non-Executive & Independent Director Not related	6	Yes	Nil	1	Nil
Shri Vishwvir Saran Das	Non-Executive & Independent Director Not related	5	No	2 public companies	1	1
Shri Sandeep Singhi	Non-Executive & Independent Director Not related	5	Yes	1 public company	2	Nil

\* For the purpose of considering the limit of Committee Membership and Chairmanship of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered. Committee Membership & Committee Chairpersonship in the Company is included.

### (B) Number of meetings of the Board of Directors held and the dates on which held:

During the F.Y. 2016-17, 6 (six) meetings of the Board of Directors were held on 30<sup>th</sup> April, 2016, 30<sup>th</sup> July, 2016, 12<sup>th</sup> November, 2016, 13<sup>th</sup> December, 2016, 23<sup>rd</sup> January, 2017 and 4<sup>th</sup> February, 2017.

Intimation of the Board meetings and Committee meetings are given well in advance and communicated to all the Directors. Normally, Board meetings and Committee meetings are held at the Registered Office of the Company. The agenda along with the explanatory notes are sent in advance to all the Directors in accordance with the Secretarial Standard-1 issued by the Institute of Company Secretaries of India. Additional meetings of the Board are held when deemed necessary by the Board. Senior Executives are invited to attend the Board meetings as and when required.

### (C) Information placed before the Board of Directors:

All such matters as are statutorily required as per Part A of Schedule-II of Regulation 17(7) of the Listing Regulations and also matters relating to Corporate Plans, Mobilisation of Funds, Investment/ Loans, Risk Management Policy, Capital Expenditure etc. are considered by the Board. Besides, the following informations are also regularly placed before the Board for its consideration:

1. Annual Operating Plans & budgets and updates
2. Capital budgets and updates
3. Minutes of meetings of Committees of the Board of Directors
4. Quarterly results of the Company
5. Material Transactions, which are not in the ordinary course of business
6. Compliance with all regulatory and statutory requirements
7. Fatal accidents, dangerous occurrences, material effluent pollution problems
8. Recruitment and remuneration of senior officers just below the Board level
9. Investment/Disinvestments
10. Risk Assessment analysis, etc.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

During F.Y. 2016-17, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, except for the commission payable to them annually in accordance with the applicable laws and with the approval of the members.

### 3. Audit Committee

- (i) The Audit Committee of the Company is constituted in alignment with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

- (ii) The terms of reference of the Committee are in accordance with Part C of Schedule-II of Regulation 18(3) of the Listing Regulations and Section 177 of the Companies Act, 2013 and major terms of reference, inter alia, includes the following:
- Reviewing Company's Financial Reporting Process;
  - Reviewing the Internal Audit Systems, the adequacy of Internal Control Systems;
  - Reviewing the Company's Financial and Risk Management Policies;
  - Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
  - Review and monitor the Auditor's independence and performance and effectiveness of audit process;
  - Examination of the financial statement and the auditors' report thereon;
  - Approval or any subsequent modification of transactions of the Company with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the Company, wherever necessary;
  - Evaluation of internal financial controls and risk management systems.

- (iii) The composition of the Audit Committee meets with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The details of members, their category and number of meetings attended by them during the F.Y. 2016-17 are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings held	No. of meetings attended
Shri Sudhin Choksey, Chairman	Independent Director	4	4
Shri Rohit Patel, Member	Independent Director	4	3
Shri Rashmikanth Joshi, Member	Independent Director	4	4

- (iv) During the F.Y. 2016-17, 4 (four) meetings of the Audit Committee were held on 30<sup>th</sup> April, 2016, 30<sup>th</sup> July, 2016, 12<sup>th</sup> November, 2016 and 4<sup>th</sup> February, 2017.
- (v) The previous Annual General Meeting of the Company was held on 10<sup>th</sup> September, 2016 and the same was attended by the Chairman of the Audit Committee.
- (vi) The Audit Committee Meetings are usually held at the Registered Office of the Company and are normally attended by Managing Director, Executive Director, Chief Financial Officer, Representative of Statutory Auditors, Internal Auditors and Cost Auditors. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

#### 4. Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has adopted "Vigil Mechanism" or "Whistle Blower Policy", which was approved by the Audit Committee and the Board of Directors of the Company at their respective meetings held on 26<sup>th</sup> July, 2014. The said policy provides a formal mechanism for directors and all employees of the Company to approach Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud and violation of the Company's Code of Conduct and Business Ethics. Under the Policy, each employee of the Company has an assured access to the Chairman of the Audit Committee.

None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the website of the Company (URL: <http://www.ambujagroup.com/wp-content/uploads/2016/09/Vigil-Mechanism-Policy.pdf>).

#### 5. Nomination and Remuneration Committee

- (i) The Nomination and Remuneration Committee of the Company is constituted in alignment with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and terms of reference, including role & powers of the Committee, has been modified accordingly.
- (ii) The terms of reference of the said Committee is broad based so as to include and to decide, review and recommend to the Board of Directors of the Company about the recruitment, selection, appointment and remuneration of relative of Director or of Key Managerial Personnel of the Company and to decide the increase/modification in the terms of appointment and/or remuneration of any such person. The Committee was constituted on 30<sup>th</sup> March, 2002 and was re-constituted from time to time. The Company Secretary of the Company acts as the Secretary of the Committee.

Terms of reference of the Committee, inter alia, includes the following:

- To decide, review and recommend to the Board of Directors of the Company about the recruitment, selection, appointment and remuneration of a relative of Director or of Key Managerial Personnel of the Company and to decide the increase/modification in the terms of appointment and/or remuneration of any such person.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.



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- d) To ensure that as per the policy—
- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- e) To formulate criteria for evaluation of performance of Independent Directors and the Board.
- f) To devise a policy on Board diversity.
- g) To identify 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 their appointment and removal.
- h) To decide on 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.
- (iii) The details of members, their category and number of meetings attended by them during the F.Y. 2016-17 are given below:
- | Name of the Committee Member & Designation in Committee | Category in the Board | No. of meetings held | No. of meetings attended |
|---|-----------------------|----------------------|--------------------------|
| Shri Rashmikanth Joshi, Chairman                        | Independent Director  | 3                    | 3                        |
| Shri Rohit Patel, Member                                | Independent Director  | 3                    | 2                        |
| Shri Vishwair Saran Das, Member                         | Independent Director  | 3                    | 3                        |
- (iv) During the F.Y. 2016-17, 3 (three) meetings of Nomination and Remuneration Committee were held on 30<sup>th</sup> April, 2016, 30<sup>th</sup> July, 2016 and 4<sup>th</sup> February, 2017.
- (v) The previous Annual General Meeting of the Company was held on 10<sup>th</sup> September, 2016 and the same was attended by the Chairman of the Nomination and Remuneration Committee.
- (vi) The Committee while deciding the remuneration package of the Managing Directors/ Executive Directors and recruitment, selection, appointment and remuneration of relative of Director or of Key Managerial Personnel of the Company, takes into consideration various factors, *inter alia*, contribution, remuneration package of the industry, knowledge and experience etc.
- (vii) The Board considered and approved the criteria for performance evaluation of itself, that of its Committees and Individual Directors as follows:
- Criteria for Board Evaluation
    - Attendance at meetings
    - Regularity of attendance
    - Responsibilities and accuracy of information in timely manner
    - Level and quality of participation
    - Involvement in deliberation
    - Commitment to responsibilities
  - Criteria for Committee Evaluation
    - Level and quality of participation
    - Effectiveness to the responsibilities
    - Aptitude and effectiveness
    - Overall contribution
  - Criteria for Evaluation of Individual Directors (including Independent and Non-Independent Directors)
    - Dedication
    - Attendance
    - Preparedness & Participation
    - Team work
    - Contribution
    - Time and Efforts
    - Response
    - Commitment
    - Knowledge/Sharing information
    - Responsibilities
    - Suggestions during discussion
- (viii) Criteria for making payment to Non-Executive Directors has been disseminated on the website of the Company i.e. [www.ambujagroup.com](http://www.ambujagroup.com)

## (ix) Payment to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees for attending meetings of Board of Directors and Committees of the Board. At the Annual General Meeting held on 22<sup>nd</sup> September, 2005, Members approved payment of sitting fees upto ₹ 20,000/- or as may be amended by the Central Government to be paid to Non-Executive Directors for attending each meeting of the Board of Directors and Committees thereof. During F.Y. 2016-17, Non-Executive Directors were paid Sitting Fees of ₹ 17,500/- for attending each meeting of the Board and Committees of the Board.

The Members at their 23<sup>rd</sup> Annual General Meeting held on 13<sup>th</sup> September, 2014 pursuant to Sections 149, 197 and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(6) of the Listing Regulations, approved the payment of remuneration to the Non-Executive Directors of the Company by way of commission not exceeding one (1) percent of the net profits of the Company, provided that the overall remuneration shall not be exceeding ₹ 25 lacs in a financial year.

## (x) There are no stock options issued by the Company.

## (xi) The details of remuneration (including salary, allowances, commission, monetary value of perquisites &amp; Company's contribution to Provident Fund but excluding gratuity, insurance coverage for personal accident and balance of unavailed encashable leave) and sitting fees paid for attending meetings of the Board of Directors and Committees thereof during the F.Y. 2016-17 to all the Directors are furnished hereunder:

(₹ in crores)

Sr. No.	Name of Director	Salary & Allowances	Perquisites	Commission	Sitting Fees	Total	Service Contract	Notice Period (in months) & severance fees
1	Shri Vijaykumar Gupta, Chairman & Managing Director	0.76	0.08	4.44	Nil	5.28	1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2018	3 months Nil
2	Shri Manish Gupta, Managing Director	0.78	0.06	13.31	Nil	14.15*	28 <sup>th</sup> December, 2013 to 27 <sup>th</sup> December, 2018	3 months Nil
3	Smt. Sulochana Gupta, Non-Executive Director	Nil	Nil	0.02	0.01	0.03	-	-
4	Shri Mohit Gupta, Joint Managing Director	0.48	Nil	Nil	Nil	0.48	1 <sup>st</sup> August, 2013 to 31 <sup>st</sup> July, 2018	3 months Nil
5	Shri Sandeep Agrawal, Whole-Time Director	0.54	Nil	Nil	Nil	0.54	1 <sup>st</sup> August, 2014 to 31 <sup>st</sup> July, 2019	3 months Nil
6	Shri Rohit Patel, Independent Director	Nil	Nil	0.02	0.02	0.04	-	-
7	Shri Sudhin Choksey, Independent Director	Nil	Nil	0.03	0.02	0.05	-	-
8	Shri Rashmikant Joshi, Independent Director	Nil	Nil	0.02	0.03	0.05	-	-
9	Shri Vishwvir Saran Das, Independent Director	Nil	Nil	0.02	0.02	0.04	-	-
10	Shri Sandeep Singh, Independent Director	Nil	Nil	0.02	0.01	0.03	-	-

\*Managerial remuneration payable works out to be in excess of limits requiring shareholders' approval in terms of point (i) of second proviso of Section 197 of the Companies Act, 2013 (Act), however this is within the prescribed limits of total managerial remuneration payable to all Managing Director/Whole-Time Director/Manager in aggregate u/s 197 of the Act. The Company proposes to ratify such managerial remuneration in excess of 5% being paid, in the ensuing Annual General Meeting.

## 6. Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee, inter alia, to formulate and recommend to the Board of Directors, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the implementation of the CSR Policy of the Company from time to time. The Policy on Corporate Social Responsibility is available on the website of the Company (URL : <http://www.ambujagroup.com/wp-content/uploads/2017/05/CSRPOLICY.pdf>).

During the F.Y. 2016-17, 5 (five) meetings of the Committee were held on 9<sup>th</sup> April, 2016, 9<sup>th</sup> July, 2016, 3<sup>rd</sup> September, 2016, 8<sup>th</sup> October, 2016 and 17<sup>th</sup> January, 2017.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the F.Y. 2016-17 and other related details are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings held	No. of meetings attended
Shri Vijaykumar Gupta, Chairman	Executive Director	5	5
Shri Manish Gupta, Member	Executive Director	5	5
Shri Rohit Patel, Member	Independent Director	5	3



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The Corporate Social Responsibility Committee meetings are usually held at the Registered Office of the Company. The Company Secretary of the Company acts as the Secretary of the Corporate Social Responsibility Committee.

### 7. Independent Directors' Meeting:

A separate meeting of Independent Directors was held on 4<sup>th</sup> February, 2017, without the attendance of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors, the Board as a whole and its Chairperson and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board. Details of attendance of the members at the said meeting are given below:

Name of the Director	Chairperson / Member	No. of meeting attended
Shri Vishwvir Saran Das	Chairperson	1
Shri Rohit Patel	Member	1
Shri Sudhin Choksey	Member	1
Shri Rashmikant Joshi	Member	1
Shri Sandeep Singhi	Member	1

### 8. Board Sub-Committees:

#### (a) Stakeholders Relationship Committee & Redressal of Investors' Grievances:

Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The Company constituted said Committee on 30<sup>th</sup> March, 2002 to specifically look into the redressal of Investors' complaints like transfer of shares, non- receipt of balance sheet and non-receipt of declared dividend etc.

To expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Share Transfer Agent and its officials to redress all complaints/grievances/inquires of the Members/Investors. Ms. Chetna Dharajiya, Company Secretary of the Company acts as the Secretary of the Stakeholders Relationship Committee and under her supervision Committee redresses the grievances/complaints of Members/Investors.

The Committee meets at regular intervals to review the status of redressal of Members'/Investors' Grievances.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the F.Y. 2016-17 and other related details are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings attended
Shri Rohit Patel, Chairman	Independent Director	16
Shri Vijaykumar Gupta, Member	Executive Director	26
Smt. Sulochana Gupta, Member	Non-Executive Director	26

#### (b) Details of complaints received and redressed during the F.Y. 2016-17:

Sr. No.	Particulars	Opening balance as on 1 <sup>st</sup> April, 2016	Received during the year	Redressed during the year	Pending as on 31 <sup>st</sup> March, 2017
1	Non-receipt of Dividend/ Interest, Revalidation etc.	Nil	9	9	Nil
2	Non-receipt of Share Certificate, etc.	Nil	6	6	Nil
3	Non-receipt of Annual Report, Interest on delayed refund, etc.	Nil	Nil	Nil	Nil
4	Others	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>15</b>	<b>15</b>	<b>Nil</b>

#### (c) Share Transfer Committee:

Share Transfer Committee consisting of Shri Vijaykumar Gupta, Chairman & Managing Director, Shri Manish Gupta, Managing Director, Smt. Sulochana Gupta and Shri Rashmikant Joshi, the Directors of the Company has been constituted with the scope and ambit to consider and approve the following actions related to the shareholders/members of the Company:

- Transfer of Shares
- Transmission of Shares
- Issue of Duplicate Share Certificates
- Change of Status
- Change of Marital Status
- Change of Name
- Transposition of shares
- Sub-division of shares
- Consolidation of Folios
- Shareholders requests for Dematerialisation/Rematerialisation of Shares

The Committee also takes note of disclosures received under the Company's Code of Conduct for Prohibition of Insider Trading in pursuance to the SEBI (Prohibition of Insider Trading) Regulations 2015.

**(d) Share Transfer Details:**

The number of shares transferred / transmitted, split request processed, duplicate shares issued, folio consolidation, demat and remat request approved during the F.Y. 2016-17 are as under:

Sr. No.	Particulars	No. of cases	No. of shares involved (₹ 2/- each)
1	Transfer	93	66000
2	Transmission	94	69440
3	Split	3	2700
4	Duplicate	5	2500
5	Demat request approved-NSDL	353	302485
6	Demat request approved-CDSL	214	170220
7	Remat request approved-NSDL	2	120
8	Remat request approved-CDSL	Nil	Nil

As on 31<sup>st</sup> March, 2017, out of the total 11,46,67,665 Issued, Subscribed and Paid up Equity shares of ₹ 2/- each of the Company, 85.28% are in dematerialised form (net of remat) through NSDL and CDSL.

With a view to expedite the process of transfer, the Committee normally meets twice a month to approve transfer, transmission, split, duplicate etc. There was no instrument pending for transfer as on 31<sup>st</sup> March, 2017.

**(e) Prohibition of Insider Trading:**

The Company has adopted a Code of Conduct for Prohibition of Insider Trading under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with a view to regulate trading in the equity shares of the Company by the Directors and designated employees.

**(f) Code of Conduct:**

The Company has adopted a Code of Conduct for all the employees including the Board Members and Senior Management Personnel of the Company in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of the Company i.e. [www.ambujagroup.com](http://www.ambujagroup.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. Management members are made aware of the provisions of the Code from time to time.

The Company has obtained confirmations for the compliance with the said code from all its Board members and Senior Management Personnel for the year ended 31<sup>st</sup> March, 2017. The declaration by the Chairman & Managing Director of the Company confirming the same is annexed to this report.

**(g) Familiarisation programme for Independent Directors:**

The Independent Directors are provided with necessary documents, reports and other relevant information to enable them to familiarise with the Company's procedures and practices. The Independent Directors are taken for visit to Company's various plants/units, to enable them to have full understanding of manufacturing operations & processes of the Company and the industry in which it operates. Periodic presentations are made at the Board meetings on business and performance updates of the Company, business strategy and risks involved. At the time of induction of the newly appointed Independent Director, he/she is apprised adequately about the Company, latest financial statements with business model, industry scenario, competition, significant recent developments and also the Board processes which is apprised by the Chairman and Managing Director, the Chief Financial Officer, the Company Secretary and the Senior Management of the Company. Details of the familiarization programme for the Independent Directors are available on the website of the Company:

(URL: [http://www.ambujagroup.com/wp-content/uploads/2017/05/Details\\_of\\_familiarization\\_programmes-1.pdf](http://www.ambujagroup.com/wp-content/uploads/2017/05/Details_of_familiarization_programmes-1.pdf)).

**(h) Appointment of Compliance Officer:**

Ms. Chetna Dharajiya, Company Secretary of the Company acts as Compliance Officer of the Company as per Regulation 6 of the Listing Regulations.

**9. General Body Meetings****a) Details of location, time and date of last three Annual General Meetings are given below:**

Year	Date	Time	Venue
2013-14	13 <sup>th</sup> September, 2014	11.00 a.m.	H. T. Parekh Hall, 1 <sup>st</sup> Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram
2014-15	12 <sup>th</sup> September, 2015	11.00 a.m.	Sarabhai Marg, Vastrapur, Ahmedabad – 380 015
2015-16	10 <sup>th</sup> September, 2016	11.00 a.m.	

**b) Extra Ordinary General Meeting:**

There was no Extra Ordinary General Meeting held during the F.Y. 2016-17.





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### c) Special Resolutions passed during last three years at the Annual General Meetings:

Special Resolution	Date of Meeting
Borrowing powers of the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013 upto ₹ 2500 crores	13 <sup>th</sup> September, 2014
Authority to charge/mortgage Assets of the Company both present and future	13 <sup>th</sup> September, 2014
Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013	13 <sup>th</sup> September, 2014
To consider payment of Commission to Independent/Non-Executive Directors of the Company	13 <sup>th</sup> September, 2014
Offer and Issue Non-Convertible Securities/Commercial Papers under Private Placement	12 <sup>th</sup> September, 2015
Revision in terms of remuneration of Shri Siddharth Agrawal, the Vice President (Works) of the Company	12 <sup>th</sup> September, 2015

### d) Postal Ballot:

- i. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

During the year, the Company sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated 13<sup>th</sup> December, 2016 for Buyback of Equity Shares of the Company, the results of which were announced on 30<sup>th</sup> January, 2017. Shri Niraj Trivedi, a Practicing Company Secretary (CP No. - 3123) was appointed as the Scrutinizer for conduct the postal ballot and remote e-voting process in a fair and transparent manner.

#### Details of Voting Pattern were as under:

Description of the Resolution	Votes in favour of the resolution			Votes against the resolution			Invalid Votes	
	Number of members voted through electronic voting system and through physical ballot form	Number of valid votes cast (Shares)	% of total number of valid votes cast	Number of members voted through electronic voting system and through physical ballot form	Number of valid votes cast (Shares)	% of total number of valid votes cast	Total number of members whose votes were declared invalid*	Total number of invalid votes cast (Shares)
Approval for Buyback of Equity Shares	537	93,376,476	67.49	39	1,21,414	0.09	112	70,025

\*One Shareholder has casted vote partially and for balance shares abstained from voting

#### Procedure for postal ballot:

The Company conducted the postal ballot in accordance with the provisions of Sections 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management & Administration) Rules, 2014 ("Rules"). The Company had completed the dispatch of the Postal Ballot Notice dated 29<sup>th</sup> December, 2016, along with the Explanatory Statement, postal ballot form and self-addressed business reply envelopes on 29<sup>th</sup> December, 2016 to all the members who had not registered their E-mail IDs with the Company/Depositories and also sent by E-mail the said documents to all the members whose E-mail IDs were registered with the Company/ Depositories. The Company also published a notice in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the provisions of the Act and Rules framed thereunder. In compliance with the provisions of Sections 108 and 110 of the Companies Act, 2013 and Rules 20 and 22 of the Rules read with Regulation 44 of the Listing Regulations, the Company had offered the facility of e-voting to its members to enable them to cast their vote electronically. The voting under the postal ballot was kept open from Friday, 30<sup>th</sup> December, 2016 (09.00 a.m. IST) to Saturday, 28<sup>th</sup> January, 2017 (05.00 p.m. IST). Upon completion of scrutiny of the postal ballot forms and votes cast through e-voting in a fair and transparent manner, the scrutinizer i.e. Shri Niraj Trivedi, Practicing Company Secretary submitted his report to the Company and the results of the postal ballot were announced by the Company on 30<sup>th</sup> January, 2017. The voting results were sent to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and also displayed on the Company's website [www.ambujagroup.com](http://www.ambujagroup.com) and on the website of Central Depository Services (India) Limited [www.evotingindia.com](http://www.evotingindia.com), the e-voting agency for conducting the postal ballot.

- ii. Details of special resolution proposed to be conducted through postal ballot: No special resolution requiring postal ballot is being proposed for the ensuing Annual General Meeting.



**10. a) Disclosures**

- i. The Board has received disclosures from Key Managerial Personnel/Senior Management that they have no material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Related Party transactions have been included in the Notes to the Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2017.
- ii. The Company has complied with the requirements of the Stock Exchanges, SEBI and other authorities on the matters relating to capital markets during the last three years, and hence, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.
- iii. The Company has adopted a Whistle Blower Policy/Vigil Mechanism and has established the necessary mechanism in line with requirement of the Companies Act, 2013 and Regulation 22 of the Listing Regulations for employees to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no personnel have been denied access to the Audit Committee.
- iv. The Company has complied with all mandatory applicable corporate governance requirements of the Listing Regulations.
- v. The Company has complied with following non-mandatory requirements as prescribed in Part E of Schedule-II to Regulation 27(1) of the Listing Regulations:
  - The Company is in the regime of financial statements with unmodified audit opinion.
  - The Internal Auditors directly reports to the Audit Committee.
- vi. The Company has formulated and adopted Policy on determining Material Subsidiaries as required under Regulation 16(1)(c) of the Listing Regulations. A copy of the Policy on determining Material Subsidiaries is available on the website of the Company (URL: <http://www.ambujagroup.com/wp-content/uploads/2016/09/Policy-for-determining-Material-subsidiaries.pdf>).
- vii. In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated and adopted a Policy on Related Party Transactions which is also available on the website of the Company (URL: <http://www.ambujagroup.com/wp-content/uploads/2017/05/Policy-on-Related-Party-Transactions.pdf>). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.
- viii. Disclosure on commodity price risks and commodity hedging activities:  
Factors that can affect commodity prices include political and regulatory changes, seasonal variations, weather, technology and market conditions. Commodity price risk is often hedged by major consumers. Unexpected changes in commodity prices can reduce a producer's profit margin and make budgeting difficult. Futures and options are two financial instruments commonly used to hedge against commodity price risk. The Company operates in a market in which commodity/raw materials/finished goods prices are fluctuating. The Company tries to mitigate the risk by covering position through hedging at commodities exchanges like CBOT, REFCO, NCDEX, NMCEX and such other commodity exchange. The Company has entered into agreement with one of the member of NCDEX, having Company as its sole client, who acts as broker for carrying out commodity hedging activities in order to mitigate Company's risk due to fluctuation in commodity prices.

**b)** The Company has complied with all the requirements of Corporate Governance Report of sub-para (2) to (10) of Para C to Schedule V of the Listing Regulations, to the extent applicable.

**c)** The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and 46(2)(b) to (i) of the Listing Regulations, to the extent applicable.

**d) Reconciliation of Share Capital**

A qualified Practicing Company Secretary carries out audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates, on half-yearly basis, have been issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

**11. Means of Communication****a) Quarterly/Half-yearly/Annual Results:**

The Company's quarterly/half yearly/annual financial results alongwith the segmental reports are generally published in leading English and vernacular language newspaper i.e. Financial Express and also displayed on the website of the Company after its submission to the Stock Exchanges.



## GUJARAT AMBUJA EXPORTS LIMITED

### b) Website:

The Company's website ([www.ambujagroup.com](http://www.ambujagroup.com)) is a comprehensive reference on Company's vision, mission, segments, products, investor relations, human resource, feedback and contact details. In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under "Investor Relation" on the Company's website gives information on various announcements made by the Company, complete financial details, quarterly & annual results, annual report, corporate benefits, information relating to stock exchanges where shares are listed, details of share transfer agent, unpaid/unclaimed dividends and shareholding pattern. The Company doesn't carry out any media releases and hence no official news releases are displayed on the website.

### c) Annual Report:

The Annual Report containing, *inter alia*, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Directors' Report in the Annual Report. The Annual Report is displayed on the Company's website ([www.ambujagroup.com](http://www.ambujagroup.com)).

### d) Reminder to Investors:

Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Rules 2016 and subsequently amended by the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendments Rules, 2017, the Company has published notice in leading newspapers on 29<sup>th</sup> October, 2016 and 1<sup>st</sup> May, 2017 and also sent reminder letters on 27<sup>th</sup> October, 2016 to all the concerned shareholders to encash dividend warrants which are unclaimed / unpaid for 7 (seven) consecutive years, shares of such unclaimed/unpaid dividend warrants are further liable to be transferred to Demat Account of IEPF Authority.

### e) BSE Corporate Compliance & Listing Centre (Listing Centre) and NSE Electronic Application Processing System (NEAPS):

BSE's Listing Centre is a web-based application designed by BSE for corporates. NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings *inter alia*, shareholding pattern, corporate governance report, corporate announcements and statement of investor complaints among others, are filed electronically on the Listing Centre and NEAPS.

### f) SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## 12. General Shareholders' Information

### a) Annual General Meeting:

Day & Date	Saturday, 9 <sup>th</sup> September, 2017
Time	11.00 a.m.
Venue	H. T. Parekh Hall, 1 <sup>st</sup> Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015

### b) Tentative Financial Calendar (F.Y. 2017-2018):

Financial year	1 <sup>st</sup> April, 2017 - 31 <sup>st</sup> March, 2018
Annual General Meeting	On or before 30 <sup>th</sup> September, 2018
First quarter results (Audited or Un-audited)	On or before 14 <sup>th</sup> August, 2017
Second quarter results (Audited or Un-audited)	On or before 14 <sup>th</sup> November, 2017
Third quarter results (Audited or Un-audited)	On or before 14 <sup>th</sup> February, 2018
Results for the Financial Year (Audited)	On or before 30 <sup>th</sup> May, 2018

### c) Book Closure Date:

Closure of Register of Members and Share Transfer Books Friday, 1<sup>st</sup> September, 2017 to Saturday, 9<sup>th</sup> September, 2017 (both days inclusive)

### d) Dividend Payment Date:

The Board of Directors at its Meeting held on 13<sup>th</sup> May, 2017, recommended final dividend @ 40% i.e. ₹ 0.80/- per equity shares of ₹ 2/- each for F.Y. 2016-17, subject to approval of the shareholders at the ensuing Annual General Meeting. The Dividend shall be paid to the members whose names appear on Company's Register of Members as on 31<sup>st</sup> August, 2017 in respect of physical shareholders and whose name appear in the list of Beneficial Owner on as 31<sup>st</sup> August, 2017 furnished by NSDL and CDSL for this purpose. The final dividend if declared at the Annual General Meeting shall be paid on or after 13<sup>th</sup> September, 2017.

**e) Listing of Securities on the Stock Exchanges:**

The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited. The Annual Listing Fees for the F.Y. 2017-18 has been paid to both the above Stock Exchanges. Addresses of the Stock Exchanges, where equity shares of the Company are presently listed are given below:

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051

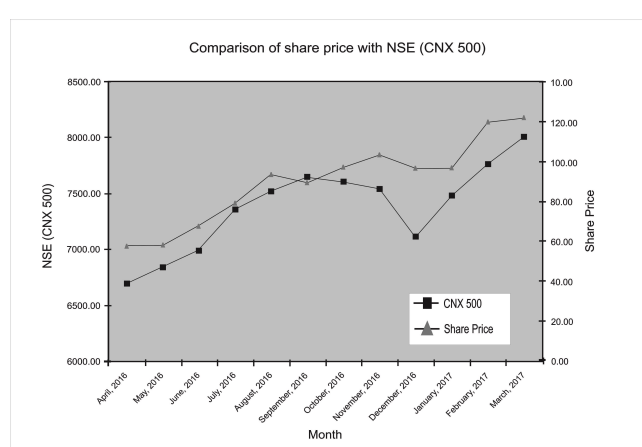
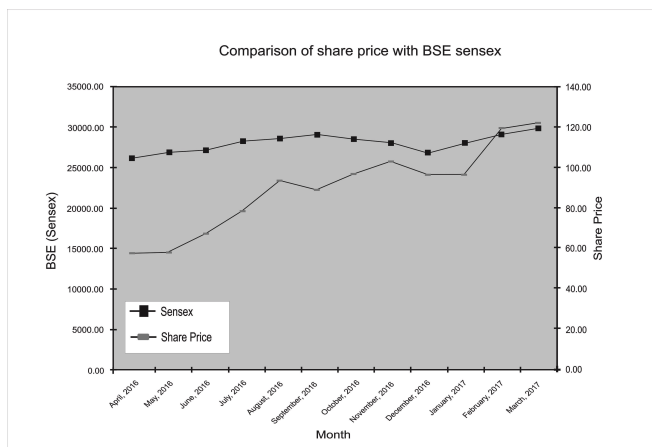
**f) Stock Code:**

Name of the Exchange	Code
BSE Limited (BSE)	Security Code: "524226"
National Stock Exchange of India Limited (NSE)	Symbol: "GAEL"

**g) Stock Market Price Data and comparison to broad-based indices:****(i) Monthly Share price movement during F.Y. 2016-17 on BSE and NSE**

Month	BSE Limited (BSE) (in ₹ per share)		National Stock Exchange of India Limited (NSE) (in ₹ per share)	
	Highest	Lowest	Highest	Lowest
April, 2016	57.80	39.10	57.70	38.00
May, 2016	58.00	48.55	58.20	48.35
June, 2016	67.40	51.30	67.45	51.40
July, 2016	78.50	60.60	79.00	60.35
August, 2016	93.50	70.80	93.50	70.50
September, 2016	89.00	74.20	89.40	69.50
October, 2016	96.90	80.00	97.10	79.20
November, 2016	103.00	77.50	103.30	75.80
December, 2016	96.45	82.40	96.50	81.80
January, 2017	96.40	88.00	96.70	88.30
February, 2017	119.45	93.10	119.70	92.70
March, 2017	122.00	100.00	121.90	99.50

Source: BSE and NSE website

**(ii) Comparison of share price with broad-based indices vis-a-vis BSE and NSE****h) Share Transfer Agent:**

Since September, 2003, Jupiter Corporate Services Limited has been acting as Share Transfer Agent of the Company both for Physical & Demat processing.

Details of Jupiter Corporate Services Limited is as under:

"Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059  
Phone: 079-61556677, Fax: 079-61556678, Email Id: [jayvijay@ambujagroup.com](mailto:jayvijay@ambujagroup.com)



## GUJARAT AMBUJA EXPORTS LIMITED

### i) Share Transfer System:

The share transfer activities in respect of the shares in physical mode are carried out by the Share Transfer Agent of the Company. The shares lodged for transfer are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

The Board of Directors of the Company have delegated the authority to approve the transfer of shares, transmission of shares or requests for deletion of name of the shareholder, issue of duplicate share certificates etc., to the Share Transfer Committee of the Company. The Share Transfer Committee usually meets once in a fortnight. Shares in physical form are registered within an average period of 10 days.

A summary of approved transfers, transmissions, deletion requests, issue of duplicate shares etc., are placed before the Board of Directors from time to time as per Listing Regulations. The Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force) and files a copy of the said certificate with BSE & NSE.

### j) (i) Distribution of shareholding as on 31<sup>st</sup> March, 2017 (including demat):

No. of shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 to 2500	49516	97.61	23815906	20.77
2501 to 5000	658	1.30	2371675	2.07
5001 to 10000	294	0.58	2180856	1.90
10001 to 15000	81	0.16	1013290	0.88
15001 to 20000	43	0.08	754744	0.66
20001 to 25000	28	0.06	637702	0.56
25001 to 50000	55	0.11	1935962	1.69
50001 & above	53	0.10	81957530	71.47
<b>Total</b>	<b>50728</b>	<b>100.00</b>	<b>114667665</b>	<b>100.00</b>

### (ii) Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2017 (including demat):

Category of Holders	No. of shares	% to total shares
Promoters/Directors & Relatives	75884225	66.18
Financial Institutions/Mutual Fund/Banks	175804	0.15
Non-Residents/FIIs/OCBs/FPI	1652835	1.44
Other Corporate Bodies/LLP	3579530	3.12
Indian Public/Trust	33375271	29.11
<b>Total</b>	<b>114667665</b>	<b>100.00</b>

### (iii) Shareholding of Non-Executive Directors as on 31<sup>st</sup> March, 2017:

Name of Non-Executive Director	No. of shares	% to total shares
Smt. Sulochana Gupta	4485385	3.91
Shri Rohit Patel	Nil	Nil
Shri Sudhin Choksey	Nil	Nil
Shri Rashmikant Joshi	Nil	Nil
Shri Vishwavir Saran Das	Nil	Nil
Shri Sandeep Singhi	Nil	Nil
<b>Total</b>	<b>4485385</b>	<b>3.91</b>

There were no convertible instruments pending conversion into Equity Shares as on 31<sup>st</sup> March, 2017.

### k) Dematerialisation of Shares and Liquidity:

On 31<sup>st</sup> March, 2017 out of 11,46,67,665 Issued, Subscribed and Paid up Capital of Equity Shares of ₹ 2/- each, 85.28% Equity Shares (net of remat) have been dematerialised. As per notification issued by SEBI with effect from 24<sup>th</sup> July, 2000, the trading in the equity shares of the Company is permitted only in dematerialised form. The Company has entered into agreements, with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through Jupiter Corporate Services Limited to facilitate the members to demat their shares with any of the depositories.

### l) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity:

The Company has not issued any GDRs / ADRs / Warrants / Convertible Instruments or any other instrument, which is convertible into Equity Shares of the Company.

### m) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Company has approved and adopted Risk Management Policy and accordingly, during the year ended 31<sup>st</sup> March, 2017, the Company has managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure and hedging are disclosed in notes to the financial statements (Note No. 40(B)(i)) forming part of this Annual Report.

**n) C.E.O./C.F.O. Certification:**

The required certificate under Regulation 17(8) of the Listing Regulations signed by the Managing Director (C.E.O.) and the Chief Financial Officer (C.F.O.) is attached with this report.

**o) Compliance Certificate of the Auditors:**

Certificate from the Auditors of the Company, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, is attached with this report.

**p) Plant Locations:**

Agro Processing Division	Power Division
<ol style="list-style-type: none"> <li>Solvent Extraction Unit, Edible Oil Refinery &amp; Vanaspati Ghee Unit, Kadi, District Mehsana, Gujarat</li> <li>Solvent Extraction &amp; Edible Oil Refinery, Pithampur, District Dhar, Madhya Pradesh</li> <li>Solvent Extraction &amp; Edible Oil Refinery, Village Kanheri-Gawali, Taluka Balapur, District Akola, Maharashtra</li> <li>Solvent Extraction &amp; Edible Oil Refinery, District Mandsaur, Madhya Pradesh</li> <li>Wheat Processing Unit, Kadi, District Mehsana, Gujarat</li> <li>Cattle Feed Unit, Kadi, District Mehsana, Gujarat</li> <li>Wheat Processing Unit, Pithampur, District Dhar, Madhya Pradesh</li> </ol>	<ol style="list-style-type: none"> <li>Wind Mills (in the State of Gujarat) <ol style="list-style-type: none"> <li>B-87, R S No. 471/P, Village Lamba, Taluka Kalyanpur, District Jamnagar</li> <li>WTG No. 1, Machine No. 1, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar</li> <li>WTG No. 2, Machine No. 2, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar</li> <li>WTG No. 3, Machine No. 6, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar</li> <li>Survey No. 213/2, Village Satapar, Taluka Kalyanpur, District Jamnagar</li> <li>WTG No. 1, V-4, Survey No. 43/1/P, Village Motisindhodi, Taluka Abdasa, District Kutch</li> <li>WTG No. 2, V-7, Survey No. 36/2/P, Village Motisindhodi, Taluka Abdasa, District Kutch</li> <li>Survey No. 115/P, Village Mindiyali, Taluka Anjar, District Kutch</li> </ol> </li> <li>Power Plants (11 MW, 2.5MW &amp; 6 MW Cogeneration Plant) Himmatnagar, Sitarganj &amp; Shiggaon</li> <li>Biogas Power Plants - Himmatnagar, Sitarganj &amp; Shiggaon</li> </ol>
Maize Processing Division	
<ol style="list-style-type: none"> <li>Bio-Chemical Division, Village Dalpur, Himmatnagar, District Sabarkantha, Gujarat</li> <li>Sitarganj, District Udham Singh Nagar, Uttarakhand</li> <li>Village Hulsoggi, P.O. Manakatti, Taluka Shiggaon, District Haveri, Karnataka</li> <li>Chalisgaon Plot No. A 04 MIDC, Taluka Chalisgaon, District Jalgaon City, Maharashtra (under final stage of commencement of commercial production)</li> </ol>	
Cotton Yarn Division	
Cotton Spinning Division Village Dalpur, Himmatnagar, District Sabarkantha, Gujarat	

**q) Investors' Correspondence:**

All communications may be addressed to Ms. Chetna Dharajiya, Company Secretary at the following address:

Gujarat Ambuja Exports Limited  
 "Ambuja Tower", Opp. Sindhu Bhavan,  
 Sindhu Bhavan Road, Bodakdev,  
 P.O. Thaltej, Ahmedabad - 380 059  
 Phone: 079-61556677, Fax: 079-61556678  
 Email Id: [investor-jcsl@ambujagroup.com](mailto:investor-jcsl@ambujagroup.com)

Members are requested to quote their Folio no. / DP ID & Client ID, Email Id, Telephone Number and full address while corresponding with the Company / Share Transfer Agent.

## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted Code of Conduct for its employees including for the Executive and Non-Executive Directors of the Company and Senior Management Personnel. The Code of Conduct and Business Ethics are posted on the Company's website.

I confirm that in respect of the Financial Year ended 31<sup>st</sup> March, 2017, the Company has received from the Senior Management Team of the Company and the Members of the Board, declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors including all functional heads as on 31<sup>st</sup> March, 2017.

Place: Ahmedabad  
 Date: 29<sup>th</sup> July, 2017

Vijaykumar Gupta  
 Chairman & Managing Director



## GUJARAT AMBUJA EXPORTS LIMITED

### CHIEF EXECUTIVE OFFICER (C.E.O.) AND CHIEF FINANCIAL OFFICER (C.F.O.) CERTIFICATION

To,  
The Board of Directors,  
Gujarat Ambuja Exports Limited

In pursuance to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Manish Gupta, Managing Director (C.E.O.) and Dinesh Shah, Chief Financial Officer (C.F.O.) to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there were no transactions entered into by the Company during the year which were fraudulent, illegal or which violated the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have:
  - (a) evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
  - (b) not found any deficiencies in the design or operation of internal controls.
4. We have indicated to the Company's Auditors and the Audit Committee of the Board of Directors that:
  - (a) there is no significant changes that have occurred in the internal control over financial reporting during the year;
  - (b) there have been no significant changes in accounting policies during the year;
  - (c) there have been no instances of significant fraud nor there was any involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting; and
  - (d) there were no deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data nor there were any material weaknesses in internal controls over financial reporting nor any corrective actions with regards to deficiencies, as there were none.
5. We declare that all Board members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current year.

Place: Ahmedabad  
Date : 13<sup>th</sup> May, 2017

Manish Gupta  
Managing Director

Dinesh Shah  
Chief Financial Officer

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Gujarat Ambuja Exports Limited  
Ahmedabad

We have examined the compliance of conditions of Corporate Governance by Gujarat Ambuja Exports Limited ('the Company') for the year ended 31<sup>st</sup> March, 2017 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with stock exchanges.

### Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditors' Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31<sup>st</sup> March, 2017.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

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

### Restriction on use

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For KANTILAL PATEL & CO.  
CHARTERED ACCOUNTANTS  
(Firm Reg. No. 104744W)

Date : 29<sup>th</sup> July, 2017  
Place : Ahmedabad

Jinal Patel  
Partner  
[Membership No.: 153599]