

Report on Corporate Governance

The report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, ("SEBI Listing Regulations"), is furnished below:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state-of-affairs and being fair to all stakeholders and is a combination of voluntary practices and compliance with laws and regulations.

The Company endeavors not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

The Company has professionals on its Board of the Directors who are actively involved in the deliberations of the Board on all important policy matters. Your Directors view good Corporate Governance as the foundation for honesty and integrity and recognize these matters to maintain your trust.

It has been, and continues to be, the policy of your Company to comply with all laws governing its operations, to adhere to the highest standard of business ethics and to maintain a reputation for honest and fair dealings. Your Board of Directors recognizes its responsibility to oversee and monitor management and the Company's activities to reasonably assure that these objectives are achieved.

It is paramount that the Company's reputation for integrity and credibility remain at the highest standards for the benefits of all stakeholders, employees, customers and suppliers.

2. APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES:

The governance structure with defined roles and responsibilities comprises the Board of Directors, Committees of the Board and the

Management. Corporate Governance at GMM Pfaudler is implemented through robust board governance processes, internal control systems & processes and strong audit mechanisms. These are articulated through the Company's various governance policies, Codes of Conduct, charters of various Committees of the Board and the Company's disclosure and reporting practices.

The shareholders select the Board of Directors, which is tasked with overseeing the Company's operations. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The Board's actions and decisions are aligned with the Company's best interest. It is committed to the objective of sustainably enhancing the Company's value creation. The Board has established several Committees to discharge its responsibilities in an effective manner.

The Chairperson of the Board serves as the primary leader, responsible for upholding and advancing the integrity of the Board. The Chairperson fosters an environment where the Board collaborates harmoniously for the Company's enduring benefit and that of all the stakeholders. The Chairperson provides guidance to the Board to ensure an effective governance structure within the Company.

The Managing Director provides overall direction for effective management of the Company. He is also responsible for corporate strategy, brand equity, planning, external contacts and all-important management matters. In the operations and functioning of the Company, the Managing Director is assisted by the Chief Executive Officer and Chief Financial Officer along with a core group of senior level executives.

The Company Secretary assists the Chairperson and Managing Director in management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation to ensure all timely compliances and other regulatory matters. The Company Secretary serves as a vital liaison between the Board Members and Management, ensuring effective coordination and communication.

3. ETHICS / GOVERNANCE POLICIES:

At GMM Pfaudler, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

Our policies provide an enabling framework that supports the realization of our governance vision and ensures transparency both within our organization and externally.



Scan the QR Code to see our policies

Anti-Corruption Policy

Anti-Sexual Harassment Policy

Antitrust Guidelines

Board Diversity Policy

Code of Conduct & Ethics Policy

Code of Conduct for Prevention of Insider Trading

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Corporate Social Responsibility Policy

Communications Policy

Dividend Distribution Policy

Environment Social Governance Policy

Export Compliance Guidelines

Familiarization Policy

Nomination, Remuneration & Evaluation Policy

Policy for Determining Material Subsidiaries

Policy on Determination of Material Events

Policy for Preservation of Documents and Archival of Documents

Policy on Related Party Transactions

Policy and Procedure for enquiry in case of Leak/ Suspected leak of Unpublished Price Sensitive Information

Risk Management Policy & Strategy

Suppliers' Code of Conduct

Whistle Blower Policy

The codes and policies that are required to be disclosed as per the SEBI Listing Regulations are available on the website of the Company at <https://www.gmmpfaudler.com/investors/policies-programmes>

We have established comprehensive Standard Operating Procedures (SOPs) and processes to ensure the seamless implementation of these policies. These measures serve as the backbone of our commitment to accountability, transparency, and ethical conduct. By adhering to these structured frameworks, we foster a culture of trust and confidence among all stakeholders, reinforcing our commitment to responsible business practices.

4. SCHEDULING OF BOARD AND COMMITTEE MEETINGS:

Minimum four pre-scheduled Board meetings are held annually. Additionally, Board meetings are convened to address the Company's specific needs. In case of business exigencies or urgency, resolutions are passed by circulation. The maximum gap between any two consecutive meetings was not more than 120 (one hundred and twenty) days, as stipulated under Section 173(1) of the Companies Act, 2013, ("Act"), Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India. Also, necessary quorum was present for all the meetings. The Managing Director and the Company Secretary, determine the agenda for every meeting in consultation with the Chairperson of the Board of Directors and the respective Committees.

In order to facilitate effective discussions at the meeting of the Board of Directors, the agenda is bifurcated into items requiring approval and items which are to be taken note by the Board.

The agenda along with explanatory notes are circulated to Directors in advance. All Board and Committee meetings' agenda papers are disseminated electronically on a real-time basis, by uploading them on a secured online application specifically designed for this purpose, thereby eliminating circulation of printed papers.

5. RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS:

The Company Secretary records minutes of proceedings of each of the Board and Committee meetings. Draft minutes, after consultation with the chairperson of the respective committees and the Board are circulated to Board / Committee members for their comments as prescribed under Secretarial Standard-1 issued by the Institute of Company Secretaries of India. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

6. POST MEETING FOLLOW-UP MECHANISM:

The established guidelines for Board/Committee meetings streamline the process of reviewing decisions and reporting outcomes post-meeting, enhancing the effectiveness of follow-up actions.

Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments. Minutes of the previous meeting(s) are placed at the succeeding meeting of the Board / Committees for noting.

7. COMPLIANCE:

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), ensures adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, SEBI Listing Regulations and Secretarial Standards issued by the ICSI.

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information including any statutory requirements and other necessary supporting documents are made available to the Directors and senior management in a concise manner for effective decision-making at the meetings.

8. BOARD OF DIRECTORS:

a) Composition of the Board: The Board has an optimum combination of Executive, Non-Executive and Independent Directors, including an Independent Woman Director in conformity with the composition requirements

as per Regulation 17(1) of the SEBI Listing Regulations and other applicable regulatory requirements. As on March 31, 2024, the Board comprised of 6 (Six) Directors, out of which 5 (Five) are Non-executive Directors including 4 (Four) Independent Directors. The Chairperson of the Company is an Independent Director.

The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The Company also has a succession plan in place for the Board, Key Managerial Personnel and Senior Management of the Company.

The profiles of Directors available at <https://www.gmmpfaudler.com/about-us/leadership/board-of-directors> give an insight into the educational qualifications, expertise, skills and experience of the Board members, thus bringing diversity to the Board's deliberations.

- b) Number and dates of Board meetings held during the financial year ended March 31, 2024:** 7 (Seven) Board Meetings were held during the financial year on April 25, 2023, May 25, 2023, August 10, 2023, November 9, 2023, December 20, 2023, January 31, 2024 and February 1, 2024.
- c) Details of composition of the Board of Directors, attendance at the Board meetings, Annual General Meeting shareholding, other Directorship and Committee positions held in other Companies of each Director as on March 31, 2024:**

Name of Director	Category of Directorship	Attendance at		Number of Equity shares held in the Company ^{\$}	Number of Directorships in other Companies**	Number of Committee positions held in other Companies [%]
		Board Meetings	Last Annual General Meeting			
Mr. Prakash Apte (Chairperson)	Non-Executive, Independent Director	7	Yes	Nil	5	7
Mr. Nakul Toshniwal	Non-Executive, Independent Director	7	Yes	Nil	1	Nil
Ms. Bhawana Mishra	Non-Executive, Independent Director	7	Yes	Nil	Nil	Nil
Mr. Vivek Bhatia	Non-Executive, Independent Director	7	Yes	Nil	Nil	Nil

Name of Director	Category of Directorship	Attendance at		Number of Equity shares held in the Company [§]	Number of Directorships in other Companies**	Number of Committee positions held in other Companies [%]
		Board Meetings	Last Annual General Meeting			
Mr. Harsh Gupta#^	Non-Executive Director	3	N.A.	Nil	1	Nil
Mr. Malte Woweries#^	Non-Executive Director	3	N.A.	Nil	Nil	Nil
Mr. Ashok Patel *	Non-Executive Director	7	No	851,940 [©]	2	Nil
Mr. Tarak Patel *	Executive Director (Managing Director)	7	Yes	521,880	1	Nil

Representing Foreign Promoters.

* Indian Promoters.

§ The Company has not issued any convertible debentures.

© Includes 831,705 equity shares held as Karta of Ashok Patel HUF.

Ms. Shilpa Nirula was appointed as an Independent Director on the Board w.e.f. May 22, 2024.

^ Resigned from the Board w.e.f. August 18, 2023.

** Includes directorships in public companies. Does not include directorships held in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.

% Includes Memberships in Audit Committees and Stakeholders Relationship Committees only in accordance with Regulation 26(1) of the SEBI Listing Regulations.

d) Chart setting out the type of directorships held in other public listed companies:

Name of Director	Directorships in other Companies as on March 31, 2024	Type of Directorships
Mr. Prakash Apte	<ul style="list-style-type: none"> Fine Organic Industries Ltd. Blue Dart Express Ltd. 	Independent Director
Mr. Nakul Toshniwal	<ul style="list-style-type: none"> Cravatex Ltd. 	Independent Director
Ms. Bhawana Mishra	Nil	Not Applicable
Mr. Vivek Bhatia	Nil	Not Applicable
Mr. Ashok Patel	<ul style="list-style-type: none"> Skyline Millars Ltd. 	Non-Executive Director
Mr. Tarak Patel	Nil	Not Applicable

Pursuant to the provisions of Section 165(1) the Companies Act, 2013 and Regulations 26(1) & 17A of the SEBI Listing Regulations, none of the Directors:

- hold Directorships in more than 20 companies (Public or Private),
- hold Directorships in more than 10 public companies,
- hold Membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairpersonship of Board Committee in excess of 5,
- serve as Director in more than 7 listed companies,
- serve as Independent Director in more than 7 listed companies, and
- who serve as Managing Director/Whole Time Director in any listed company serves as Independent Director in more than 3 listed companies.

e) Disclosure of relationships between Directors inter-se: Mr. Ashok Patel, Director is the father of Mr. Tarak Patel, Managing Director of the Company. Other than this, none of the, and other Directors are related to each other.

f) Resignation of Independent Director from the Board of the Company:

During the year under review, there was no resignation of any Independent Director.

g) Matrix setting out the core skills/expertise/competence of the Board of directors:

The Board skill matrix provides a guide as to the core skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate by the board of the Company in the context of its business and sector(s) for it to function effectively and those actually available with the Board. The skill sets will keep on changing as the organization evolves and hence the Board may review the matrix from time to time to ensure that the composition of the skill sets remains aligned to the Company's strategic directions. The Board has identified the core skills/ expertise/competencies of the Directors in the context of the Company's business for effective functioning and the manner in which the current Board of Directors fulfils these skills/expertise/ competencies has been outlined as under:

Name of Director	Area of expertise
Mr. Prakash Apte	Global business & Strategy, Finance, Agriculture, Rural Economy & Management
Mr. Nakul Toshniwal	Public Policies, Technology and General Management, Business Strategy and Finance
Ms. Bhawana Mishra	Talent and Leadership Development, Strategic Change and Organizational Transformation Specialist
Mr. Vivek Bhatia	Finance, Business Strategy and extensive business experience across mining, metals & mineral processing, cement, power and engineered capital goods
Mr. Ashok Patel	International Business, Finance Strategy, Technology and General Management
Mr. Tarak Patel	International Business, Finance, Strategy, Marketing and General Management and Administration
Ms. Shilpa Divekar Nirula#	International Business, Finance, Strategy, Technology and General Management
Mr. Harsh Gupta*	P&L Management, Sales & Marketing, Mergers & Acquisitions, and Corporate Planning & Strategy
Mr. Malte Woweries*	Finance, Mergers & Acquisitions, Strategy and Financial Planning, Investor Communication

#Appointed on the Board w.e.f. May 22, 2024.

*Resigned w.e.f. August 18, 2023.

9. COMMITTEES:

Details of the Committees and other related information are provided hereunder:

Composition of Committees of the Company as on date:

AUDIT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Vivek Bhatia	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
4.	Ms. Shilpa Divekar Nirula*	Non-Executive - Independent Director	Member

*Appointed w.e.f. May 22, 2024.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Prakash Apte	Non-Executive - Independent Director	Chairperson
2.	Mr. Tarak Patel	Managing Director	Member
3.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Member

NOMINATION & REMUNERATION COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Chairperson
2.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
3.	Mr. Ashok Patel	Non-Executive Director	Member
4.	Mr. Tarak Patel	Managing Director	Member

RISK MANAGEMENT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Vivek Bhatia	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Mr. Tarak Patel	Managing Director	Member
4.	Ms. Shilpa Divekar Nirula*	Non-Executive - Independent Director	Member
5.	Mr. Ashok Patel	Non-Executive Director	Member

*Appointed w.e.f. May 22, 2024.

ALLOTMENT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
2.	Mr. Tarak Patel	Managing Director	Member
3.	Ms. Shilpa Divekar Nirula*	Non-Executive - Independent Director	Member

*Appointed w.e.f. May 22, 2024.

Ms. Mittal Mehta, Company Secretary & Compliance Officer is the Secretary of all the Committees.

10. MEETINGS OF COMMITTEES HELD DURING THE YEAR AND DIRECTORS' ATTENDANCE:

Committees of the Company	Audit Committee	Stakeholders Relationship Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Risk Management Committee
Meetings held	4	2	2	3	2
Director's attendance					
Mr. Prakash Apte	4	2	2	N.A.	2
Mr. Nakul Toshniwal	4	N.A.	2	3	N.A.
Ms. Bhawana Mishra+	N.A.	1	2	3	N.A.
Mr. Vivek Bhatia	3	N.A.	N.A.	N.A.	2
Mr. Harsh Gupta #	N.A.	1	1	N.A.	N.A.
Mr. Malte Woweries #	2	N.A.	N.A.	N.A.	1
Mr. Ashok Patel	N.A.	N.A.	N.A.	3	2
Mr. Tarak Patel	N.A.	2	N.A.	3	1

+ Bhawana Mishra was inducted as a Member of the Stakeholders Relationship Committee w.e.f. August 18, 2023.

Resigned from the Board w.e.f. August 18, 2023.

11. PROCEDURE AT COMMITTEE MEETINGS:

The Company's guidelines relating to Board meetings are applicable to Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Draft minutes of proceedings of Committee meetings are circulated to the respective committee members for their comments as prescribed under Secretarial Standard-1 issued by the Institute of Company Secretaries of India and minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The said minutes are also subsequently placed before Board meetings for noting.

12. TERMS OF REFERENCE AND OTHER DETAILS OF COMMITTEES:

A. AUDIT COMMITTEE:

The Committee's Composition, Terms of Reference as well as Powers are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Members of the Audit Committee possess the requisite qualifications and expertise.

The composition of the Committee is given in Point No. 9 of this Report. During the year under review, Mr. Malte Woweries, Non-Executive Director ceased to be a member of the Audit Committee due to his resignation w.e.f. August 18, 2023.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Meeting details:

The Audit Committee met 4 (Four) times during the year under review viz. May 25, 2023; August 10, 2023, November 9, 2023 and February 1, 2024. The quorum was present at all the meetings. The minutes of the Audit Committee Meetings were taken on record at the Board Meetings. Further, representatives of the Statutory Auditors are invited to attend meetings of the Committee. The Committee also invites the Managing Director, Chief Financial Officer and Internal Auditors as and when their presence at the meeting of the Committee is considered appropriate. In addition, other senior management personnel are also invited to the Committee meeting(s) from time to time, for providing such information as may be necessary.

The Chairperson of the Committee was present at the previous Annual General Meeting of the Company held on September 5, 2023.

In line with the terms of reference, during the year, the Audit Committee, at its meetings, reviewed operations and audit reports for businesses pursuant to audits undertaken by internal auditors under the audit plan approved at the commencement of the year. The quarterly financial results were reviewed by the Committee before submission to the Board. The Committee reviewed the adequacy

of internal financial controls on a Company-wide basis and provided recommendations on internal control processes to the Board. The Committee also reviewed the system and processes in place for risk management, insider trading compliance and information security.

Scope:

The Powers and Role of the Audit Committee is as follows:

A. Powers & Role of the Audit Committee:

Powers of the Audit Committee:

- a) To investigate any activity within its terms of reference or such matter as may be referred to it by the Board and for this purpose obtain professional advice from external sources and have full access to information contained in the records of the Company;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice; and
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Company's 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 auditors' 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 section 134(3)(c) 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 the financial statements;
 - f) disclosure of any related party transactions; and
 - g) modified opinion(s) in the draft audit report;
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
 - 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
 - 8) Approval or any subsequent modification of transactions of the Company with related parties in accordance with the Company's policy on related party transactions;
 - 9) Scrutiny of inter-corporate loans and investments;
 - 10) Valuation of undertakings or assets of the Company, wherever it is necessary, in consultation with external professional advisors, as deemed fit by the Audit Committee;
 - 11) Evaluation of internal financial controls and risk management systems of the Company;
 - 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems of the Company;
 - 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - 14) Discussion with internal auditors of any significant findings and follow up thereon;
 - 15) Reviewing the findings of any internal 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) Review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and systems for internal control with them;
 - 17) Discussion with statutory auditors before the commencement of audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 18) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - 19) To review the functioning of the whistle blower mechanism and the vigil mechanism instituted by the Company. The vigil mechanism to provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the chairperson of the Audit Committee or the director nominated to play the role of Audit Committee, as the case may be, in exceptional cases;
 - 20) To approve the appointment of the Chief Financial Officer of the Company (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;
 - 21) To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of the financial statement before their submission to the Board and discuss any related issues with

the internal and statutory auditors and the management of the Company.

22) To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor;

23) To review the following information as prescribed under Regulation 18(3) of the Listing Regulations:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c) Management letter/ letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor.
- f) Statement of Deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

24) To approve all the Related Party Transactions to be entered into by the Company and subsequent modifications if any and grant omnibus approval for the Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the company and such approval shall be applicable in respect of transactions which are repetitive in nature.

b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;

c) Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price/current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;

Provided that where the need for Related Party Transactions cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹1 Crores per transaction.

d) Audit Committee shall review, at least on a quarterly basis, the details of RPT's entered into by the Company pursuant to which the omnibus approval was given.

e) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

25) To review financial statements of, and investments made by, unlisted subsidiaries of the Company in accordance with Regulation 24(2) of the SEBI Listing Regulations;

26) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores 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.

27) To carry out any other functions as may be specified by the Board from time to time.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Composition, Role, Terms of Reference as well as Powers of the Stakeholders Relationship Committee of the Company meet the requirements of Section 178 of the

Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The composition of the Committee is given in Point No. 9 of this Report. During the year under review, Mr. Harsh Gupta, Non-Executive Director ceased to be a member of the Stakeholders Relationship Committee due to his resignation w.e.f. August 18, 2023.

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer / transmission and other matters related to listed securities and redressal of shareholders'/ investors' complaints.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Meeting Details:

The Stakeholders Relationship Committee met two times during the year under review i.e. May 25, 2023 and November 9, 2023. The minutes of the Stakeholders Relationship Committee Meetings were noted at the Board Meetings.

The Chairperson of the Committee was present at the previous Annual General Meeting of the Company held on September 5, 2023.

Summary of Grievances:

A summary of complaints received and resolved by the Company to the satisfaction of the shareholders/ investors during the year 2023-24, is given below:

Particulars	Number
Pending at the beginning of the year under review	0
Received during the year under review	1
Resolved during the year under review	1
Pending at the end of the year under review	0

Role of Stakeholders Relationship Committee:

- 1) Resolve the grievances of the security holders, including complaints related to transfer, transmission and transposition of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate share certificates, etc. in a time bound manner;

- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- 5) To delegate the power of share transfers to an officer of the Company or to the registrar and share transfer agents of the Company, such that the delegated authority shall attend to share transfer formalities at least once in a fortnight and submit details of the same at the earliest to the Stakeholders Relationship Committee, with the objective of expediting the process of share transfers;
- 6) To ensure quick redressal of the complaints of all shareholders;
- 7) To maintain cordial relations with the shareholders and other security holders;
- 8) To address such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Stakeholders Relationship Committee;
- 9) To monitor at the end of every quarter, the number of grievances received, pending or not solved to the satisfaction of shareholders; and
- 10) To carry out any other functions as may be specified by the Board from time to time.

C. Nomination and Remuneration Committee:

The Composition, Role, Terms of Reference as well as Powers of the Nomination and Remuneration Committee of the Company meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

The composition of the Committee is given at Point No. 9 of this Report. During the year under review, Mr. Harsh Gupta, Non-Executive Director ceased to be a member of the

Nomination & Remuneration Committee due to his resignation w.e.f. August 18, 2023. The quorum was present at all the meetings. There were no other changes in the composition of the Nomination & Remuneration Committee during the year under review.

Meeting Details:

The Nomination and Remuneration Committee met two times during the year under review i.e. May 25, 2023 and January 31, 2024. The minutes of the Nomination and Remuneration Committee Meetings were noted at the Board Meetings.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Role of Nomination and Remuneration Committee:

- 1) 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 of the Company. The said policy will be disclosed in the Board's report. The Nomination and Remuneration Committee shall, while formulating the aforesaid policy, to ensure that:
 - a) 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;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to Executive Directors, Key Managerial Personnel and Senior Management of the Company 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.

- 2) To consider the following while approving the remuneration payable to a Manager, Managing Director or a Whole Time Director under Section II or Section III of Part II of Schedule V to the 2013 Act and section 197 of the 2013 Act:
 - a) take into account, financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.;
 - b) to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.
- 3) To formulate the evaluation criteria for performance evaluation of Independent Directors and the Board;
- 4) To devise a policy on Board diversity;
- 5) To identify suitable candidates for directorship including Independent directors and senior management of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- 6) To ensure that on appointment to the Board, Independent Directors receive a formal letter of appointment setting out clearly what is expected from them in terms of time-committee, committee service and involvement outside meetings of the Board;
- 7) To determine whether to extend or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of the Independent Directors;
- 8) To recommend to the Board, the plans for orderly succession for appointments to the Board and to senior management of the Company;
- 9) To recommend to the Board, all remuneration in whatever form, payable to Senior Management;
- 10) To consider any other matters as may be requested by the Board.

Performance evaluation criteria for independent directors:

Pursuant to the provisions of the Companies Act, 2013, and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

Major Evaluation criteria, amongst other criteria, applied are:

(a) For Independent & Non-Executive Directors:

- Functional Expertise, knowledge and skills
- Professional conduct;
- Duties, roles and functions;

(b) For Executive Directors

- Performance as Team Leader/Member;
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios;
- Key set Goals/ KRA and achievements;
- Professional Conduct, Integrity;
- Sharing of Information with the Board.

The Directors were satisfied with the evaluation process undertaken during the year. Further, in the opinion of the Board, all the Independent Directors possess utmost integrity, professional expertise and requisite experience including proficiency.

With the increase in size and scale of business of the Company, it was felt prudent to enhance the focus of the Board on the right areas to make it more effective and engaged, discern more sharply the areas to focus on that complement the management, and to articulate the agenda as also the culture we wish to create at the Board and the various sub-committees, moving forward. With this objective, the Company had initiated a Board effectiveness and engagement program and the findings were implemented.

Remuneration of Managing Director:

Remuneration of the Managing Director is recommended by the Nomination and Remuneration Committee, fixed by the Board and approved by the shareholders. The remuneration paid to Mr. Tarak Patel for the year ended March 31, 2024 was as under:

(₹ in Crores)

Sr. No.	Particulars	Amount
1.	Gross Salary	5.13
2.	Perquisites	0.01
3.	Commission	2.83
4.	Retiral Benefits	0.11
	Total	8.08

Payment of Commission to the Managing Director is based on the performance criteria defined by the Committee and approved by the Board.

Non-Executive Director's Compensation*:

The Non-executive Directors are paid sitting fees on a uniform basis for attending meetings of the Board and the Committees. Pursuant to the approval of the Shareholders at the 60th Annual General Meeting held on September 5, 2023, the Company has paid Commission to the Non-Executive Directors (excluding Directors forming a part of the Promoter group). Apart from the said payments, there are no pecuniary relationships or transactions of the Non-Executive Directors with the Company.

Details of *remuneration paid to Non-Executive Directors for the financial year ended March 31, 2024 are as follows:

(In ₹)

Sr. No.	Director	Sitting Fees	Commission
1	Mr. Prakash Apte	15,50,000	13,00,000
2	Mr. Nakul Toshniwal	14,50,000	13,00,000
3	Ms. Bhawana Mishra	11,00,000	13,00,000
4	Mr. Ashok Patel [^]	10,00,000	N.A.
5	Mr. Vivek Bhatia	12,00,000	13,00,000
6	Mr. Harsh Gupta [#]	4,25,000	5,00,000
7	Mr. Malte Woweries [#]	5,75,000	5,00,000

*Remuneration to Non-executive Directors is capped at a ₹35,00,000 per Director including sitting fees & commission up to FY25

[^]Not eligible for commission being part of the Promoter group

[#]Proportionate commission for their tenure of approximately 5 months in FY24 as they resigned from the Board on August 18, 2023.

Non-Executive Directors were paid sitting fees for attending the meetings of the following Statutory

Committees during the financial year ended March 31, 2024 as under:

- a) ₹1,00,000 as sitting fees for each meeting of the Board of Directors and the Audit Committee
- b) ₹75,000 as sitting fees for each meeting of the Nomination and Remuneration Committee and Risk Management Committee.
- c) ₹50,000 as sitting fees for each meeting of the Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Allotment Committee.

The Company does not have any stock option scheme provided to Directors of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 constituted a Corporate Social Responsibility Committee (CSR Committee). The Composition, Role, Terms of Reference as well as Powers of the CSR Committee are in compliance with the provisions of the Companies Act, 2013.

The composition of Committee is given at Point No. 9 of this Report. There were no changes in the composition of the CSR Committee during the year under review.

Meeting Details:

The CSR Committee met on three occasions viz. May 25, 2023, November 9, 2023 and January 31, 2024. The minutes of the CSR Committee Meetings were noted at the Board Meeting.

Role of Corporate Responsibility Committee:

- 1) To formulate and recommend to the Board, the Corporate Social Responsibility Policy of the Company ("CSR Policy") which shall include inter alia, CSR activities (defined hereunder) to be undertaken by the Company, and the modalities of execution monitoring and implementation schedules of the same. The policy to specify that the surplus arising out of the CSR Activities (defined hereinafter) shall not form part of the business profit of the Company;
- 2) To identify the CSR projects/activities/programs to be undertaken by the Company ("CSR Activities"), in alignment with the CSR Policy, Schedule VII of the

2013 Act and the CSR Rules, as amended from time to time;

- 3) To recommend the amount of expenditure to be incurred by the Company on the CSR Activities for each financial year;
- 4) To institute a transparent monitoring mechanism for monitoring progress/status of implementation of CSR Activities;
- 5) To receive reports and review activities from executive and specialist groups managing CSR Activities;
- 6) To monitor the CSR Policy from time to time and revise the same, wherever necessary;
- 7) To issue a responsibility statement confirming that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company;
- 8) To prepare an annual report on CSR Activities to be included in the Board of Director's Report in the form provided in the Annexure to the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- 9) To report the CSR activities undertaken by the Company in the manner prescribed under Segment C of the Form AOC-3 of the Companies (Accounts) Rules, 2014; and
- 10) To carry out such other functions, as may be prescribed under the 2013 Act or CSR Rules or as may be delegated by the Board from time to time.

The Company has established a CSR Foundation under the name of GMM Pfaunder Foundation (Section 8 Company) a wholly owned subsidiary of the Company. The Foundation focuses on various CSR activities in accordance with our Company's CSR policy. All programs and activities undertaken as a part of CSR have a clear objective to create sustained impact in the most efficient manner.

E. RISK MANAGEMENT COMMITTEE:

The Board in compliance of Regulation 21 of the SEBI Listing Regulations, constituted a Risk Management Committee (RMC). The Composition, Role, Terms of Reference as well as Powers of the Risk Management Committee are in compliance with the provisions of the SEBI Listing Regulations.

The composition of Committee is given at Point No. 9 of this Report. Mr. Malte Woweries,

Non-Executive Director ceased to be a member of the Risk Management Committee due to his resignation w.e.f. August 18, 2023.

Meeting Details:

The Risk Management Committee met twice on July 11, 2023 and December 20, 2023. The minutes of the Risk Management Committee Meetings were noted at the Board Meetings.

Role of Risk Management Committee:

- 1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC
- 7) The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- 8) To perform other activities related to the risk management policy as requested by

the Board of Directors or to address issues related to any significant subject within its term of reference.

The Company has a Risk Management policy to ensure sustainable growth of the organisation and to promote pro-active approach in evaluating, mitigating, and reporting such risks associated with the business. The policy establishes a structured and disciplined approach to Risk Management in order to guide decisions on business risk issues. The Company has developed a Risk Management Framework with an objective to enhance value of the Company and to the stakeholders (internal and external) by ensuring Company's business and growth objectives are protected.

The RMC facilitates implementation of Risk Management Policy and Framework. RMC also apprises the Board about the evolving changes in the risk universe (landscape) and recommends actions to be taken.

A sub-committee of the RMC named Executive Risk Management Council (ERMC) consistently monitors and records changes in the business environment, threats and factors impacting the risk profile of the Company. The ERMC tracks and reports the implementation of the risk mitigation plans to the RMC who in turn reports to the Board of Directors. The ERMC consists of the Managing Director, Chief Executive Officer, Chief Financial Officer, Chief Risk Officer (CRO), Manufacturing Head, Enabling Function Heads (HR, IT, other function heads). The CRO works closely with the ERMC and Risk Owners to identify risks and facilitate development of risk mitigation plans.

F. ALLOTMENT COMMITTEE:

The Board constituted an Allotment Committee of the Board of Directors of the Company for the purpose of allotment of Bonus Shares to the Shareholders. Further, the Board has extended the powers of the Allotment Committee in respect of corporate actions of the Company to be undertaken from time to time.

The Composition of Committee is given at Point No. 9 of this Report. During the year under review, Mr. Harsh Gupta, Non-Executive

Director, ceased to be a member of the Allotment Committee due to his resignation w.e.f. August 18, 2023.

Meeting Details:

There were no meetings of the Allotment Committee held during the year under review.

Role of Allotment Committee:

- 1) To approve allotment of shares through bonus issue, preferential issue, private placement, rights issue, qualified institutional placements to eligible investors and/or identified investors;
- 2) To authorize various officers and consultants to give effect to the allotment(s).

13. INDEPENDENT DIRECTORS MEETING:

In terms of requirements of the Companies Act 2013, Rules framed there under and Regulation 25(3) of SEBI Listing Regulations, a separate meeting of Independent Directors was held on May 25, 2023 to discuss:

- a) Evaluation of the performance of non-independent directors and the Board of Directors as a whole;
- b) Evaluation of performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Chairperson.
- c) Evaluation of the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

14. INDUCTION AND FAMILIARIZATION PROGRAM FOR DIRECTORS:

On appointment, the concerned Director is issued a letter of appointment setting out in detail, the

terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director & CEO and other functional heads on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director.

The details of the familiarization programmes imparted to the Independent Directors is available on the Company's website at https://www.gmmpfaudler.com/file/Familiarization_Programme_FY24.pdf

15. CODE OF CONDUCT:

The Company has in place a comprehensive Code of Conduct & Ethics Policy ('the Code') applicable to the Directors and all Employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support required for ethical conduct of business and compliance of law. The Code reflects the core values of the Company viz. integrity, customer value, cost consciousness, social responsibility, transparency, and accountability.

The Code has been put up on the Company's website and can be accessed at <https://www.gmmpfaudler.com/file/GMMCOC.pdf>. The Code has been circulated to Directors and employees, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chief Executive Officer forms a part of this Report.

16. KEY MANAGERIAL PERSONNEL (KMP) & SENIOR MANAGERIAL PERSONNEL (SMP) OF THE COMPANY:

The list of KMP & SMP of the Company as on date:

Name	Designation	Remarks
Mr. Tarak Patel	Managing Director	KMP
Mr. Thomas Kehl	Chief Executive Officer – International Business	SMP
Mr. Aseem Joshi	Chief Executive Officer – India Business	KMP
Mr. Alexander Pömpner	Chief Financial Officer – International Business	SMP
Mr. Manish Poddar	Chief Financial Officer – India Business	KMP
Ms. Mittal Mehta	Company Secretary & Compliance Officer	KMP

17. GENERAL BODY MEETINGS:

The details of Annual General Meetings ("AGM") of Company held during preceding years are as follows:

Year	AGM	Date of Meeting	Time of Meeting	Venue	Special Resolutions passed
2020-21	58 th	August 13, 2021	4 p.m.	Held through Video Conference and / or other audio-visual means facilities	2
2021-22	59 th	September 19, 2022	12 noon		-
2022-23	60 th	September 5, 2023	12 noon		1

Since the Annual General Meetings were held by way of video conferencing facilities, all resolutions, including the special resolutions at the said meetings were passed by way of electronic voting i.e. remote e-voting and e-voting at the Annual General Meeting.

Details of Special Resolutions passed at each of the AGM:

- 2022-23 for payment of remuneration to Mr. Tarak Patel as the Managing Director of the Company, for balance period of his term up to May 31, 2025.
- 2020-21 for approval adoption of the amended Articles of Association of the Company and revision in the payment of remuneration to Mr. Tarak Patel as the Managing Director of the Company.

Extraordinary General Meeting:

No Extraordinary General Meeting of shareholders was held during the financial year 2023-24.

Postal Ballot:

During the year under review, Postal Ballot Notice containing a Resolution together with the Explanatory Statement was emailed to all the Shareholders on Tuesday, April 11, 2023. The remote e-voting period commenced from 9:00 a.m. (IST) on Wednesday, April 12, 2023 and ended at 5:00 p.m. (IST) on Thursday, May 11, 2023. The Managing Director and the Company Secretary were responsible for postal ballot process. Mr. Jayesh M. Shah, (FCS 5637) Partner of M/s. Rathi & Associates, Company Secretaries, Mumbai was appointed as the Scrutinizer for conducting the postal ballot exercises in a fair and transparent manner. The scrutinizer submitted his report dated May 12, 2023 and on the basis of the report of the Scrutinizer on e-voting done by the members, the following resolution as set out in the Postal ballot notice dated April 11, 2023 was duly passed by the Shareholders of the Company with requisite majority:

Resolution No. 1 as a Special Resolution for the re-appointment of Mr. Nakul Toshniwal (DIN: 00350112) as an Independent Director of the Company for a second term of five consecutive years w.e.f. May 16, 2023 up to and including May 15, 2028.

Details of voting pattern of the above mentioned resolutions are as under:

Resolution No.	Total number of valid Votes	No. of Shares in favour of resolution	Percentage (%)	No. of Shares against the resolution	Percentage (%)
1	3,07,01,728	3,04,96,256	99*	2,05,472	1*

*Decimals more than two have been rounded off.

18. MEANS OF COMMUNICATION:

a) **Quarterly Results:** The Company's quarterly / half-yearly / annual financial results are submitted to the Stock Exchanges where the shares are listed and published in the 'Economics Times' – English language (Mumbai and Ahmedabad) and 'Naya Padkar' – Gujarati language (Anand). Simultaneously, they are also displayed on the Company's website at <https://www.gmmpfaunder.com/investors/financial-results-reports/financial-results>

b) **News Releases, Presentations, etc.:** Official news releases and presentations made to institutional investor, financial analysts, etc. are displayed on the Company's website at <https://www.gmmpfaunder.com/investors/financial-results-reports/investor-presentations> as well as sent to the Stock Exchanges. No unpublished price sensitive information is discussed in meetings/ presentations with institutional investors and financial analysts.

- c) **Website:** The Company's website www.gmmpfaudler.com contains a separate dedicated section 'Investor Relations' where Shareholders' information is made available and such other information as may be required to be uploaded on the website of the Company in compliance/ accordance with Regulation 46 of the SEBI Listing Regulations as amended from time to time.
- d) **Annual Report:** The Annual Report containing, *inter alia*, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Company's Annual Report is available in downloaded form on the Company's website and can be accessed on the Company's website and can be accessed at <https://www.gmmpfaudler.com/investors/financial-results-reports/annual-reports>
- e) **Reminder to Investors:** Reminder for unclaimed shares and unpaid dividend are sent to the shareholders as per records one month in advance of the due date to transfer of Investor Education and Protection Fund.
- f) **BSE Corporate Compliance & Listing Centre ("Listing Centre"):** BSE's Listing Centre is a web-based application designed by BSE for corporates. All periodic compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the Listing Centre.
- g) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodic compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on NEAPS.
- h) **SEBI Complaints Redress Systems (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system. The salient features of the system are: centralized database of all complaints, online upload of Action Taken Report (ATR's) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- i) **Designated Exclusive email ID:** The Company has a designated email ID exclusively for investor services: investorservices@gmmpfaudler.com

- j) **Green Initiative:** The Company sends all correspondence/communications through email to those shareholders who have registered their email id with their depository participant's/Company's RTA. Also, the Company has its online application where all agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis.

19. OTHER DISCLOSURES:

i) **Whistle Blower Policy:**

The Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct and Ethics Policy or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. This gives a platform to the whistleblowers to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. For an effective implementation of the policy, the Company has constituted Ethics Committee which is responsible for conducting inquiries received under this Policy.

A whistleblower can make a complaint in any of the following ways:

- a) by writing to the compliance officer at compliance@gmmpfaudler.com
- b) In exceptional cases, the complainant can directly report his/her complaint to the Chairperson of the Audit Committee by e-mail to chairman.auditcommittee@gmmpfaudler.com or by letter addressed to the Audit Committee, marked "Private and Confidential", and delivered to the Chairperson of the Audit Committee, GMM Pfaudler Ltd, 902 VIOS Tower, Sewri-Chembur Road, New Cuffe Parade, Mumbai - 400037.

It is hereby affirmed that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy is placed on the website of the Company and web-link to the same is as under: <https://www.gmmpfaudler.com/file/WhistleBlowerPolicy.pdf>

The confidentiality of such reporting is maintained, and the whistleblower is protected from any discriminatory action.

ii) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH").

Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, the Company has received one complaint under POSH. The IC duly investigated and resolved the complaint in accordance with the relevant provisions. As of date, there are no pending complaints under POSH.

iii) Compliance:

There was no non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

iv) Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements:

• **Mandatory requirements:**

The Company has complied with the mandatory requirements of SEBI Listing Regulations with regard to Corporate Governance.

• **Non-Mandatory requirements:**

- a. Office for non-executive Chairperson at company's expense: **Not Applicable**
- b. Modified opinion(s) in Audit Report: **Complied as there are no modified opinion in Audit Report**
- c. The Chairperson of the Board is an Independent Director and his position is separate from that of the Managing Director and the Chief Executive Officer: **Complied**
- d. Reporting of Internal Auditors directly to Audit Committee: **Complied**

v) Disclosure of commodity price risks and commodity hedging activities:

The details are provided at point no. (I) of Management Discussion & Analysis of this report.

vi) Related Party Transactions:

During the year under review:

- a) All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act;
- b) There were no contracts or arrangements entered into by the Company under Section 188(1) of the Act; and
- c) There were no materially significant related party transaction that may have potential conflict with the interest of the Company at large.

Necessary disclosures as required by the Indian Accounting Standards (Ind AS 24) have been made in the Annual Report.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under the SEBI Listing Regulations is as under:

<https://www.gmmpfaudler.com/file/PolicyonRelatedPartyTransactions.pdf>

vii) Certificate from a company secretary in practice:

A Certificate has been received from M/s. Rathi & Associates, Practicing Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs/ Reserve Bank of India or any such statutory authority. The same is annexed to this Report.

viii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI Listing Regulations:

Not Applicable.

ix) Instances of not accepting any recommendation of the Committee by the Board:

There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

x) Fees to the Statutory Auditors of the Company:

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which it is a part, is given below:

	(₹ in Crores)
Audit Fees	12.64
Other services	3.95
Total	16.59

xi) Disclosure of Loans and Advances:

The Company and its subsidiaries has not advanced any loans to firms / Companies in which the Directors of the Company are interested.

xii) Details of material subsidiaries:

Sr. No.	Name	Date of Incorporation	Place of Incorporation	Name of Statutory Auditors	Date of Appointment
1.	GMM International S.a.r.l., Luxembourg	August 19, 2020	Luxembourg	Deloitte Luxembourg	November 8, 2023
2.	GMM Pfaudler US Inc.	October 21, 2020	US	N.A.	N.A.
3.	Pfudler GmbH, Germany	September 27, 1907	Germany	Deloitte GmbH	September 1, 2013
4.	Pfudler Ltd., UK	November 20, 1987	UK	Deloitte LLP	September 1, 2014
5.	Pfudler (Chang Zhou) Process Equip. Co. Ltd., China	March 29, 1996	China	Suzhou Yixin Certified Public Accountants	December 31, 2020
6.	Pfudler S.r.l, Italy	October 8, 1997	Italy	Deloitte & Touche S.p.A.	January 1, 2015
7.	Mavag AG, Switzerland	January 4, 2008	Switzerland	OBT Limited	December 9, 2015

xiii) Disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015:

Regulation No.	Particulars	Compliance Status (Yes or No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the Company	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46(2)(b)	Website	Yes

xiv) Disclosures with respect to demat suspense account/ unclaimed suspense account:

Not Applicable.

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

As on date, Mr. Prakash Apte, Mr. Nakul Toshniwal, Ms. Bhawana Mishra, Mr. Vivek Bhatia and Ms. Shilpa Divekar Nirula are the Independent Directors on the Board. Based on the declarations given by the Independent Directors, the Board is of the opinion that the Independent Directors meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of management of the Company.

xvi) Policy for Determining Material Subsidiaries:

The policy for determining material subsidiaries is available on the Company's website at <https://www.gmmpfaudler.com/file/PolicyfordeterminingMaterialSubsidiaries.pdf>

xvii) Prevention of Insider Trading

The Code of Internal Procedures and Conduct for regulating, monitoring and reporting trading by designated persons in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 is available at

<https://www.gmmpfaudler.com/file/CodeofConductforPreventionofInsiderTrading.pdf>

The Code of fair disclosure of unpublished price sensitive information is available at

<https://www.gmmpfaudler.com/file/CodeofpracticesandProceduresforFairDisclosureofUPSI.pdf>

20. GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting:

61st Annual General Meeting of the Company will be held on Friday, August 9, 2024 through video-conference.

b) Dividend Payment Date: On or before September 5, 2024

c) Financial year of the Company: April to March

d) Tentative Calendar for the financial year: April 2024 to March 2025

Financial reporting for:

- Quarter ended June 30, 2024	: 1 st week of August, 2024
- Quarter ended September 30, 2024	: 1 st week of November, 2024
- Quarter ended December 31, 2024	: 1 st week of February, 2025
- Quarter ended March 31, 2025	: 4 th week of May, 2025
- Annual General Meeting for the year ended March 31, 2025	: 2 nd week of August, 2025

e) Listing of Stock Exchange: Shares of the Company are listed on:

- BSE Limited, Phiroze Jeejeebhoy Towers, 1st Floor, Dalal Street, Mumbai 400001.
- National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai 400 051.

The Company confirms that the annual listing fees to BSE Limited and NSE Limited for the financial year 2024-25 have been paid.

f) BSE Scrip Code: 505255 / NSE Symbol - GMMPFAUDLR

g) ISIN with NSDL & CDSL: INE541A01023

h) Registrar & Transfer Agents:

Link Intime India Private Limited,
C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai 400 083.
Phone 4918 6270, Fax 4918 6060
Contact Person: Mr. Prathamesh Ghugare Email: rnt.helpdesk@linkintime.co.in

i) Compliance officer under Listing Regulations

Ms. Mittal Mehta, Company Secretary,
902, VIOS Tower, New Cuffe Parade, Sewri- Chembur Road,
Mumbai-400037
Phone +91 22 66503900 Fax +91 2692661888
Email: mittal.mehta@gmmpfaudler.com

j) Share Transfer System:

Share transfers are processed and share certificates duly endorsed are delivered within the regulatory timelines, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission and related requests of the Company's shares to the Managing Director and the Company Secretary.

As per SEBI norms, all requests for transfer of securities shall be processed only in dematerialised form. Further vide circular dated January 24, 2022, SEBI has notified that all requests for transmission, transposition, duplicate issuance, splitting and consolidation requests too will be processed in a demat mode only. All Shareholders are requested to convert their shares in demat mode.

k) Shareholding Pattern as on March 31, 2024:

Category	No. of shares	Percent (%)
Foreign Promoters - Pfaudler Inc.*	Nil	-
Indian Promoters Group	1,13,20,283	25.18
NRIs and Body Corporates	26,85,060	5.97
Mutual Funds	41,13,729	9.15
Foreign Portfolio Investors	99,56,488	22.15
Alternative Investment Funds	11,46,616	2.55
Insurance Companies/ Banks/ Fls	6,17,212	1.37
IEPF	1,77,860	0.40
Individuals	1,49,39,976	33.23
Total	4,49,57,224	100.00

*Reclassified from Promoter to Public category vide BSE & NSE approval letters dated April 2, 2024

l) Distribution of Shareholding as on March 31, 2024:

Sr. No.	Slab of shareholding		Shareholders		Shares	
	No. of Equity shares held		Nos.	%	Nos.	%
	From	To				
1.	1	500	1,29,368	96.15	68,40,104	15.21
2.	501	1000	2,793	2.08	19,87,330	4.42
3.	1001	2000	1,268	0.94	17,87,782	3.98
4.	2001	3000	421	0.31	10,65,381	2.37
5.	3001	4000	157	0.12	5,47,377	1.22
6.	4001	5000	116	0.09	5,33,044	1.18
7.	5001	10000	199	0.15	13,56,204	3.02
8.	10001	above	219	0.16	3,08,40,002	68.60
Total			1,34,541	100.00	4,49,57,224	100.00

m) The details of prices of the Equity Shares of the Company on Stock Market for the year:

Month	Market Price on BSE (₹)		Sensex (₹)	
	High	Low	High	Low
April, 2023	1,539.65	1,450.05	61,209.46	58,793.08
May 2023	1,576.95	1,428.00	63,036.12	61,002.17
June 2023	1,569.00	1,439.00	64,768.58	62,359.14
July 2023	1,523.00	1,415.25	67,619.17	64,836.16
August 2023	1,642.95	1,350.00	66,658.12	64,723.63
September 2023	1,896.75	1,579.95	67,927.23	64,818.37
October, 2023	1,890.00	1,639.00	66,592.16	63,092.98
November, 2023	1,805.55	1,488.50	67,069.89	63,550.46
December, 2023	1,663.80	1,465.00	72,484.34	67,149.07
January, 2024	1,643.10	1,485.00	73,427.59	70,001.60
February, 2024	1,564.85	1,295.30	73,413.93	70,809.84
March, 2024	1,355.25	1,201.10	74,245.17	71,674.42

Month	Market Price on NSE (₹)		NIFTY (₹)	
	High	Low	High	Low
April, 2023	1,540.00	1,451.20	18,089.15	17,312.75
May 2023	1,547.50	1,428.05	18,662.45	18,042.40
June 2023	1,569.85	1,438.70	19,201.70	18,464.55
July 2023	1,524.00	1,415.00	19,991.85	19,234.40
August 2023	1,643.00	1,376.00	19,795.60	19,223.65
September 2023	1,897.95	1,578.75	20,222.45	19,255.70
October, 2023	1,890.40	1,636.90	19,849.75	18,837.85
November, 2023	1,805.00	1,488.00	20,158.70	18,973.70
December, 2023	1,663.40	1,465.05	21,801.45	20,183.70
January, 2024	1,624.00	1,486.00	22,124.15	21,137.20
February, 2024	1,565.70	1,294.75	22,297.50	21,530.20
March, 2024	1,355.90	1,205.60	22,526.60	21,710.20

n) Dematerialization:

As on March 31, 2024, 98.70% of the Company's total shares representing 4,43,73,082 shares were held in dematerialized form and the balance 5,84,142 representing 1.30% shares were in Physical Form.

o) Outstanding GDRs / ADRs /Warrants or any convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments . Hence, as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

p) Commodity price risk or foreign exchange risk and hedging activities:

The Company as such is not exposed to any commodity price risk and hence, the disclosure under Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide Circular dated November 15, 2018, is not applicable.

q) Plant Location:

Manufacturing Plants of the Company in India are situated at

- Vithal Udyognagar, Anand – Sojitra Road, Karamsad, 388 325, Gujarat

- 7, Nacharam Industrial Estate, Secunderabad, Telangana and
- 5/1/2, G I D C Vatva, Vatva Railway Crossing, Ahmedabad, Gujarat 382445

For details of manufacturing plants outside India kindly refer details at pg. no. 14

r) Details of credit ratings:

Rating Agency	Long-term banking facilities	Short-term banking facilities
CRISIL Rating Ltd	CRISIL AA-/ Positive	CRISIL A1+
ICRA Ltd	[ICRA]AA-(Stable) (Reaffirmed)	[ICRA]A1+ (Reaffirmed)

s) Shareholders & Investors Correspondence:

Shareholders should address their correspondence to the Company's Registrar and Transfer Agent:

Link Intime India Private Limited,
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083
Phone 022-4918 6270, Fax 022- 4918 6060.
Person: Mr. Prathamesh Ghugare. Email: rnt.helpdesk@linkintime.co.in

21. COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditors Deloitte Haskins & Sells, Statutory Auditors of the Company, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of SEBI Listing Regulations, is attached to this Report.

CEO declaration for compliance of the Company's Code of Conduct:

I hereby affirm that all the Board Members and Senior Management Executives of the Company have affirmed compliance with the Code of Conduct & Ethics Policy of GMM Pfaudler Limited as applicable to them for the year ended March 31, 2024.

Aseem Joshi

Chief Executive Officer

Place: Mumbai

Date : April 23, 2024

CEO - CFO COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI LISTING REGULATIONS

We, Tarak Patel, Managing Director and Manish Poddar, Chief Financial Officer certify to the Board that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee, the following, if any:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For GMM Pfaudler Ltd.

Tarak Patel

Managing Director

Manish Poddar

Chief Financial Officer

Place: Mumbai

Date: May 22, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V – Para C – Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

GMM Pfaudler Limited

Vithal Udyognagar,

Karamsad, Gujarat – 388325

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GMM Pfaudler Limited (CIN: L29199GJ1962PLC001171), having its registered office situated at Vithal Udyognagar, Karamsad – 388 325, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V – Para C – Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status on the portal of the Ministry of Corporate Affairs i.e. www.mca.gov.in) and as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024, have been debarred or disqualified by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, from being appointed or continuing as Director of the Company.

Sr. No	Name of the Director	DIN	Date of Appointment
1.	Mr. Ashok Patel	00165858	01/01/1988
2.	Mr. Tarak Patel	00166183	30/01/2007
3.	Mr. Prakash Apte	00196106	25/05/2022
4.	Mr. Nakul Toshniwal	00350112	16/05/2018
5.	Ms. Bhawana Mishra	06741655	01/04/2020
6.	Mr. Vivek Bhatia	08166667	01/04/2020
7.	Mr. Harsh Gupta*	02434051	01/04/2020
8.	Mr. Malte Woweries*	09164705	28/05/2021

*Resigned as Directors w. e. f. August 18, 2023.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Rathi & Associates**
Company Secretaries

Jayesh Shah

Partner

Membership. No: F5637

COP. No: 2535

UDIN: F005637F000416597

Peer Review Cert. No: 668/2020

Date: May 22, 2024

Place: Mumbai

TO THE MEMBERS OF
GMM PFAUDLER LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This Certificate is issued in accordance with the terms of our engagement letter dated April 05, 2024.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of GMM Pfaudler Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility:

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility 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.

Auditor's Responsibility:

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.
9. 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117365W)

Hardik Sutaria
(Partner)

(Membership No. 116642)
UDIN: 24116642BKDLCE1777

Place: Mumbai
Date: May 22, 2024