



# Gujarat Raffia Industries Limited

**CIN: L17110GJ1984PLC007124**

Regd. Off: Plot No. 455, Santej-Vadasar Road, Village: Santej Taluka: Kalol - 382721

Phone.: (91- 79) 29702373/29702606 Fax: (91-79) 79 -29702614

Web Site: [www.griltarp.com](http://www.griltarp.com) E-mail: [accounts@griltarp.com](mailto:accounts@griltarp.com), [cs@griltarp.com](mailto:cs@griltarp.com)

Date: September 13, 2019

**To,**  
**General Manager**  
**Department of Corporate Services,**  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
**Scrip Code: 523836**

**Manager**  
**Listing Department**  
**National Stock Exchange of India Ltd**  
Exchange Plaza, Bandra-kurla Complex,  
Bandra (E), Mumbai - 400 051  
**NSE Symbol: GUJRAFFIA**

**SUBJECT: REVISED ANNUAL REPORT FOR F.Y. 2018-19**

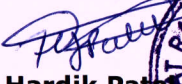
Sir/Madam,

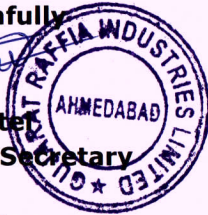
With respect to cited subject and pursuant to regulation 34(1) of Securities Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are submitting herewith Revised Annual Report as due to oversight, wrong file was uploaded to your Esteemed exchange(s). Further we hereby confirm that Annual report sent/Dispatched to the members of the company through permitted mode(s) is as enclosed herewith.

You are please to take the same on your record.

Thanking you,

**Your Faithfully**

  
**Hardik Patel**  
**Company Secretary**



**Encl: As Above**

**GUJARAT RAFFIA INDUSTRIES LIMITED**  
**(CIN: L17110GJ1984PLC007124)**  
**33<sup>rd</sup> ANNUAL REPORT 2018-19**

<b>BOARD OF DIRECTORS</b>	: -	Shri Pradeep R. Bhutoria Smt. Sushma P. Bhutoria Shri Abhishek P. Bhutoria Shri Dipen M. Shah Shri Karan Singh Chandalia	- - - - -	Chairman & Managing Director Whole Time Director Director Independent Director Independent Director
<b>COMPANY SECRETARY</b>	: -	Hardik Patel		
<b>CHIEF FINANCIAL OFFICER</b>	`:-	Ramaakant Pandey		
<b>AUDITORS</b>	:	M/s. V S Agarwal & Associates, Chartered Accountants, Ahmedabad.		
<b>BANKERS</b>	:	Union Bank of India State Bank of India HDFC Bank		
<b>REGISTERED OFFICE &amp; WORKS</b>	:	Plot No.455, Santej Vadsar Road, Village: Santej, Taluka: Kalol-382721. Dist: Gandhinagar. <a href="tel:-02764-286632,286672,286673,286674">Tel:-02764-286632,286672,286673,286674</a> Fax: - 02764-286652,286646, Website:- <a href="http://www.griltarp.com">www.griltarp.com</a> Email: - <a href="mailto:info@griltarp.com">info@griltarp.com</a> ; <a href="mailto:accounts@griltarp.com">accounts@griltarp.com</a>		
<b>REGISTRAR AND SHARE TRANSFER AGENT</b>	:	<b>M/s. Link Intime India Pvt Ltd.</b> , Ahmedabad Branch, 5 <sup>th</sup> Floor, 506 To 508, Amarnath Business Centre – 1, (ABC-1), Besides Gala Business Centre, Nr. St. Xavier’s Collage Corner, Off. C. G. Road, Ahmedabad – 380 006. (o): 079 – 2646 5179 e-mail id: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>		
<b>SECRETARIAL AUDITOR</b>	:	<b>Premjeet Singh, Practicing Company Secretary</b> Sangrag, 2 <sup>nd</sup> floor, 85/222, S. N. Roy Road, Kolkata- 700038		

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**NOTICE****NOTICE IS HEREBY GIVEN THAT THE 33<sup>rd</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S. GUJARAT RAFFIA INDUSTRIES LIMITED WILL BE HELD AS SCHEDULED BELOW:**

Date: 30<sup>th</sup> September, 2019

Day: Monday

Time: 2.00 p.m.

Place: At the Registered Office of the Company at:  
Plot No. - 455, Santej-Vadsar Road, Village: Santej,  
Taluka: Kalol -382 721. Dist: Gandhinagar.

To transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements as at 31<sup>st</sup> March, 2019 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss and cash flow statement for the year ended on that date and reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Abhishek Bhutoria (DIN: 00284819) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To re-appoint M/s. Chandabhoy & jassoobhoy, Chartered Accountants as the statutory Auditor and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the consent of the members of the Company, be and are hereby accorded for the re-appointment of Chandabhoy & jassoobhoy, Chartered Accountants, having ICAI Firm Registration No. 101648W as the Statutory Auditor of the Company to hold office for a period of 5 (Five) Consecutive Years, effective from the conclusion of this Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting to be held in the calendar year 2024 at such remuneration plus applicable taxes, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be decided by the Board of Directors."

**Special Business:**

4. Levy of Charges for delivery of any document to member through a particular mode requested by such member and in this regard To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT,** pursuant to the provisions of Section 20 of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and are hereby accorded to charge from the member in advance an amount of Rs 100/- or such fees equivalent to the estimated actual expenses of

delivery of the documents to members through a particular mode requested by such member, whichever is higher.

**RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

**By Order of the Board  
For Gujarat Raffia Industries Limited  
Sd/-  
Pradeep Bhutoria  
Managing Director  
DIN: 00284808**

Place: Santej  
Date: 14.08.2019

**Plot No.455,  
Santej Vadsar Road,  
Village: Santej,  
Taluka: Kalol-382721.  
Dist: Gandhinagar  
CIN: L17110GJ1984PLC007124**



**NOTES:**

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013, is annexed herewith and forms part of the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE MEETING.  
  
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. A member registered under Section 8 of the Companies Act, 2013 shall not be entitled to appoint any other person as his / her proxy unless such other person is also a member of the Company.
5. Members are requested to bring their dully filled attendance slip along with their copy of Annual Report at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours (10.00 a.m. to 05.00 p.m.) up to the date of the Meeting.
8. Pursuant to the Section 91 of the Companies Act, 2013, Register of Members and Share Transfer Book of the Company will remain closed from Tuesday, 24<sup>th</sup> September, 2019 to Monday, 30<sup>th</sup> September, 2019 (both days inclusive).
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company or its Registrars & Transfer Agents (RTA), Link Intime India Private Limited.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Private Limited (RTA).
11. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation/variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant

12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.
13. Non-Resident Indian Members are requested to inform Link Intime India Private Limited immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. To support the 'Green Initiative' members who have not registered their e-mail addresses so far are requested to register their e-mail address with RTA /Depository Participants for receiving all communication including annual report, notices, circulars, etc. from the company electronically.
14. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Annual General Meeting so that the information required may be made available at the Annual General Meeting.
15. The Company has connectivity from the CDSL & NSDL and Equity Shares of the Company may also be held in the electronic form with any Depository Participant (DP) with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE610B01024. In case of any query/difficulty in any matter relating thereto may be addressed to the Registrars & Transfer Agents (RTA).
16. Trading in the shares of the Company is compulsorily in dematerialized form for all investors. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
17. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
18. Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.
19. In compliance with the provisions of section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

#### **PROCEDURE FOR E-VOTING**

##### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Friday, 27<sup>th</sup> September, 2019 at 10.00 a.m. and ends on Sunday, 29<sup>th</sup> September, 2019 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip / Address Slip indicated in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant 'Gujarat Raffia Industries Limited' on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).  
Mr. premjeet Singh, Practicing Company Secretary [ACS No. 31903] has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.  
The scrutinizer shall within a period of not exceeding Two (2) working days from the conclusion of the e-voting period unblock the votes in presence of atleast two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the company. The result shall be declared at or after the Annual General Meeting of the company. The result declared along with the scrutinizer's report shall be placed on company's website [www.griltarp.com](http://www.griltarp.com) and on the website of CDSL within two days of passing of resolutions at the Annual General Meeting of the company and communicated to BSE Limited and National Stock Exchange.
- (xx) All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during normal business hours (10.00 am to 5.00 pm) on all working days.

Place: Santej  
Date: 14.08.2019

**By Order of the Board  
For Gujarat Raffia Industries Limited  
Sd/-  
Pradeep Bhutoria  
Managing Director  
DIN: 00284808**

**Registered Office:  
Plot No.455,**

**Santej Vadsar Road,  
Village: Santej,  
Taluka: Kalol-382721.  
Dist: Gandhinagar  
CIN: L17110GJ1984PLC007124**

**EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (TO THE EXTANT RULES NOTIFIED AND APPLICABLE).****Item NO : 4**

As per the provisions of Section 20 (2) of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office address or by such electronic or other mode as may be prescribed. Proviso of this section describes that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting. Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Since, the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Board of Directors recommends the proposed Ordinary Resolution set out at Item No. 4 for your approval.

Place: Santej  
Date: 14.08.2019

**By Order of the Board  
For Gujarat Raffia Industries Limited  
Sd/-  
Pradeep Bhutoria  
Managing Director  
DIN: 00284808**

**registered Office:  
Plot No.455,  
Santej Vadsar Road,  
Village: Santej,  
Taluka: Kalol-382721.  
Dist: Gandhinagar  
CIN: L17110GJ1984PLC007124**

**DIRECTOR'S REPORT**

**Dear Shareholders,**

Your Directors present the **33<sup>rd</sup>** Annual Report together with the Audited Statement of Accounts for the year ended on **31<sup>st</sup> March, 2019**.

**1. FINANCIAL RESULTS:**

The summary of Financial Results of the Company for the year under review along with the figures for previous year is as follows:

<b>Particulars</b>	<b>(Rs. In Lakhs)</b>	
	<b>Standalone</b>	
	<b>2018-19</b>	<b>2017-18</b>
Total Revenue	4798.72	3862.56
<b>Less: Operating and other Admi. Exps.</b>	4505.12	3542.93
<b>Profit Before Depreciation, Interest and Tax</b>	<b>293.60</b>	<b>319.63</b>
<b>Less: Depreciation</b>	106.51	121.03
<b>Less: Finance Costs</b>	71.52	91.43
<b>Profit Before Tax and Exceptional Items</b>	<b>115.57</b>	<b>107.17</b>
Exceptional Items	-	-
<b>Profit Before Tax</b>	<b>115.57</b>	<b>107.17</b>
<b>Less: Current Tax</b>	23.11	22.00
<b>Less: Earlier Year Tax</b>	0.31	-
<b>Less: Deferred Tax</b>	-	-
(Excess) / Shortfall in provision for current tax for earlier years	-	-
<b>Less: Minority Interest</b>	-	-
<b>Profit After Tax &amp; Minority Interest</b>	<b>92.15</b>	<b>85.17</b>
Earnings Per Equity Share		
Basic	<b>1.71</b>	<b>1.71</b>
Diluted	<b>1.71</b>	<b>1.71</b>

**2. DIVIDEND:**

With a view to conserve the resources for expansion of the business activities and working capital requirements of the Company, the board of directors of the company have not recommended any dividend for the year under review.

**3. REVIEW OF OPERATIONS, SALES AND WORKING RESULTS:**

Your director report that during the year under review, in spite of economic slowdown the Company has recorded total sales of Rs. 4755.73 Lakhs as compared to Rs. 3861.79 Lakhs for the financial year ended on 31<sup>st</sup> March, 2018. The Profit before tax for the period under review is Rs. 115.57 Lakhs as compared to Rs. 107.17 Lakhs in the previous year 2017- 18. The Profit after tax during the year under review is Rs. 92.15 Lakhs as against Rs. 85.17 Lakhs in the previous year 2017- 18.

**4. MATERIAL CHANGES, TRANSACTION AND COMMITMENT/CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of the business of the Company for the year under review. there were no significant or material order was passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**5. MANAGEMENT DISCUSSION AND ANALYSIS (MDA):**

MDA, for the year under review, is presented in a separate section, which forms part of the Annual Report.

**6. SHARE CAPITAL:**

During the year under review, the Company has increased its paid up capital by issue of 4,09,725/- equity shares by way of preferential issue to promoter group by conversion of unsecured loan into equity shares. The paid up equity share capital of the Company as on 31<sup>st</sup> March, 2019 is Rs. 5,40,45,000/-.

**7. TRANSFER TO RESERVES:**

The Company has not transferred any amount to the General Reserves for the current reporting period. An amount of ₹ 92.15 Lakhs is proposed to be retained in the Statement of Profit and Loss of the Company.

**8. EXTRACT OF THE ANNUAL RETURN:**

The extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure - A**.

**9. BOARD MEETINGS HELD DURING THE YEAR:**

During the year, Five Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013.

Board meeting dates are finalized in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated in advance before the date of the meeting thereby enabling the Board to take informed decisions.

Sr. No.	Date on which board Meetings were held	Total Strength of the Board	No of Directors Present
1.	28/05/2018	6	6
2.	11/08/2018	6	6
3.	14/11/2018	6	6
4.	20/12/2018	6	6
5.	13/02/2019	6	6

**ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:**

Sr. No.	Name of Directors	No. of Meeting Held	No. of Meeting Attended
1.	Mr. Pradeep Bhutoria	5	5
2.	Mrs. Sushma Bhutoria	5	5
3.	Mr. Alpesh R Tripathi*	5	5
4.	Mr. Dipen M Shah	5	5
5.	Mr. Abhishek P Bhutoria	5	5
6.	Mr. Karan Singh Chandalia	5	5

Mr Alpesh Tripathi, Independent Director, have resigned w.e.f. April 13, 2019



**10. SUBSIDIARY COMPANIES:**

The Company does not have subsidiary company, joint venture or associate companies during the year. There is no company which has ceased to be Company's subsidiary, joint venture or associate company during the year.

**11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board consists of Executive and Non-executive Directors including Independent Directors who have wide and varied experience in different disciplines of corporate functioning.

During the year under review Ms. Sheetal Rawal has resigned as Chief Financial Officer of the Company w.e.f 28.05.2018 However, Mr. Ramaakant Pandey is appointed as Chief Financial Officer of the Company w.e.f 20.12.2018.

During the year under Review Mr Gunjan Kothari has resigned from the post of company secretary w.e.f. 11/08/2018 and Mr Hardik Patel is appointed as company secretary w.e.f. 11/08/2018.

Mrs. Abhishek Bhutoria, Director, retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment.

Mr Alpesh Tripathi, Independent Director of the company have tendered his resignation w.e.f. 13/04/2019.

Apart from this, there were no changes in the Directors or Key Managerial Personnel during the year under review.

A brief resume of directors being appointed / re-appointed with the nature of their expertise, their shareholding in the Company as stipulated under as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice of the ensuing Annual General Meeting.

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

**12. INDEPENDENT DIRECTOR'S FAMILIARIZATION PROGRAMME:**

Independent Directors at the time of their appointment are given the formal appointment letter mentioning various terms and conditions of their engagement. Independent Directors of the company are made aware of their role, duties, rights and responsibilities at the time of their appointment.

Independent Directors have visited the plants of the company for understanding of manufacturing operations and different processes of their plants.

The Board of Directors has complete access to the information within the company and to interact with senior management personnel. Independent Directors have freedom to interact with the management of the company.

The Familiarization programme has been conducted during the year under review and different aspects such as legal compliance management, corporate governance and role of independent directors have been covered in the same.

**13. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by separate meeting held by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

#### **14. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:**

The Board, on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director as also a Policy for remuneration of Directors, Key managerial Personnel and senior management.

#### **15. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:**

The Independent Directors of your Company, in a separate meeting held on 29<sup>th</sup> March, 2019 to carry out the evaluation for the financial year 2018-19 and inter alia, discussed the following:

- Reviewed the performance of Non-Independent Directors of the Company and the Board as a whole.
- Reviewed the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-executive Directors.
- Assessed the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonable perform their duties.

All Independent Directors of the Company were present at the Meeting.

#### **16. AUDITORS:**

##### **a) STATUTORY AUDITORS:**

Pursuant to provision of Section 139 of the Act and the rules framed thereunder, M/s V S Agarwal & Associates, Chartered Accountant, were appointed as statutory auditors of the Company from the conclusion of the 30<sup>th</sup> Annual General Meeting (AGM) of the Company held on 27<sup>th</sup> September, 2016 till the conclusion of 35<sup>th</sup> AGM to be held in the year 2021, subject to ratification of their appointment at every Annual General Meeting.

The observations of the auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

The notes of the auditors are self explanatory in the nature.

##### **b) SECRETARIAL AUDITORS:**

Mr. Premjeet Singh, Practicing Company Secretaries is appointed to conduct the secretarial audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. Your Company has received consent from Mr. Premjeet Singh to act as the auditor for conducting audit of the Secretarial records for the financial year ending 31st March, 2019. The secretarial audit report for FY 2018-19 forms part of the Annual Report as '**Annexure B**' to the *Board's report*.

**17. INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK:**

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

The Company has appointed Mr. Sanwarmal Agarwalla, as Internal Auditors of the Company. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective.

The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such system is adequate and operating effectively.

**18. AUDIT COMMITTEE:**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

**19. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013. :**

There has been no complaint related to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year.

**20. RISK MANAGEMENT AND POLICY ON RISK MANAGEMENT:**

At present the company has not identified any element of risk which may threaten the existence of the company.

The Board has formulated Policy on Risk Management and the same is uploaded on the Company's website at [www.griltarp.com](http://www.griltarp.com).

**21. VIGIL MECHANISM:**

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. The same is reviewed by the Audit Committee from time to time.

**22. RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. Details on Related Party Transactions in Form AOC - 2 have been enclosed as **Annexure - C**.

The Board has formulated Policy on Related Party Transactions and the same is uploaded on the Company's website at [www.griltarp.com](http://www.griltarp.com).

**23. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:**

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report and statement of particulars of employees is annexed as **Annexure – D & E.**

**24. LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

**25. DEPOSITS:**

Your Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

**26. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm:

- a. that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- b. that the directors had selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March 2019 and of the profit of the Company for that period;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts/financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

A statement containing the necessary information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure - F.**

**28. CORPORATE GOVERNANCE:**

As per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on "Corporate Governance" is attached and forms a part of Directors Report. A Certificate from the Chartered Accountant regarding compliance of the conditions of Corporate Governance as stipulated under the Listing Regulation is annexed to this Report.

**29. DISCLOSURES UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

**30. LISTING OF SHARES OF THE COMPANY**

The equity shares of the Company are actively traded on both BSE Ltd. and National Stock Exchange of India Ltd.

**31. ACKNOWLEDGEMENT:**

Your Directors express their sincere gratitude for the assistance and cooperation extended by Financial Institutions, Banks, Government Authority, Shareholders, Suppliers, Customers and Stakeholders.

Your Directors also wish to place on record their appreciation of the contribution made by the employees at their level towards achievements of the Companies goals.

**By order of the Board of Directors  
For Gujarat Raffia Industries Limited**

**Date: 29<sup>th</sup> May, 2019  
Place: Santej**

**Sd/-  
Pradeep Bhutoria  
Chairman & Managing Director  
DIN:-00284808**

**Annexure – A**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	:	L17110GJ1984PLC007124
ii.	Registration Date	:	30 <sup>th</sup> July, 1984
iii.	Name of the Company	:	GUJARAT RAFFIA INDUSTRIES LIMITED
iv.	Category / Sub-Category of the Company	:	Company limited by shares
v.	Address of the Registered office and contact details	:	Plot No 455, Santej-Vadsar Road, Gandhinagar-382721 Gujarat, India
vi.	Whether listed company Yes / No	:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	<b>M/s. Link Intime India Pvt Ltd.,</b> Ahmedabad Branch, 5 <sup>th</sup> Floor, 506 To 508, Amarnath Business Centre – 1, (ABC-1), Besides Gala Business Centre, Nr. St. Xavier's Collage Corner, Off. C. G. Road, Ahmedabad – 380 006 Contact Number: 079 – 2646 5179 e-mail id: ahmedabad@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Tarpaulin & Fabrics	17215	87.09
2.	Sacks	21021	12.91

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Nil	Nil	Nil	Nil	Nil

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of the shareholders	No. of Shares held at the beginning of the year 1 <sup>st</sup> April, 2018				No. of Shares held at the end of the year 31 <sup>st</sup> March, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTER &amp; PROMOTER GROUP</b>									
<b>(1) Indian</b>									
Individual/HUF	11,64,253	-	11,64,253	23.31	11,64,253	-	11,64,253	21.54	-1.77
Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	5,41,814	-	5,41,814	10.85	9,51,539	-	9,51,539	17.61	6.76
Financial Institution/ Bank Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>17,06,067</b>	<b>-</b>	<b>17,06,067</b>	<b>34.16</b>	<b>21,15,792</b>	<b>-</b>	<b>21,15,792</b>	<b>39.15</b>	<b>4.99</b>
<b>(2) Foreign</b>									
Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Financial Institution/ Bank Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+(A)(2)</b>	<b>17,06,067</b>	<b>-</b>	<b>17,06,067</b>	<b>34.16</b>	<b>21,15,792</b>	<b>-</b>	<b>21,15,792</b>	<b>39.15</b>	<b>4.99</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
Financial Institution/ Bank	-	-	-	-	-	-	-	-	-
Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
Bodies Corporate	55,467	-	55,467	1.11	49,597	-	49,597	0.92	(0.19)
Indian	-	-	-	-	-	-	-	-	-
Foreign Nationals	500	-	500	0.01	500	-	500	0.01	0.00

Category of the shareholders	No. of Shares held at the beginning of the year 1 <sup>st</sup> April, 2018				No. of Shares held at the end of the year 31 <sup>st</sup> March, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Individuals									
HUF	39,395		39,395	0.79	54,755		54,755	1.01	0.22
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	6,51,027	21,92,350	28,43,377	56.93	6,68,285	21,61,211	28,29,496	52.35	(4.58)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	236454	-	236454	4.73	2,57,005	-	2,57,005	4.76	0.03
Others (Specify)									
Clearing Member	89,408	-	89,408	1.79	72,998	-	72,998	1.35	(0.44)
Non Resident Indians (Repat)	16,725	-	16,725	0.33	16475		16,475	0.31	(0.02)
Non Resident Indians (Non Repat)	7,382	-	7,382	0.15	7832	-	7,832	0.14	(0.01)
Trust	-	-	-	-	50	-	50	0	0
<b>Sub-total (B)(2):-</b>	<b>10,96,358</b>	<b>21,92,350</b>	<b>32,88,708</b>	<b>65.84</b>	<b>11,27,497</b>	<b>21,61,211</b>	<b>32,88,708</b>	<b>60.85</b>	<b>(4.99)</b>
<b>TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+ (B)(2)</b>	<b>10,96,358</b>	<b>21,92,350</b>	<b>32,88,708</b>	<b>65.84</b>	<b>11,27,497</b>	<b>21,61,211</b>	<b>32,88,708</b>	<b>60.85</b>	<b>(4.99)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>28,02,425</b>	<b>21,92,350</b>	<b>49,94,775</b>	<b>100</b>	<b>32,43,289</b>	<b>21,61,211</b>	<b>54,04,500</b>	<b>100</b>	<b>-</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Pradeep Bhutoria	6,69,029	13.39	0	6,69,029	12.37	0	(1.02)



2.	Bengal Business LLP	3,00,579	6.02	0	5,10,304	9.44	0	3.42
3.	Asian Gases Ltd	2,41,235	4.83	0	4,41,235	8.16	0	3.33
4.	Bhutoria Pradeep Kumar HUF	1,81,264	3.63	0	1,81,264	3.35	0	(0.28)
5.	Sushma Bhutoria	1,38,310	2.77	0	1,38,310	2.56	0	(0.21)
6.	Abhishek P Bhutoria	1,35,500	2.71	0	1,35,500	2.51	0	(0.20)
7.	Sneha Bhutoria	40,150	0.80	0	40,150	0.74	0	(0.06)
	<b>Total</b>	<b>17,06,067</b>	<b>34.16</b>	<b>0</b>	<b>21,15,792</b>	<b>39.15</b>	<b>0</b>	<b>4.99</b>

Note:

Percentage of share capital is calculated on 4994775 shares at the beginning of the year

Percentage of share capital is calculated on 5404500 shares at the end of the year

**(iii) Change in Promoters' Shareholding:**

Sr · No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total share of the company
<b>1</b>	<b>Bengal Business LLP</b>				
	At the beginning of the year	3,00,579	6.02	3,00,579	6.02
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat / equity etc.) Increase during the year (Allotment of Equity Shares to promoter on preferential basis on December 20, 2018)	2,09,725	3.88	5,10,304	9.44
	At the end of the year	5,10,304	9.44	5,10,304	9.44
<b>2</b>	<b>Asian Gases Limited</b>				
	At the beginning of the year	2,41,235	4.83	2,41,235	4.83
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat / equity etc.) Increase during the year (Allotment of Equity Shares to promoter on preferential basis on December 20, 2018)	2,00,000	3.70	2,00,000	3.70
	At the end of the year	4,41,235	8.16	4,41,235	8.16

Note:

Percentage of share capital is calculated on 4994775 shares at the beginning of the year

Percentage of share capital is calculated on 5404500 shares at the end of the year

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr No	Name of shareholder	Date wise increase /Decrease			Cumulative shareholding	% of total capital
		Date	Increase/Decrease	% of total capital		
1	Wealthstreet Advisors Private Limited	At the beginning of the year			0	0.00
		22/02/2019	15,000	0.28	15,000	0.28
		01/03/2019	25,000	0.46	40,000	0.74
		08/03/2019	15,000	0.28	55,000	1.02
		22/03/2019	7,000	0.13	62,000	1.15
		At the end of the year			62,000	1.15
2	Gandhi Pratik Rajendra	At the beginning of the year			50,000	0.93
		At the end of the year			50,000	0.93
3	Devang Rajnikant Shah	At the beginning of the year			0	0.00
		22/02/2019	10,000	0.18	10,000	0.18
		01/03/2019	35,000	0.65	45,000	0.83
		At the end of the year			45,000	0.83
4	Shah Hemalben Sanjaybhai	At the beginning of the year			37,097	0.69
		07/09/2018	200	0.00	37,297	0.69
		At the end of the year			37,297	0.69
5	Deepal Pravinkumar Shah	At the beginning of the year			12,406	0.23
		25/05/2018	(12,106)	0.22	300	0.01
		10/08/2018	(66)	0.00	234	0.00
		17/08/2018	(103)	0.00	131	0.00
		31/08/2018	(131)	0.00	0	0.00
		08/03/2019	17,413	0.32	17,413	0.32
		15/03/2019	3,661	0.07	21,074	0.39
		29/03/2019	8,794	0.16	29,868	0.55
		At the end of the year			29,868	0.55
6	Shah Tushar Shashikant	At the beginning of the year			29,241	0.54
		At the end of the year			29,241	0.54
7	Hemlataben Mahavirbhai Tiwari	At the beginning of the year			23,800	0.44
		At the end of the year			23,800	0.44
8	Npr Infotech Private Limited	At the beginning of the year			24,114	0.45
		13/07/2018	24,114	0.45	0	0.00
		11/01/2019	23,414	0.43	23,414	0.43
		At the end of the year			23,414	0.43
9	Mahavirbhai Babubhai Tiwari	At the beginning of the year			18,405	0.34
		11/05/2018	708	0.01	19,113	0.35
		08/06/2018	1,236	0.03	20349	0.38
		06/07/2018	1,400	0.02	21,749	0.40
		15/02/2019	50	0.00	21,799	0.40
		At the end of the year			21,799	0.40
10	Ramesh Jamnadas Thakkar	At the beginning of the year			20,000	0.37
		At the end of the year			20,000	0.37
11	Bharat K Parikh	At the beginning of the year			18,000	0.33
		At the end of the year			18,000	0.33
12	Mnm Stock Broking Private Limited	At the beginning of the year			79,969	1.48
		27/04/2018	3,208	0.06	83,177	1.54
		04/05/2018	(69,219)	1.28	13,958	0.26

		11/05/2018	(11,328)	0.21	2,630	0.05
		25/05/2018	13,006	0.24	15,636	0.29
		01/06/2018	(14,400)	0.27	1,236	0.02
		08/06/2018	(1,236)	0.02	0	0.00
		13/07/2018	38,804	0.72	38,804	0.72
		20/07/2018	(14,690)	0.27	24,114	0.45
		21/12/2018	(700)	0.02	23,414	0.43
		15/02/2019	(23,394)	0.43	20	0.00
		22/02/2019	20,580	0.38	20,600	0.38
		01/03/2019	(5,910)	0.11	14,690	0.27
		08/03/2019	(14,690)	0.27	0	0.00
		At the end of the year			0	0.00
13	Shaileshbhai Pithabhai Chauhan	At the beginning of the year			20,754	0.38
		01/03/2019	(18238)	0.33	2,516	0.05
		15/03/2019	(2516)	0.05	0	0.00
		At the end of the year			0	0.00

\*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

Note:

Percentage of share capital is calculated on 4994775 shares at the beginning of the year

Percentage of share capital is calculated on 5404500 shares at the end of the year

#### (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year*		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	No. of shares	% of total shares of the company
	At the beginning of the year						
	<b>DIRECTORS:</b>						
1.	Alpesh Rajeshbhai Tripathi	-	-	-	-	-	-
2.	Dipen Mahasukhlal Shah	-	-	-	-	-	-
3.	Karan Singh Chandalia	-	-	-	-	-	-
4.	Abhishek P. Bhutoria	1,35,500	2.71	-	-	1,35,500	2.51
	<b>KMP:</b>						
1.	Pradeep Bhutoria	6,69,029	13.39	-	-	6,69,029	12.37
2.	Sushma Bhutoria	1,38,310	2.77	-	-	1,38,310	2.56
3.	Ramaakant Pandey (CFO)	-	-	-	-	-	-
4.	Hardik Patel (CS)	-	-	-	-	-	-

Note:

Percentage of share capital is calculated on 4994775 shares at the beginning of the year

Percentage of share capital is calculated on 5404500 shares at the end of the year

#### V. INDEBTEDNESS

##### Indebtedness of the Company including interest outstanding/accrued but not due for payment

GUJARAT RAFFIA INDUSTRIES LIMITED

22

(Rs. in lakhs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	821.56	44.78	0.00	866.34
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ ii+ iii)</b>	821.56	44.78	0.00	866.34
<b>Change in Indebtedness during the financial year</b>				
➤ Addition	303.1		0.00	303.1
➤ Reduction	0.00	13.08	0.00	13.08
<b>Net Change</b>	303.1	(13.08)		290.02
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1124.66	31.70	0.00	1156.36
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (I + ii+ iii)</b>	1124.66	31.70	0.00	1156.36

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Pradeep Bhutoria	Sushma Bhutoria	
1.	Gross salary	9.00	7.20	<b>16.20</b>
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	----	----	----
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----	----
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	----	----	----
2.	Stock Option	----	----	----
3.	Sweat Equity	----	----	----
4.	Commission	----	----	----
	- as % of profit	----	----	----
	- others, specify...	----	----	----
5.	Others, please specify	-	-	-
	Total (A)	9.00	7.20	<b>16.20</b>
	Ceiling as per the Act	----	----	----
	Cumulative Ceiling as per the Act (10% of the Net Profit)		----	----

**Remuneration to other directors:**

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
	3. Independent Directors	----	----	----
	• Fee for attending board / committee meetings			
	• Commission			
	• Others, please specify			
	<b>Total (1)</b>	----	----	----
	4. Other Non-Executive Directors	----	----	----

	<ul style="list-style-type: none"> <li>• Fee for attending board / committee meetings</li> </ul>			
	<ul style="list-style-type: none"> <li>• Commission</li> </ul>			
	<ul style="list-style-type: none"> <li>• Others, please specify</li> </ul>			
	<b>Total (2)</b>	----	----	----
	<b>Total (B)=(1+2)</b>	----	----	----
	Total Managerial Remuneration	----	----	----
	Overall Ceiling as per the Act (11% of the Net Profit, excluding seating fees)		----	

**B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				
		Hardik patel Company Secretary (11.08.2019 to 31.03.2019)	Gunjan Kothari Company Secretary (01.04.2018 To 11.08.2019)	Ramaakant Pandry CFO (20.12.2018 to 31.03.2019)	Sheetal Rawal CFO (01.04.2018 To 28.05.2018)	Total
1.	Gross salary	1.18	1.16	0.9	0.40	3.64
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	----	----	----	----	----
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----	----	----	----
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	----	----	----	----	----
2.	Stock Option	----	----	----	----	----
3.	Sweat Equity	----	----	----	----	----
4.	Commission - as % of profit - others, specify...	----	----	----	----	----
5.	Others, please specify	----	----	----	----	----
	<b>Total</b>	<b>1.18</b>	<b>1.16</b>	<b>0.9</b>	<b>0.40</b>	<b>3.64</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			Not Applicable		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					

Punishment	Not Applicable
Compounding	
<b>C. OTHER OFFICERS IN DEFAULT</b>	
Penalty	Not Applicable

**By order of the Board of Directors  
For Gujarat Raffia Industries Limited**

**Date: 29<sup>th</sup> May, 2019  
Place: Santej**

**Sd/-  
Pradeep Bhutoria  
Chairman & Managing Director  
DIN:-00284808**

**Annexure – B****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,**  
**THE MEMBERS,**  
**GUJARAT RAFFIA INDUSTRIES LIMITED**

Plot No 455, Santej-Vadsar Road,  
Gandhinagar-382721  
Gujarat.

I, Premjeet Singh, Company Secretary, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GUJARAT RAFFIA INDUSTRIES LIMITED [CIN: L17110GJ1984PLC007124]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **GUJARAT RAFFIA INDUSTRIES LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **GUJARAT RAFFIA INDUSTRIES LIMITED** for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;  
**(Not Applicable to the Company during the Audit Period);**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period);**

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit period);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period) and;**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period).**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. As informed to me the following other Laws specifically applicable to the Company as under:

**A. INDUSTRIAL & LABOUR LAWS:**

- a) Factories Act, 1948
- b) Industrial Disputes Act, 1947
- c) The Minimum Wages Act, 1948
- d) The Payment of Wages Act, 1936
- e) Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- f) The Payment of Bonus Act, 1965
- g) The Payment of Gratuity Act, 1972
- h) The Contract Labour (Regulation and Abolition) Act, 1970
- i) The Maternity Benefit Act, 1961
- j) The Employees' Compensation Act, 1923
- k) The Apprentices Act, 1961
- l) Equal Remuneration Act, 1976

**B. ENVIORNMENT RELATED:**

- a) The Environment (Protection) Act, 1986
- b) The Hazardous Wasted (Management, Handling And Transboundary Movement) Rules, 2008
- c) The Water (Prevention & Control of Pollution) Act, 1974
- d) The Air (Prevention & Control of Pollution) Act, 1981

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards with respect to General and Board Meetings Minutes issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ;



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc

**Place: Kolkata**  
**Date: 29.05.2019**

**Sd/-**  
**Premjeet Singh**  
**Company Secretary**  
**C.P. No.: 16452**  
**Membership No.: A31903**

**Note:** *This Report is to be read with Our Letter of even date which is annexed as "Appendix A" and forms an integral part of this report.*

**'Appendix A'**

**To,  
The Members,  
GUJARAT RAFFIA INDUSTRIES LIMITED**

Plot No 455, Santej- Vadsar Road,  
Gandhinagar-382721  
Gujarat

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Kolkata  
Date: 29.05.2019**

**Sd/-  
Premjeet Singh  
Company Secretary  
C.P. No.: 16452  
Membership No.: A31903**

**Annexure – C  
Form No. AOC-2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis: - Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis

<b>Sr. No.</b>	<b>Name of the Related Party</b>	<b>Nature of Relationship</b>	<b>Nature of contracts /arrangements/ transactions</b>	<b>Amount</b>	<b>Duration of the contracts/ arrangements/ transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value , if any</b>	<b>Amount paid as Advances, if any</b>
1.	Asian Gases Limited	Enterprises significantly influenced by Directors and/or their relatives	Loan taken	1,01,000	1 Year	Asian Gases Limited has given unsecured loan to the company	-----
			Loan Repaid	72,01,974	1 Year	Company has repaid the unsecured loan taken from Asian Gases Limited	-----
			Commission on sale	1,33,026	1 Year	Company has paid the commission on sales	-----
2.	Bengal Business LLP	Enterprises significantly influenced by Directors and/or their relatives	Loan taken	1,81,000	1 Year	Bengal Business LLP has given unsecured loan to the company	-----
			Loan Repaid	75,66,909	1 Year	Company has repaid the unsecured loan taken from Bengal Business LLP	-----
			Commission on sale	1,44,466	1 Year	Company has paid the commission on sales	-----

3.	Mahanagar Realestate LLP	Enterprises significantly influenced by Directors and/or their relatives	Loan Repaid	4,90,436	1 Year	Company has repaid the unsecured loan taken from Mahanagar Realestate LLP	-----
			Loan Taken	3,00,000	1 Year	Company has repaid the unsecured loan taken from Mahanagar Realestate LLP	
			Commission on sale	1,54,564	1 Year	Company has paid the commission on sales	-----

**For Gujarat Raffia Industries Limited**

**Date: 29.05.2019**  
**Place: Santej**

**Sd/-**  
**Pradeep Bhutoria**  
**Chairman & Managing Director**  
**DIN: 00284808**

**Annexure – D****Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(1) of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:**

- 1) Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31<sup>st</sup> March, 2019:

Sr. No.	Executive Directors	Remuneration for FY 2018-19 (₹ in Lakhs)	% increase in remuneration in FY 2018-19
1.	Shri Pradeep Bhutoria, Chairman & Managing Director	9.00	25%
2.	Smt. Sushma Bhutoria, Whole Time Director	7.20	20%

- 2) Percentage increase in median remuneration of employees in the financial year ended 31<sup>st</sup> March, 2019: Nil
- 3) The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March, 2019: 78
- 4) Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

The average increase in salaries of the employees other than Managerial Personnel in 2018-19 was Nil. Salary increased for the person to whom it is required and average percentage increase in the Managerial Remuneration for the year was Nil % which is in line with the overall remuneration of the company.

- 5) The key parameters for any variable components of remuneration availed by the Directors:

The executive directors are not paid variable remuneration in the form of commission on profits in addition to their salaries. No other Directors are paid any remuneration.

It is affirmed that the remuneration paid is as per the remuneration policy of the company.

**Annexure – E****Disclosure under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Name	Designation	Remuneration (In ₹)	Qualification	Experience (In Yrs)	Commencement of Employment	Age (In Yrs)	Particulars of Last Employment/ Employer/ Last Post & Period for which post held
1.	Pradeep R Bhutoria	Chairman & Managing Director	9,00,000	B.com.	30 Years in line of activity Marketing, Production, Finance	01/01/2007	59	NA
2.	Sushma P Bhutoria	Whole-Time-Director	7,20,000	B.com	15 Years in Business Administration	21/02/2008	57	NA

**Notes:**

1. Shri Pradeep Bhutoria, Chairman and Managing Director and Smt. Sushma Bhutoria, Whole-Time-Director are related to each other.

**Annexure – F  
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO, ETC.**
**(A) Conservation of energy-**

Sr. No.	Particulars	Status
i.	the steps taken or impact on conservation of energy;	Every effort is being voluntarily made by the company
ii.	the steps taken by the company for utilizing alternate sources of energy;	Not Applicable
iii.	the capital investment on energy conservation equipments;	Not Applicable

**(B) Technology absorption-**

Sr. No.	Particulars	Status
i.	the efforts made towards technology absorption;	Every effort is being voluntarily made by the company
ii.	the benefits derived like product improvement, cost reduction, product development or import substitution;	Not Applicable
iii.	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-  (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable
iv.	the expenditure incurred on Research and Development	Not Applicable

**(C) Foreign exchange earnings and Outgo-**

Particulars	2018-19 Current year	2017-18 Previous year
<b>Foreign Exchange Earnings</b>	11,68,98,715	8,53,48,714
<b>Foreign Exchange Outgo</b>	5,15,21,252	4,34,55,721

## REPORT ON CORPORATE GOVERNANCE

### INTRODUCTION:

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other stakeholders. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year 2018-19

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

Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct, its Fraud Risk Management Policy and its well structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders. This, together with meaningful CSR activities and sustainable development policies followed by the Company has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. Your Company has complied with the requirements of newly incorporated SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 LODR (w.e.f 1<sup>st</sup> December, 2015)

### 2. VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has adopted the Whistle Blower Policy pursuant to which employees of the Company can raise their concerns relating to malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. Further the mechanism adopted by the Company encourages the employees and Directors of the Company to report genuine concerns or grievances and provides for adequate safeguards against victimization of employees and directors who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The details of complaints received and the action taken are reviewed periodically by the Audit Committee. None of the Company's personnel have been denied access to the Audit Committee.

### 3. BOARD OF DIRECTORS:

#### a) Composition and Category of Directors:

Your company's Board comprises of Six Directors as on 31st March, 2019 comprising three Executive Directors, three Independent Non-Executive Directors. The Chairman is executive in nature. The Company does not have any Nominee Director.

The Board Meetings held during the financial year 2018-19, presence of the directors thereat and Membership / Chairmanship of the directors in the Committees and no. of directorships in other companies excluding Private Companies and our company are stated below:

Name of Directors	Category of Directorship	No. of other Director Ships*	Committee (1) Membership/ (2) Chairmanship in other Companies	No. of Board Meetings attended	Attendance at the AGM held on 21 <sup>st</sup> September, 2018 Yes/ No
Mr. Pradeep Bhutoria Chairman & Managing Director	Promoter-Executive	-	-	05	Yes
Mrs. Shushma P. Bhutoria	Promoter-Executive	-	-	05	Yes

*						
Mr. Abhishek Bhutoria	Promoter - Executive	-	-	05	Yes	
Mr. Alpesh R. Tripathi	Independent-Non-Executive	-	-	05	Yes	
Mr. Dipen M. Shah	Independent-Non-Executive	-	-	05	Yes	
Mr. Karan Singh Chandalia	Independent-Non-Executive	-	-	05	Yes	

These numbers exclude the directorship/committee membership held in the company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and alternate directorship. Further, it includes only the chairmanship/membership of the Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee. All Directors have informed the Company about the committee positions they occupy in other companies as per the Listing Regulation, which were placed before the Board.

Except Mr. Pradeep Bhutoria, Mrs. Sushma Bhutoria and Mr. Abhishek Bhutoria, who are related to each other, none of the other Directors are related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013.

Mrs. Abhishek Pradeep Bhutoria is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, has offered herself for re-appointment.

During the financial year, the three Independent Directors of the Company met on 29<sup>th</sup> March, 2019 without the presence of non-independent directors or management personnel to review the performance of Non-Independent Directors, the Board and its Chairman. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board. The terms and conditions of appointment of Independent Directors are incorporated on the website of the Company [www.griltarp.com](http://www.griltarp.com).

**b) Details of the Directors seeking Appointment/Reappointment in forthcoming Annual General Meeting:**

Name of the Director	Mr. Abhishek Bhutoria
Date of Birth and Age	16-03-1990 & 29 Years
Date of Appointment	01-09-2015
Qualification	MBA
Expertise in specific functional areas	4 years in Business Administration
Directorship held in other companies (Excluding Foreign Companies)	NIL
Membership/Chairmanship of committee of other Companies (includes only Audit Committee and Share holders/Investor Grievance Committee )	NIL
Number of Share Holder	1,35,500

**c) Board Procedures:**

The Board of Directors meets regularly to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/ Managing Director briefs the Directors at every Board Meeting, overall performance of the company.

All major decisions/ approvals are taken at the meeting of the Board of Directors such as policy formation, business plans, budgets, and investment opportunities, Statutory Compliance etc.



During the financial year 2018-19 5(Five) board meeting were held on 28/05/2018, 11/08/2018, 14/11/2018, 20/12/2018, and 13/02/2019 The necessary quorum was present for all the above meeting. The maximum interval between two meetings did not exceed 120 days.

Skills/expertise/competencies identified by the Board of Directors

Skill/Expertise/competencies	Details of Skill/Expertise/ competencies
<b>Knowledge</b>	Understanding of the Company's business, strategic policies, goals, major risks and threats, potential opportunities and knowledge of the industry in which the Company operates.
<b>Leadership</b>	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.
<b>Financial expertise</b>	Qualification and / or experience in accounting and/or finance coupled with ability to analyse the key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.
<b>Industries Expertise</b>	Having knowledge and experience in the industries in which company operates

**d) Shareholding of Directors as on March 31, 2019:**

Sr. No.	Name of Director	No. of Shares held
1	Mr. Pradeep R Bhutoria	669029
2	Mrs. Sushma P Bhutoria	138310
3	Mr. Abhishek P. Bhutoria	135500
4	Mr. Alpesh R. Tripathi	0
5	Mr. Dipen M. Shah	0
6	Mr. Karan Singh Chandalia	0

**3. AUDIT COMMITTEE:**

The Audit Committee, comprising Four Directors, Three are Non-Executive & Independent Directors and all of them have financial and accounting knowledge. The constitution of Audit Committee also meets with the requirements under Section 177 of the Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Reg, 2015. Members are regularly present at the meetings.

**a. Number of Audit Committee Meetings held during the financial year 2018-2019 and dates of the meetings:**

Audit Committee meeting	Date	Audit Committee Meeting	Date
1	28/05/2018	3	14/11/2018
2	11/08/2018	4	13/02/2019

**b. The Composition of an Audit Committee as on 31.03.2019 and details of committee meetings attended by members are as under:-**

Name of the Member	Designation	Category	No. of Committee Meetings held	Committee Meeting attended
Dipen M Shah	Chairman	Independent & Non-Executive	4	4
Pradeep R Bhutoria	Member	Executive	4	4

Alpesh R. Tripathi	Member	Independent & Non-Executive	4	4
Karan Singh Chandalia	Member	Independent & Non-Executive	4	4

The Chairman of the Audit Committee has attended AGM for the year 2018-19.

**c. Keeping in view the provisions of section 177 of the Act, and the provisions of the SEBI LODR Regulations, 2015, the terms of reference of the Audit Committee include the following:-**

- I. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- II. Recommending the appointment, remuneration and terms of appointment of statutory auditors, including cost auditors of the Company;
- III. Approving payment to statutory auditors, including cost auditors, for any other services rendered by them;
- IV. Reviewing with management the quarterly and annual financial statements before submission to the board, focusing primarily on;
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and.
- V. Reviewing with the management, performance of statutory and internal auditors, external and Cost auditors, the adequacy of internal control systems, risk management systems.
- VI. Reviewing the adequacy of internal audit function, 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.
- VII. Discussion with internal auditors any significant findings and follow up there on.
- VIII. 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.
- IX. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- X. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate;.
- XI. Reviewing the Company's financial and risk management policies.

- XII. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- XIII. to review the functioning of the Vigil Mechanism/Whistle blower mechanism

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

##### A. The composition of the Nomination and Remuneration Committee as on 31.03.2019 and the details of the meetings attended by the Directors are given below:-

Name of the Member	Designation	Category
Dipen M. Shah	Chairman	Independent & Non-Executive
Alpesh R. Tripathi	Member	Independent & Non-Executive
Karan Singh Chandalia	Member	Independent & Non-Executive

##### a) Number of Nomination and Remuneration Committee Meetings held during the financial year 2018-19 and dates of the meetings:

Nomination and Remuneration Committee meeting	Date
1	11/08/2018
2	20/12/2018

The 'Nomination and Remuneration Committee' of the Company recommends the nomination of Executive Directors (members of the Board) as well as Non-Executive Directors and remuneration of such Executive Directors and Non-Executive Directors [other than Independent Non-Executive Directors] and recommend and monitor the level and structure of remuneration of senior management of the Company as per the Remuneration Policy.

##### b) Remuneration policy

The Remuneration policy has been framed in accordance with the provisions of section 178 of the Companies Act, 2013 and as per Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended from time to time. The policy on Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel has been framed by Nomination & Remuneration Committee and has been approved by the Board of Directors and the salient features of the Remuneration Policy form a part of the Directors Report and the same has been uploaded on the website of the company.

##### c) Remuneration to Non-executive Directors:

Non Executive Directors were not paid sitting fees. No Commission or Stock Option has been offered to the Directors during the year under review.

##### d) Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Managing Director and Whole-Time Directors are governed by the recommendation of Nomination and Remuneration committee, resolutions passed by the Board of Directors and approved by the members of the company.

Details of remuneration paid:

1. The Company paid Managerial Remuneration of Rs. 9.00 Lakhs to Mr. Pradeep Bhutoria, Managing Director during the year 2018-19.
2. The Company paid Managerial Remuneration of Rs. 7.20 Lakhs to Mrs. Sushma Bhutoria, Whole

Time Director during the year 2018-19.

**e) Performance evaluation of Directors:**

Pursuant to the provisions of Companies Act, 2013 and the corporate governance requirements as prescribed by SEBI (Listing Obligation and Discloser Requirements) Regulations, 2015 ("SEBI Listing Regulation"), the Board has carried out the annual performance evaluation for the financial Year under review of performances of the Directors individually as well as the evaluation of the working of its Board and their Committees.

Performance evaluation of each Director was carried out based on the criteria as laid down by the Nomination & remuneration Committee.

The broad criteria followed for evaluation of performance of Directors includes aspects such as attendance at the meetings, participation and independence during the meetings, interaction with management, role and accountability, knowledge and proficiency. The performance evaluation of the Managing Director and Whole-Time Directors was based on business achievements of the company.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE (erstwhile shareholders'/investors' grievance committee):**

The Board has constituted a Stakeholder Relationship Committee for the purpose of effective redressal of the complaints of the shareholders such as Dematerialisation, Share Transfer, Non-receipt of Balance Sheet etc.

The composition of the Stakeholders Relationship Committee as on 11.08.2018 and 13.02.2019 and the details of the meetings attended by the Directors are given below:-

Name of the Member	Designation	Category	No. of Committee Meetings held	Committee Meeting attended
Mr. Dipen M Shah	Chairman	Independent & Non-Executive	2	2
Mr. Pradeep R Bhutoria	Member	Executive	2	2

Two Meeting of Stakeholders Relationship Committee was held during the year under review and date on which of meeting of Stakeholders Relationship Committee held was 11/08/2018 and 13/02/2019.

Details of investor complaints Received and redressed during the financial year 2018-19 are as follows:

Opening Balance	Received during the Year	Resolved During the Year	Closing Balance
0	12	8	4

During the year under review, the Committee met as and when required and all the members have attended the meetings. The Committee looks into the redressal of Shareholders' complaints, which are summarized as follows:

- Approving transfer and transmission of shares
- Issue of duplicate share certificates
- Issue of new share certificate and to consider request for rematerialisation
- All other matters related to shareholders
- Looking into various complaints received from the shareholders and timely redressal of the same

All other requests like non-receipt of Annual Reports, change in address or any other details of the shareholders, etc., were resolved to the satisfaction of the shareholders. During the year, complaints received from the Shareholders have been resolved to the satisfaction of the shareholders. There was no outstanding complaint at the beginning of the year or at the end of the year.

**6. INDEPENDENT DIRECTORS MEETING**

With reference to the Schedule IV of the Companies Act, 2013 one meeting of the Independent Directors was held on 29<sup>th</sup> March, 2019. All the Independent Directors have attended the meeting. At the meeting, the Independent Directors reviewed the performance of the non-independent directors and the Board as whole and assessed the quality, quantity 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.

**Familiarization programme for Independent Directors:**

Independent Directors at the time of their appointment are given the formal appointment letter mentioning various terms and conditions of their engagement. Independent Directors of the company are made aware of their role, duties, rights and responsibilities at the time of their appointment.

Independent Directors have visited the plants of the company for understanding of manufacturing operations and different processes of their plants.

The Board of Directors have complete access to the information within the company and to interact with senior management personnel. Independent Directors have freedom to interact with the management of the company.

The Familiarization program has been conducted during the year under review and different aspects such as legal compliance management, corporate governance and role of independent directors has been covered in the same.

**7. GENERAL BODY MEETINGS:**

Details of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Venue	Special Resolution passed
2016-17	27-09-2016	2.00 p.m.	Registered Office at Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382 721. Dist: Gandhinagar.	NIL
2017-18	05-09-2017	2.00 p.m.		NIL
2018-19	21-09-2018	2.00 p.m.		Yes

**8. DISCLOSURES:**

- a) The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company at large.
- b) There has neither been any intentional non compliance of any legal provision of applicable law, nor any penalty, structure imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.
- c) The Board of Directors has adopted the policy on Related Party Transactions and the same has been uploaded on the <http://www.griltarp.com/> website of the company.
- d) Related party transactions are disclosed in the Note forming Parts of Accounts in this Annual Report.
- e) While preparing the financial statements, the company has followed all relevant accounting standards.
- f) The Company has formulated a Risk Management Policy duly approved by the Board of Directors in terms of Section 177 of the Companies Act, 2013 read with Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

- g) The company has implemented the Whistle Blower policy and the same has been reviewed by the Audit Committee. No complaints have been received under the policy during the financial year under review. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the company and the same has been uploaded on the <http://www.griltarp.com/> website of the company.
- h) The company has a well-defined 'Code of Business Conduct' applicable to all the Board members and senior management personnel. The compliance to 'Code of Business Conduct' has been affirmed by the Managing Director of the company. The certificate for the affirmation to the same forms part of the Corporate Governance Report.
- i) The Managing Director of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of as provided under Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Executive Chairman also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013 during the financial year 2018-19:
- Number of complaint filed during financial year: Nil
  - Number of complaint disposed of during financial year: Nil
  - Number of complaint pending as on end of the financial year: Nil

#### 9. MEANS OF COMMUNICATIONS:

- a) In compliance with the requirements of the Listing Agreement, the Company is regularly intimates Unaudited/ Audited Financial Results to the Stock Exchange/s immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in 'Western Times' (English and Gujarati).

Results are displayed on Website of the Company and Quarterly results are not sent individually to the Shareholders.

- b) During the year ended on 31<sup>st</sup> March, 2019, no presentation was made to Institutional Investors or analyst or any other enterprise.
- c) Management Discussion and Analysis form part of the Annual Report.

#### 10. SHAREHOLDERS' INFORMATION:

A	<b>Registered Office</b>	Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382721 Dist: Gandhinagar.	
B	<b>Annual General Meeting</b>	Day	Monday
		Date	30 <sup>th</sup> September, 2019
		Time	2.00 p.m.
		Venue	Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382721 Dist: Gandhinagar.
C	<b>Tentative Financial Calendar</b>	<b>Quarterly Unaudited Result</b>	
		Quarter Ending 30 <sup>th</sup> June, 2019	On 14 <sup>th</sup> August, 2019
		Quarter Ending 30 <sup>th</sup> September, 2019	On or before 14 <sup>th</sup> November, 2018
		Quarter Ending 31 <sup>st</sup> December, 2019	On or before 14 <sup>th</sup> February, 2019
		<b>Annual Audited Result</b>	

		Year ending 31 <sup>st</sup> March, 2020	Within 60 days from 31 March, 2019
D	<b>Book Closure Dates</b>	<b>From</b>	<b>To</b>
		24 <sup>th</sup> September, 2019	30 <sup>th</sup> September, 2019
E	<b>Registrar and Share Transfer Agents</b>	<b>M/s. Link Intime India Private Limited.</b> Ahmedabad Branch, 5 <sup>th</sup> Floor, 506 To 508, Amarnath Business Centre – 1, (ABC-1), Besides Gala Business Centre, Nr. St. Xavier's Collage Corner, Off. C. G. Road, Ahmedabad – 380 006. (o): 079 – 2646 5179 e-mail id: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>	
F	<b>ISIN</b>	INE610B01024	
G	<b>Dividend Payment Date</b>	The Company has not declared Dividend	
H	<b>Stock Exchange Code</b>	<b>Stock Exchange</b>	<b>Code</b>
		BSE Limited National Stock Exchange of India	523836 GUJRAFFIA

k) Stock Price Data: The shares of the Company were traded on both BSE Limited and National Stock Exchange of India Ltd(NSE). The information on stock price data are as under:

Month	Share price BSE		BSE Sensex		BSE volume (No of shares)	Share price NSE		NSE Nifty		NSE volume (No of shares)
	High (Rs.)	Low (Rs.)	High	Low		High (Rs.)	Low (Rs.)	High	Low	
April, 18	52.60	40.05	35213.3	32972.56	4731	46.20	35.55	10759.00	10111.30	10,908
May, 18	39.90	29.50	35993.53	34302.89	3382	41.65	26.95	10929.20	10417.80	17,639
June, 18	30.85	26.45	35877.41	34784.68	2388	28.35	22.60	10893.25	10550.90	2,053
July, 18	26.00	19.10	37644.59	35106.57	4829	28.90	25.65	11366.00	10604.65	1,009
Aug, 18	30.30	21.05	38989.65	37128.99	6310	30.75	25.75	11760.00	11234.95	2,825
Sep, 18	27.35	20.85	38934.35	35985.63	3812	26.00	19.25	11751.80	10850.30	6,087
Oct, 18	22.50	18.35	36616.64	33291.58	1248	20.20	17.20	11035.65	10004.55	965
Nov, 18	18.30	17.45	36389.22	34303.38	870	17.05	16.20	10922.45	10341.90	685
Dec, 18	21.15	18.05	36554.99	34426.29	8146	18.05	16.00	10985.15	10333.85	3,292
Jan, 19	19.45	16.15	36701.03	35375.51	2741	17.50	14.25	10987.45	10583.65	1,499
Feb, 19	17.60	14.00	37172.18	35287.16	1550	15.00	13.25	11118.10	10585.65	120624
Mar, 19	16.78	13.54	38748.54	35926.94	4795	16.25	13.30	11630.35	10817.00	37,938

## j) Share Transfer System:

The transfer of shares in physical form is processed and completed by M/s. Link Intime India Private Limited generally within a period of 15 days from the date of receipt thereof.

In case of Shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

 k) Distribution of Shareholding as on 31<sup>st</sup> March, 2019:

No. of Equity Shares held	No. of Shareholders	% of Share holders	No. of Shares held	% of Shareholding
1 to 500	26,681	98.5593	2412455	44.6379
501 to 1000	221	0.8164	166965	3.0894
1001 to 2000	91	0.3362	122674	2.2698
2001 to 3000	34	0.1256	82618	1.5287
3001 to 4000	5	0.0185	17096	0.3163
4001 to 5000	9	0.0332	42531	0.7870
5001 to 10000	9	0.0332	58190	1.0767
10001 to above	21	0.0776	2501971	46.2942
<b>Grand Total</b>	<b>27,071</b>	<b>100.0000</b>	<b>54,04,500</b>	<b>100.0000</b>

 l) Category of Shareholders as on 31<sup>st</sup> March, 2019:

Category	No. of Shares held	% of Shareholding
Promoters including Promoter Company	21,15,792	39.15
Financial Institutions/ Banks	0	0.00
Mutual Fund	0	0.00
Bodies Corporate	49,597	0.92
NRIs	24,307	0.45
Foreign National	500	0.01
Other (Clearing Member)	72,998	1.35
Public	30,86,501	57.11
Hindu Undivided Family (HUF)	54,755	1.01
Trust	50	0.00
<b>Total</b>	<b>54,04,500</b>	<b>100%</b>

m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity: The Company has not issued any GDRs/ADRs.

n) Dematerialisation of Shares: The Company has entered into Shares Agreement with NSDL/CDSL for Dematerialisation of Shares.

As on 31<sup>st</sup> March, 2019, a total of 32,43,289 Shares of the Company which form 60.01% of the Share Capital of the Company stands dematerialised.

## 11. CODE OF CONDUCT

The Company has an approved Code of Conduct applicable to Directors and Senior Management personnel. A certificate of affirmation in this regard forms part of this Report as Annexure 1.

## 12. COMMODITY PRICE RISK AND FOREIGN EXCHANGE RISK



The Company has an elaborate Risk Management procedure covering Commodity risk Business Risk, Foreign Exchange Risk, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis within the risk appetite as approved from time to time by the Board of Directors.

### **13. RELATED PARTY TRANSACTIONS**

Transactions with related parties are disclosed in detail in Note to Accounts annexed to the financial statements for the year. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large.

### **14. CEO / CFO CERTIFICATION**

The Chairman/Managing Director and CFO have issued certificate pursuant to the provisions of under Regulation 17(8) of the (LODR) Reg, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

### **15. CAPITAL MANAGEMENT**

The Company considers the following components of its Balance Sheet to be managed capital:

1. Total equity – retained profit, share capital, securities premium.
2. Non-Current and Current maturities of Long term debt (Inter Corporate Deposits).

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure, if any.

### **16. PLANT LOCATIONS:**

The Company's Plant is situated at: Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382 721 Dist: Gandhinagar.

### **17. CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING APPOINTMENT AND DISQUALIFICATION OF DIRECTOR**

The Company has obtained the Certificate from Premjeet Singh, Company Secretaries in practice, certifying that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

### **18. ADDRESS FOR CORRESPONDENCE:**

For both Physical and Electronic Form:

#### **M/s. Link Intime India Private Limited.**

Ahmedabad Branch, 5<sup>th</sup> Floor 505 to 508 Amarnath Business Centre – 1 (ABC-1), Nr. St. Xavier Collage Road, Off C. G. Road, Navrangpura, Ahmedabad – 380 009, Tele. No. : (079) – 26465179, e-mail : ahmedabad@linkintime.co.in

For any assistance regarding correspondence dematerialisation of shares, share transfers, transactions, change of address, non-receipt of dividend or any other query, relating to shares:

**Registered Office** : Plot No. 455, Santej-Vadsar Road, Village: Santej,  
Taluka: Kalol-382 721 Dist: Gandhinagar.

**Telephone Nos.** : (079) 2970 2373

**Compliance Officer** : Mr. Hardik Patel is designated as Compliance Officer.

**By order of the Board of Directors  
For Gujarat Raffia Industries Limited**

**Date : 29<sup>th</sup> May, 2019  
Place : Santej**

**Sd/-  
Pradeep R Bhutoria  
Chairman & Managing Director  
DIN:-00284808**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
**THE MEMBERS,  
GUJARAT RAFFIA INDUSTRIES LIMITED**  
SANTEJ

I, Pradeep Bhutoria, Managing Director, of Gujarat Raffia Industries Limited hereby declare that all the board members and senior executives one level below the executive directors including all functional heads have affirmed for the financial year ended 31<sup>st</sup> March, 2019, compliance with the code of conduct of the Company laid down for them.

**Date : 29<sup>th</sup> May, 2019**  
**Place : Santej**

**Sd/-**  
**Pradeep R Bhutoria**  
**Chairman & Managing Director**  
**DIN:-00284808**

**Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification under Regulation 17(8) of the (LODR) Reg, 2015**

To,  
**The Board of Director**  
Gujarat Raffia Industries Limited  
Santej

**Mr. Pradeep Bhutoria, Managing Director** in terms of Companies Act, 2013 and **Mr. Ramaakant Pandey, Chief Financial Officer** of the Company hereby certify to the Board that:

- A.** We have reviewed financial statements and the cash flow statement of Gujarat Raffia Industries Limited for the year ended 31<sup>st</sup> March, 2019 and to the best of their knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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 their 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.** They accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D.** They have indicated to the auditors and the Audit committee:
1. that there are no significant changes in internal control over financial reporting during the year;
  2. that there are no significant changes in accounting policies during the year; and
  3. that there are no instances of significant fraud of which we have become aware.

**Place:- Santej**  
**Date:- 29<sup>th</sup> May, 2019**

**Sd/-**  
**Pradeep Bhutoria**  
**Managing Director**

**Sd/-**  
**Ramaakant Pandey**  
**Chief Financial Officer**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members of**  
**Gujarat Raffia Industries Limited**  
Santej

We have examined the compliance of conditions of Corporate Governance by **M/s. Gujarat Raffia Industries Limited**, for the year ended on **31<sup>st</sup> March, 2019** as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) of the said Company with stock exchanges in India. We have conducted over review on the basis of relevant records and documents maintained by the Company for the year ended **31<sup>st</sup> March, 2019** and furnished to us for the purpose of the review and the information and explanation given to us by the Company during the course of review.

**MANAGEMENT'S RESPONSIBILITY**

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 compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**AUDITORS' RESPONSIBILITY**

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.

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.

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 (Revised 2016) issued by the ICAI which 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**

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 paras C and D of Schedule V of the Listing Regulations during the year ended **31 March 2019**.

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 M/s V S AGARWAL & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No. :141089W**  
**Sd/-**  
**CA. Shikha Agarwal**  
**Partner**  
**Membership No. : 066763**

Date: 29/05/2019  
Place: AHMEDABAD

**MANAGEMENT DISCUSSION AND ANALYSIS****a. Economic and Business Overview:**

Despite the tumultuous global economic environment, the INR suffered in the wake of the crude price, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Despite softer growth, the Indian economy remained one of the fastest growing and possibly the least affected by global turmoil. In fact, the effects of such external shocks were contained in part by our country's strong macroeconomic fundamentals and responsive policy changes.

The Indian textiles industry is expected to reach US\$ 230 billion by 2020. The Indian Textile Industry contributes approximately 2 per cent to India's Gross Domestic Product (GDP), 10 per cent of manufacturing production and 14 per cent to overall Index of Industrial Production (IIP).

According to The IMF, "In India, growth is projected to pick up to 7.3% in 2019 (2019-20) and 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy,

**b. Industry Structure and Developments:**

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

**c. Opportunities and Threats:**

The HDPE/PP woven Sacks/ Bags industry as a whole will be benefited by relaxation of Jute Mandatory and Packaging order subject to which will be enable Food Corporation of India and other agencies to pack of food grains in HDPE/PP Bags. HDPE/ PP Bags sector is the biggest sector in India for packaging. The Company has successfully initiated its efforts for increasing exports and has set a target of exporting more than 40% of its production.

**d. Segment wise Performance:**

The Company is operating only in one segment. The turnover/performance of the Company has been disclosed in the Directors report under the Head "Review of Operations, sales and working results."

**e. Recent Trend and Future Outlook:**

In spite of economic slowdown, the company is quite positive of better results as the Company has sizable presence in fertilizer and agriculture sector. The opening up of food grains sector will enable the woven sacks industry to see better times again. We had done expansion work of our plant it is completed at the end of this year so, our production capacity also increased. We are expecting growth in Domestic market for Tarpaulin, fabric and sacks also.

**f. Risks and Concerns:**

The industry is plagued by intense competition due to major petrochemical manufacturers making available raw material abundantly.

**g. Internal Control Systems and their Adequacy:**

The Company has adequate internal audit and control systems. Internal auditors comprising of Chartered Accountants have been entrusted the job to conduct regular internal audits at all units and report the lapses, if any, to the management. Both Internal auditors and Statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up and remedial measures are being taken including review and increase in the scope of coverage, wherever necessary. The Audit Committee of Directors in its periodical meetings, review the adequacy of internal control systems and procedures and suggest areas of improvements.

The Company has undertaken a detailed exercise to revisit its control systems in technical and other non financial areas to align them properly with Management Information Systems (MIS) to make MIS more efficient and result oriented. Information technology base created by the Company over the period is providing a very useful helping hand in the process. Needless to mention that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain the central point of the entire control system.

**h. Financial Performance with respect to Operational Performance:**

The financial performance of the company for the year 2017-2018 is described in the Director's report under the head "Review of Operations, sales and working results."

**i. Material Developments in Human Resources and Industrial Relations Front:**

The Company has continued to give special attention to Human Resources/ Industrial relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock out etc.

**j. Cautionary Statement:**

Statement in this Management Discussion and Analysis Report, Describing the Company's objectives, estimated and expectations may constitute "Forwarding Looking Statements" within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

**Date : 29<sup>th</sup> May, 2019**

**Place : Santej**

**For and on behalf of the Board,  
Gujarat Raffia Industries Limited**

**Sd/-**

**Pradeep Bhutoria  
Chairman & Managing Director  
DIN:-00284808**

**INDEPENDENT AUDITORS' REPORT**

**TO,  
THE MEMBERS OF  
GUJARAT RAFFIA INDUSTRIES LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **GUJARAT RAFFIA INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2019**, the Statement of Profit and Loss, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2019, and its profit /loss for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

This report doesn't include a statement on the matters specified in paragraph 3 and 4 of the companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. Since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company.

**As required by Section 143 (3) of the Act, we report that:**

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on **31/03/2019** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2019** from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, refer to our separate report in "**Annexure B**"., in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For M/s V S AGARWAL & ASSOCIATES**

**Chartered Accountants**

**Firm Reg. No. :141089W**

**SD/-**

**CA. Shikha Agarwal**

**Partner**

**Membership No. : 066763**

**Date: 29/05/2019**

**Place: AHMEDABAD**



**"Annexure A" to the Independent Auditor's Report of even date on the Standalone Financial Statements of GUJARAT RAFFIA INDUSTRIES LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **GUJARAT RAFFIA INDUSTRIES LIMITED** ("The Company") as of **March 31, 2019** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

**For M/s V S AGARWAL & ASSOCIATES**

**Chartered Accountants**

**Firm Reg. No. :141089W**

**Sd/-**

**CA. Shikha Agarwal**

**Partner**

**Membership No. : 066763**

**Date: 29/05/2019**

**Place: AHMEDABAD**

**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**  
**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on**  
**31<sup>st</sup> March 2019**

**To,**  
**The Members of**  
**GUJARAT RAFFIA INDUSTRIES LIMITED**

**1) In Respect of Fixed Assets**

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management in accordance with a regular programme of verification which, in our opinion, provided for physical verification of all the fixed assets at reasonable intervals; According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) We have inspected the original title deeds of immovable properties of the company held as fixed assets which are in custody of the company. We have obtained third party confirmations in respect of immovable properties of the company held as fixed assets which are in the custody of third parties such as mortgagees. Based on our audit procedures and the information and explanation received by us, we report that all the title deeds of immovable properties are held in the name of the company. However, we express no opinion on the validity of the title of the company to these properties.

**2) In Respect of Inventories**

As explained to us, the inventories were physically verified by the management during the year at reasonable interval. No material discrepancies were noticed on such verification.

**3) Compliance under section 189 of The Companies Act, 2013**

In our opinion and according to the information and explanations given to us by the company, company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the clauses 3 (a), (b) and (c) are not applicable to the company and hence not commented upon.

**4) Compliance under section 185 and 186 of The Companies Act , 2013**

In our opinion and according to the information and explanations given to us, the company have complied with the provisions of section 185 and 186 of the Companies Act, 2013, while doing transaction for loans, investments, guarantees, and security.

**5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits**

In our opinion and according to the information and explanations given to us, the company have complied with the provisions of section 73, section 76 and other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 with regards to the deposits accepted from the members and the public. No order has been passed by the National Company Law Tribunal or Company Law Board or any Court or any other Tribunal with regard to deposits.

**6) Maintenance of cost records**

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The Company is not required to maintain cost records pursuant to the Rules made by the Central  
GUJARAT RAFFIA INDUSTRIES LIMITED

Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**7) Deposit of Statutory Dues**

(a) The company has generally been regular in depositing the undisputed statutory dues including provident fund, employees` state insurance, income tax, sales, tax wealth tax, service tax, custom duty, excise duty, Goods and Services Tax, Cess and other statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the March 31, 2019 for a period of more than six months from the date they became payable.

(b) There are no dues of Income tax, Wealth tax, Sales tax, Value added tax, Service tax, Custom Duty, Excise duty, Goods and Services Tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

**8) Repayment of Loans and Borrowings**

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank and Government. The Company has not issued any debentures.

**9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised**

According to the records of the company has not raised any money by way of initial public offer or further public offer {including debt instruments) and term loans. Hence this clause is not applicable.

**10) Reporting of Fraud During the Year**

Based on our audit procedures and the information and explanation made available to us by the management no such fraud noticed or reported during the year.

**11) Managerial Remuneration**

Based on our audit procedures and the information and explanation made available to us by the management, Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

**12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us The company is not Nidhi Company.

**13) Related party compliance with Section 177 and 188 of companies Act – 2013**

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

**14) Compliance under section 42 of companies act 2013 regarding private placement of shares of Debentures**

Based on our audit procedures and the information and explanation made available to us by the management, the company has not made any preferential allotment/ private placement of shares or full or partially convertible debentures during the year under review. Accordingly this clause is not applicable to the company and hence not commented upon.

**15) Compliance under section 192 of companies act 2013**

Based on our audit procedures and the information and explanation made available to us by the

management, the company has not entered into any non cash transactions with directors or persons connected with him. Accordingly this clause is not applicable to the company and hence not commented upon.

**16) Requirement of registration under 45-IA of Reserve Bank of India Act 1934**

Based on our audit procedures and the information and explanation made available to us by the management, the company is not required to be registered under section 45-IA of Reserve Bank of India Act 1934. Accordingly this clause is not applicable to the company and hence not commented upon.

**For M/s V S AGARWAL & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No. :141089W**

**Sd/-**  
**CA. Shikha Agarwal**  
**Partner**  
**Membership No. : 066763**

**Date: 29/05/2019**  
**Place: Ahmedabad**

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Balance Sheet as at 31st March, 2019**

(In rupees)

Particulars		Note No.	As at 31-03-2019	As at 31-03-2018
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and Equipment		1	95,732,556	101,853,677
(b) Capital work-in-progress				
(c) Investment property				
(d) Goodwill				
(e) Other intangible assets		2	-	-
(f) Intangible assets under development				
(g) Biological Assets other than bearer plants				
(h) Financial assets				
(i) Investments				
(ii) Trade receivables				
(iii) Loans				
(iv) Other financial assets				
(i) Deferred tax assets (net)				
(j) Other non-current assets		3	-	-
			<b>95,732,556</b>	<b>101,853,677</b>
<b>2 Current assets</b>				
(a) Inventories		4	94,966,362	86,451,002
(b) Financial Assets				
(i) Investments				
(ii) Trade receivables		5	107,611,789	97,834,466
(iii) Cash and cash equivalents		6	52,004,178	26,955,920
(iv) Other Bank balances		7	2,326,636	751,661
(v) Loans		8	-	-
(vi) Other financial assets		9	9,319,910	8,410,591
(c) Current tax assets (Net)		10	2,669,953	1,292,473
(d) Other current assets		11	7,759,092	729,020
			<b>276,657,920</b>	<b>222,425,133</b>
<b>Total Assets</b>			<b>372,390,476</b>	<b>324,278,810</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital		12	54,045,000	49,947,750
(b) Other Equity		13	110,491,257	91,032,832
			<b>164,536,257</b>	<b>140,980,582</b>
<b>Liabilities</b>				
<b>1 Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
Total outstanding due of				
(A) Micro enterprises and small enterprises				
(B) Creditors other than micro enterprises and small enterprises				
(iii) Other financial liabilities		14	6,515,661	4,737,410
(b) Provisions		15	2,438,289	2,214,721
(c) Deferred tax liabilities (Net)				
(d) Other non-current liabilities				
			<b>8,953,950</b>	<b>6,952,131</b>
<b>2 Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		16	109,120,411	81,896,005
(ii) Trade payables				
Total outstanding due of				
(A) Micro enterprises and small enterprises				
(B) Creditors other than micro enterprises and small enterprises		17	45,522,489	17,387,050
(iii) Other financial liabilities				
(b) Other current liabilities		18	41,617,016	74,533,689
(c) Provisions		19	-	-
(d) Current tax liabilities (Net)		20	2,640,353	2,529,353
			<b>198,900,269</b>	<b>176,346,097</b>
<b>Total Equity and Liabilities</b>			<b>372,390,476</b>	<b>324,278,810</b>

Notes accompanying to the financial statements

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**V S Agarwal & Associates**  
 Chartered Accountants  
 FRN : 141089W

**For, Gujarat Raffia Industries Limited**

 Pradeep Bhutoria      Sushma Bhutoria  
 Managing Director      Wholetime Director

 (CA. Shikha Agarwal)  
**Partner**  
 Membership No. : 066763  
 Ahmedabad, Dated : 29th May, 2019

 Hardik J. Patel      Ramaakant R. Pandey  
 Company Secretary      Chief Finance Officer

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Statement of Profit and Loss for the year ended 31st March, 2019**

		(In rupees)		
	Particulars	Note No.	Year ended 31-03-2019	Year ended 31-03-2018
I.	Revenue From Operations	21	475,573,416	386,178,716
II.	Other Income	22	4,299,250	77,148
III.	<b>Total Income (I+II)</b>		<b>479,872,666</b>	<b>386,255,864</b>
IV.	<b>EXPENSES</b>			
	Cost of materials consumed	23	337,961,358	277,191,532
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	24	17,109,363	18,123,844
	Employee benefits expense	25	14,857,075	13,018,657
	Finance costs	26	7,151,550	9,142,626
	Depreciation and amortization expense	1 & 2	10,651,382	12,102,784
	Other expenses	27	80,584,276	45,958,966
	<b>Total expenses (IV)</b>		<b>468,315,004</b>	<b>375,538,409</b>
V.	Profit/(loss) before exceptional items and tax (III- IV)		11,557,662	10,717,455
VI.	Exceptional Items		-	-
VII.	Profit/(loss) before tax (V-VI)		11,557,662	10,717,455
VIII.	Tax expense:			
	(1) Current tax		2,311,000	2,200,000
	(2) Deferred tax		31,362	-
IX.	Profit (Loss) for the period from continuing operations (VII-VIII)		9,215,300	8,517,455
X	Profit/(loss) from discontinued operations		-	-
	Tax expense of discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		9,215,300	8,517,455
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Re-measurement gains / (losses) on defined benefit plans		-	-
	Income tax effect		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			-	-
XV	Total Comprehensive Income for the period (XIII+XIV)		9,215,300	8,517,455
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		1.71	1.71
	(2) Diluted		1.71	1.71
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic		1.71	1.71
	(2) Diluted		1.71	1.71

Notes accompanying to the financial statements 28

**V S Agarwal & Associates**  
 Chartered Accountants  
 FRN : 141089W

**For, Gujarat Raffia Industries Limited**

 Pradeep Bhutoria      Sushma Bhutoria  
 Managing Director      Wholetime Director

 (CA. Shikha Agarwal)  
**Partner**  
 Membership No. : 066763  
 Ahmedabad, Dated: 29th May, 2019

 Hardik J. Patel      Ramkant R. Pandey  
 Company Secretary      Chief Finance Officer

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Statement of changes in Equity for the year ended 31st March, 2019**
**A. Equity Share Capital**

Particulars	Number of shares	Amount in rupees
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Balance at the beginning of the reporting year	4,994,775	49,947,750
Changes in equity share capital during the year	409,725	4,097,250
Balance at the end of the reporting year	5,404,500	54,045,000

**B. Other Equity**

Particulars	Reserves and Surplus					Total	OCI	
	Capital Reserve	General Reserve	Reserve for Forfeited Shares	Securities Premium	Retained Earnings		Other items of comprehensive income	Total
<b>Balance as at April 1, 2017</b>	2,301,699	16,906,075	229,150	-	63,078,453	82,515,377	-	-
Profit for the year	-	-	-	-	8,517,455	8,517,455	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	-	-	8,517,455	8,517,455	-	-
Dividends	-	-	-	-	-	-	-	-
Transfer during the year	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	2,301,699	16,906,075	229,150	-	71,595,908	91,032,832	-	-
<b>Balance as at April 1, 2018</b>	2,301,699	16,906,075	229,150	-	71,595,908	91,032,832	-	-
Profit for the year	-	-	-	10,243,125	9,215,300	19,458,425	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	-	-	9,215,300	9,215,300	-	-
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	2,301,699	16,906,075	229,150	10,243,125	80,811,208	110,491,257	-	-

Note : None of the aforesaid reserves have been created for any specific purpose or for meeting any specific liability

**V S Agarwal & Associates**  
Chartered Accountants  
FRN : 141089W

**For, Gujarat Raffia Industries Limited**

(CA. Shikha Agarwal)  
**Partner**  
Membership No. : 066763  
Ahmedabad, Dated: 29th May, 2019

Sushma Bhutoria  
Wholetime Director

Pradeep Bhutoria  
Managing Director

Ramkant R. Pandey  
Chief Finance Officer

Hardik J. Patel  
Company Secretary



**GUJARAT RAFFIA INDUSTRIES LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

	Year ended March 31, 2019	Year ended March 31, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	11,557,662	10,717,455
<i>Add/(Less) : Adjustments for non cash items</i>		
Depreciation	10,651,382	12,102,784
Provision for tax		
<i>Add/(Less) : Other adjustments</i>		
(Profit)/Loss on Sale of Tangible/Intangible assets	-	-
Interest Income	(522,898)	(77,148)
Interest and Other Borrowing Cost Paid	7,151,550	9,142,626
Re-measurement gains/loss on defined benefits plan	-	-
Operating Profit before Working Capital Changes	<b>28,837,696</b>	<b>31,885,717</b>
<i>Add/(Less) : Adjustments for working capital changes</i>		
<b>Changes in Current Assets</b>		
Decrease / (Increase) in Inventory	(8,515,360)	10,023,581
Decrease / (Increase) in Trade Receivables	(9,777,323)	8,079,559
Decrease / (Increase) in Other bank balances		
Decrease / (Increase) in loans and other financial assets	(909,319)	(1,275,861)
Decrease / (Increase) in Current tax assets	(1,377,480)	4,717,986
Decrease / (Increase) in Other current assets	(7,030,072)	(317,276)
<b>Changes in Current Liabilities</b>		
(Decrease) / Increase in Trade Payables	28,135,439	(1,831,545)
(Decrease) / Increase in Other Current Liabilities	(32,916,673)	(16,079,171)
(Decrease) / Increase in Provisions	223,568	220,437
(Decrease) / Increase in Current tax liabilities	(2,231,362)	(769,090)
<b>Net cash generated from operations :</b>	<b>(5,560,886)</b>	<b>34,654,337</b>
<b>B NET CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment/intangible assets	(4,530,261)	(845,140)
Sale of property, plant & equipment	-	-
Change in other non current assets	-	-
Interest Income	522,898	77,148
<b>Net cash used in investing activities :</b>	<b>(4,007,363)</b>	<b>(767,992)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Changes in current borrowings	27,224,406	13,018,993
Changes in non current : other financial liabilities	3,085,865	(15,539,131)
Changes in non current provisions	(1,307,614)	1,368,841
Interest and Other Borrowing Cost Paid	(7,151,550)	(9,142,626)
Dividend paid including Corporate dividend tax	14,340,375	-
<b>Net cash generated from financing activities :</b>	<b>36,191,482</b>	<b>(10,293,923)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>26,623,233</b>	<b>23,592,422</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>27,707,581</b>	<b>4,115,159</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>54,330,814</b>	<b>27,707,581</b>

**Notes:**

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

2. Purchase of property, plant & equipment / intangible assets include movement of capital work-in-progress during the year.

3. Cash and cash equivalents comprises :	As at 31.03.2018	As at 31.03.2019
Balances in current account with banks	51,406,024	25,884,067
Cash on hand	2,924,790	1,823,514
<b>Cash and cash equivalents in Cash Flow Statement</b>	<b>54,330,814</b>	<b>27,707,581</b>

4. Ind AS 7 cash flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liability arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet disclosure requirement.

Particulars	As at 31.03.2018	Cash flows/non cash changes	As at 31.03.2019
Borrowings - Non Current	-	-	-
Borrowings - Current	81,896,005	27,224,406	109,120,411

**V S Agarwal & Associates**  
Chartered Accountants  
FRN : 141089W

**For, Gujarat Raffia Industries Limited**

Pradeep Bhutoria  
Managing Director

Sushma Bhutoria  
Wholetime Director

(CA. Shikha Agarwal)

**Partner**  
Membership No. : 066763  
Ahmedabad, Dated: 29th May, 2019

Hardik J. Patel  
Company Secretary

Ramkant R. Pandey  
Chief Finance Officer

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Note - 1 Property, Plant and Equipments**

(In rupees)

Sr. No.	Description of assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		Balance as at 01-04-2018 Rs.	Additions Rs.	Deduction Rs.	Balance as at 31-03-2019 Rs.	Balance as at 01-04-2018 Rs.	Provision For the Year Rs.	Deduction Rs.	Balance as at 31-03-2019 Rs.	Balance as at 31-03-2019 Rs.	Balance as at 31-03-2018 Rs.
1	BUILDINGS	33,510,318	-	-	33,510,318	9,223,420	1,089,489	-	10,312,909	23,197,409	24,286,898
2	PLANT AND MACHINERY	244,799,547	-	-	244,799,547	170,044,535	9,252,099	12	179,296,646	65,502,901	74,755,012
3	FURNITURE AND FITTINGS	2,430,890	-	-	2,430,890	2,236,000	13,436	-	2,249,436	181,454	194,890
4	MOTOR VEHICLES	3,252,921	4,426,925	-	7,679,846	2,163,919	183,037	-	2,346,956	5,332,890	1,089,002
5	OFFICE EQUIPMENT	1,793,839	103,336	-	1,897,175	1,561,896	113,309	-	1,675,205	221,970	231,943
6	LAND	1,295,932	-	-	1,295,932	-	-	-	-	1,295,932	1,295,932
	Total	287,083,447	4,530,261	-	291,613,708	185,229,770	10,651,370	12	195,881,152	95,732,556	101,853,677
	Previous year	286,238,307	845,140	-	287,083,447	173,126,986	12,102,784	-	185,229,770	101,853,677	113,111,321

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Note - 2 Other intangible assets**

(In rupees)

Sr. No.	Description of assets	GROSS BLOCK			AMORTISATION			NET BLOCK		
		Balance as at 01-04-2018 Rs.	Additions Rs.	Deduction Rs.	Balance as at 31-03-2019 Rs.	Balance as at 01-04-2018 Rs.	Provision Rs.	Deduction Rs.	Balance as at 31-03-2019 Rs.	Balance as at 31-03-2018 Rs.
1										
	Total	0	0	0	0	0	0	0	0	0
	Previous year	0	0	0	0	0	0	0	0	0

## GUJARAT RAFFIA INDUSTRIES LIMITED

### Note - 3 Other non- current assets

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered good</b>		
Security deposits	-	-
<b>Total</b>	-	-

### Note - 4 Inventories

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<i>(as taken, valued and certified by a director)</i>		
Raw Materials	59,891,787	34,121,564
Work-in-progress	4,279,944	45,613,334
Finished Goods	28,869,931	4,378,128
Stores and Spares	1,678,500	1,824,000
Scrap	246,200	513,976
<b>Total</b>	94,966,362	86,451,002

### Note - 5 Financial assets - Current : Trade receivables

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Unsecured</b>		
Outstanding exceeding six months from the date they are due for payment: Considered Good	23,241,626	-
Others-Considered Good	84,370,163	97,834,466
<b>Total</b>	107,611,789	97,834,466
Includes dues from related parties	-	-

## GUJARAT RAFFIA INDUSTRIES LIMITED

### Note - 6 Financial assets - Current : Cash and cash equivalents

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Balances in current account with banks	49,079,388	25,132,406
Cash on hand	2,924,790	1,823,514
<b>Total</b>	<b>52,004,178</b>	<b>26,955,920</b>

### Note - 7 Financial assets - Current : Other bank balances

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Balances in term deposit accounts with bank	2,326,636	751,661
<b>Total</b>	<b>2,326,636.0</b>	<b>751,661.0</b>

### Note - 8 Financial assets - Current : Loans

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>Loans to employees</b>		
<b>Unsecured</b>		
Considered good	-	-
Considered doubtful - credit impaired	-	-
Less: Allowances for credit impairment losses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Note - 9 Financial assets - Current : Others

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered good</b>		
Advances recoverable in cash or in kind or for value to be received	9,319,910	8,410,591
<b>Total</b>	<b>9,319,910</b>	<b>8,410,591</b>

## GUJARAT RAFFIA INDUSTRIES LIMITED

### Note - 10 Current tax assets (net)

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Advances to Suppliers	2,669,953	1,292,473
<b>Total</b>	<b>2,669,953</b>	<b>1,292,473</b>

### Note - 11 Other current assets

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered good</b>		
Balances with government authorities		
Balances with Custom/ Central Excise/Sales/GST Tax Authorities	7,759,092	729,020
<b>Total</b>	<b>7,759,092</b>	<b>729,020</b>

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Note - 12 Equity Share Capital**

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Authorised share capital</b>		
11000000 (Previous year 11000000) equity shares of Rs.10 each	110,000,000	110,000,000
<b>Total</b>	<b>110,000,000</b>	<b>110,000,000</b>
<b>Issued , subscribed and fully paid share capital</b>		
5404500 (previous year - 4994775) equity shares of Rs.10 each fully paid up ( Equity shares are pari-passu in voting rights, dividend rights etc. inter-se )	54,045,000	49,947,750
<b>Total</b>	<b>54,045,000</b>	<b>49,947,750</b>

**Reconciliation of Share capital**

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
4994775 equity shares of Rs.10 each at the beginning of the year	49,947,750	49,947,750
Add : Shares issued during the year (409725 equity shares of Rs. 10 each during the year)	4,097,250	-
5404500 (Previous Year 4994775) equity shares of Rs.10 each at the end of the year	<b>54,045,000</b>	<b>49,947,750</b>

**List of shareholders holding more than 5 % of shares**

Name	No. of shares held	% of Holding
Pradeep Bhutoria	669,029	12.38%
Bengal Business LLP	510,304	9.44%
Asian Gases Limited	441,235	8.16%

**Note - 13 Other Equity**

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Reserves and Surplus</b>		
<b>Capital Reserve</b>		
Balance as per last year	2,301,699	2,301,699
<b>Reserve for Forfeited Shares</b>		
Balance as per last year	229,150	229,150
<b>General Reserve</b>		
Balance as per last year	16,906,075	16,906,075
<b>Securities Premium Reserve</b>		
Received during year	10,243,125	-
<b>Retained Earnings</b>		
Balance as per last year	71,595,908	63,078,453
Less: Dividend and dividend distribution tax paid	-	-
Add: Profit for the year	9,215,300	8,517,455
Other comprehensive income for the year	-	-
Balance at the year end	<b>80,811,208</b>	<b>71,595,908</b>
<b>Total</b>	<b>110,491,257</b>	<b>91,032,832</b>

**GUJARAT RAFFIA INDUSTRIES LIMITED****Note - 14 Financial liabilities - Non current : Other financial liabilities**

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Secured borrowings From Banks	3,345,800	259,935
Unsecured borrowings Inter corporate deposits Director and their relatives	1,297,122 1,872,739	4,477,475 -
<b>Total</b>	<b>6,515,661</b>	<b>4,737,410</b>

**Note - 15 Non current provisions**

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>Provisions for employee benefits</b>		
Gratuity payable	2,438,289	2,214,721
<b>Total</b>	<b>2,438,289</b>	<b>2,214,721</b>

**Note - 16 Financial liabilities - Current : Borrowings**

(In rupees)

Particulars	As at 3/31/2019	As at 3/31/2018
Working Capital Loans from Banks	109,120,411	81,896,005
<b>Total</b>	<b>109,120,411</b>	<b>81,896,005</b>

**Note - 17 Financial liabilities - Current : Trade payables**

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Outstanding due to micro and small and medium enterprises	-	-
Outstanding due to creditors other than micro and small enterprises	45,522,489	17,387,050
<b>Total</b>	<b>45,522,489</b>	<b>17,387,050</b>

## GUJARAT RAFFIA INDUSTRIES LIMITED

### Note - 18 Other current liabilities

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Current Maturity of Long Term Debt Including Finance lease obligation	474,552	15,607,133
Advances from Debtors	40,892,464	56,007,718
Unpaid expenses	250,000	2,918,838
<b>Total</b>	<b>41,617,016</b>	<b>74,533,689</b>

### Note - 19 Current provisions

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Provisions for employee benefits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Note - 20 Current tax liabilities

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Provisions for Income Tax	2,640,353	2,529,353
<b>Total</b>	<b>2,640,353</b>	<b>2,529,353</b>



## GUJARAT RAFFIA INDUSTRIES LIMITED

### Note - 21 Revenue from operations

Particulars	(In rupees)	
	Year ended 31-03-2019	Year ended 31-03-2018
Sales	460,132,929	381,051,235
Net Gain on foreign currency transactions and translation	8,414,536	2,209,920
Freight Charges	330,830	762,066
Export Benefits	6,695,121	2,155,495
<b>Total</b>	<b>475,573,416</b>	<b>386,178,716</b>

### Note - 22 Other income

Particulars	(In rupees)	
	Year ended 31-03-2019	Year ended 31-03-2018
Interest income	522,898	77,148
Earlier Year Interest Subsidy	3,776,352	-
<b>Total</b>	<b>4,299,250</b>	<b>77,148</b>

### Details of Prior period Income / excess provisions of earlier years written back

Sr. No	Particulars	(In rupees)	
		Current Year	Previous Year
1	Excess provisions of income tax of earlier years written back		
	<b>Total</b>	-	-

### Note - 23 Cost of materials consumed

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Opening stock of raw materials	34,121,564	25,369,981
Add: Purchase of material and direct expenses	363,731,581	285,943,115
	397,853,145	311,313,096
Less: Closing stock of raw materials	59,891,787	34,121,564
<b>Total</b>	<b>337,961,358</b>	<b>277,191,532</b>

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Note - 24 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
<b>Closing stock at the year end</b>		
Work-in-Progress	4,279,944	45,613,334
Finished goods	29,116,131	4,892,104
	33,396,075	50,505,438
<b>Less : Opening stock</b>		
Work-in-Progress	45,613,334	49,672,841
Finished goods	4,892,104	18,956,441
	50,505,438	68,629,282
<b>Total</b>	17,109,363	18,123,844

**Note - 25 Employee benefits expense**

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
<b>Employee benefits expenses</b>		
Salaries, Bonus and wages	12,690,577	10,892,641
Contribution to provident and other funds	542,648	716,820
Staff welfare expenses	3,850	14,196
	13,237,075	11,623,657
<b>Directors' remuneration</b>	1,246,800	1,014,300
House Rent Allowance	201,600	208,800
Conveyance Allowance	132,600	133,650
Medical Allowance	39,000	38,250
	1,620,000	1,395,000
<b>Total</b>	14,857,075	13,018,657

**Note - 26 Finance costs**

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Interest on working capital borrowings from banks	2,571,939	5,893,738
Interest on Term Loan from Banks	2,582,324	2,211,430
Other finance cost	1,997,287	1,037,458
<b>Total</b>	7,151,550	9,142,626

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Note - 27 Other expenses**

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Consumption of Stores and spare parts	8,145,500	7,275,846
Other Manufacturing Expenses	2,650,724	1,627,356
Power & fuel	26,594,379	22,222,797
Repairs to Plant and Machinery	127,625	37,210
Repairs to Others	702,411	846,464
Insurance	290,858	85,808
Commission	1,671,851	1,468,367
Rates and Taxes [excluding taxes on income] (*)	166,234	110,564
Traveling Expenses	596,649	477,983
Legal and Professional Fees	1,254,433	1,854,905
Freight and forwarding on sales	30,255,994	3,996,346
Bad Debts	2,276,174	-
Other marketing expenses	199,684	70,408
Miscellaneous Expenses [**]	5,651,760	5,884,912
<b>Total</b>	<b>80,584,276</b>	<b>45,958,966</b>

[\*\*] Miscellaneous Expenses include Payment to the auditors as [Excluding GST]:

**Payments to auditors**

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Audit and tax audit fees	-	55,000
Income tax and other matters	-	15,000
<b>Total</b>	<b>-</b>	<b>70,000</b>

## **GUJARAT RAFFIA INDUSTRIES LIMITED**

**Year ended 31st March, 2019**

### **Note 28 Notes accompanying to the financial statements**

#### **(1) Company Background**

Gujarat Raffia Industries Limited, an Indian manufacturing company is incorporated and established in Gujarat near major sea ports. The company was founded in 1984. GRIL is one of the major manufacturers of PE Tarpaulin, Plastic Sheeting, Ground Sheeting, Geomembrane, Tents, Shelters, Pond Lining, Canal Lining, Fumigation cover, HDPE Woven Bags, PP Woven Bags, Vermibed and Ropes etc. The plants have all the latest manufacturing facilities and have top quality measures for good working environment.

#### **(2) Significant accounting policies and key accounting estimates and judgements**

##### **2.1 Basis of preparation of financial statements**

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in Indian rupee and all values are rounded to the nearest rupee, except

##### **2.2 Current / Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- > the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- > the asset is intended for sale or consumption;
- > the asset/liability is held primarily for the purpose of trading;
- > the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- > the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- > in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to

##### **2.3 Summary of significant accounting policies**

###### **a) Property, Plant and Equipment**

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of items of property, plant and equipment is mentioned below:

	<b>Years</b>
Factory Buildings	30
Buildings (other than factory buildings)	60
Fences, wells, tube wells	5
Plant and Equipment (other than continuous process plants)	15
General Furniture and Fittings	10
Office Equipment	5
Information Technology Hardware	10
Motor Cycles, Scooters and other Mopeds	10
Motor Buses, Motor Lorries and Motor cars	8
General Laboratory Equipment	10
Electrical Installations and Equipment	10

Freehold land is not depreciated.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property plant and equipment (as mentioned below) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 (Schedule III). The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Information Technology Hardware are depreciated over the estimated useful lives of 10 years, which is higher than the life prescribed in Schedule II

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**b) Intangible assets**

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any

Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

	<b>Years</b>
Information Technology Software	10

The Company, based on technical assessment made by technical expert and management estimate, depreciates Information Technology Software (as mentioned below) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 (Schedule III). The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Information Technology Software are depreciated over the estimated useful lives of 10 years, which is higher than the life prescribed in Schedule II

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

**c) Impairment**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, If any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

**d) Revenue**

Effective April,1 2018, The Company adopted Ind AS 115 "Revenue from Contract with Customer". Ind AS 115 supersedes Ind AS 11, Construction Contract and Ind AS 18, Revenue.

Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The impact of application of the Standard is not material.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company.

Revenue includes only the gross inflows of economic benefits received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as GST are excluded from revenue.

**Sale of products:**

Revenue from sale of products is recognized when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold.

**Rendering of services:**

Revenue from services is recognized when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted.

Interest, royalties and dividends:

Interest income is recognized using effective interest method. DEPB licence income / MEIS licence income / FPS income is recognized on an accrual basis in accordance with the substance of the relevant agreement. Dividend income is recognized when the right to receive payment is established.

**e) Inventory**

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components and consumables are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

In determining the cost of raw materials, packing materials, stores, spares, components and consumables, first in first out cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**f) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**> Financial Assets**

Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.



However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the

Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

> **Financial Liabilities**

Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

#### Subsequent measurement

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method

#### Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

### **g) Fair value**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- > In the principal market for the asset or liability, or
- > In the absence of principal market, in the most advantageous market for the assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**h) Foreign Currency Translation**Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

**i) Income Taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

**j) Provisions and Contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**k) Cash and Cash Equivalents**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

**l) Employee Benefits**

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

Defined Benefit plans:

i) Provident Fund scheme:

Contribution as required by the statute made to the Government provident fund is debited to Profit and loss statement.

**ii) Gratuity scheme:**

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

**m) Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

**n) Segment Reporting**

The Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by IND AS 108, "Operating Segments". The Company operates in one segment only i.e. "Manufacturing of Steel, Non – Alloys Steel and Alloys Steel Casting". The CODM evaluates performance of the Company based on revenue and operating income from "Manufacturing of Steel, Non – Alloys Steel and Alloys Steel Casting". Accordingly, segment information has not been separately disclosed.

**o) Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**p) Earnings per share**

Basic EPS is calculated in accordance with Ind AS - 33 'Earning per Share" by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated in accordance with Ind AS - 33 'Earning per Share" by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**q) Recent accounting pronouncements****Standards issued but not yet effective****Ind AS 116 Leases :**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- 1> Full retrospective - Restrospectively to each prior period presented applying Ind AS 8 Accounting policies, Changes in accounting estimates and errors
- 2> Modified retrospective - Restrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining

lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- > Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- > An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related

to that lease recognized under Ind AS 17 immediately before the date of initial application.

**Ind AS 12 Appendix C. Uncertainty over Income Tax Treatments**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible method of transition :

- 1> Full retrospective approach - under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight
- 2> Restrospectively, with the cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

**Amendment to Ind AS 12 - Income Taxes**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

**Amendment to Ind AS 19 - Plan amendment, curtailment or settlement**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

> to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and

> to recognise in profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The company will be adopting the amendments from their effective date.

#### **2.4 Key accounting estimates and judgements**

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

##### **Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

b. Defined benefit obligation



The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

c. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

d. Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

**(3) Employee benefits**

- (i) The company has recognized the following amounts in the profit and loss statement towards contributions to Provident fund

Fy 2018-19

Contribution towards provident fund:

Rs. 542,648

- (ii) The gratuity benefits have been valued in accordance with the rules of gratuity framed by the Company. The

Company reports gratuity defined benefit plan in accordance with Ind AS -19 "Employee Benefits"

Defined Benefit Obligations:

Gratuity benefit

- a) The amount recognized in the Balance sheet is as follows:

Particulars	(in rupees)	
	As on 31.3.2019	As on 31.3.2018
A. Present Value of defined benefit obligation	2,438,289	2,214,721
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Present value of unfunded obligations	0	0
Unrecognized past service cost	-	-
Net liability	0	0
B. Amounts reflected in the balance sheet		
Liabilities	2,438,289	2,214,721
Assets	-	-
Net Liability	2,438,289	2,214,721

- b) The Expenses recognized in the Statement of Profit or Loss is as follows:

(in rupees)

Particulars	As on 31.3.2019	As on 31.3.2018
Current service cost	223,568	220,437
Net interest cost	0	0
Past service cost	-	-
Expected contributions by the employees	-	-
(Gains)/ losses on curtailments and settlements	-	-
Net effect of changes in Foreign Exchange Rates	-	-
Expenses Recognized	223,568	220,437

b) The Expenses recognized in the Other Comprehensive Income (OCI) is as follows:

(in rupees)

Particulars	As on 31.3.2019	As on 31.3.2018
Actuarial (Gains) / losses on Obligation for the period	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expenses for the period Recognized in OCI	-	-

c) Changes in the present value of the projected defined benefit obligation representing reconciliation of opening and closing balances there of are as follows:

(in rupees)

Particulars	As on 31.3.2019	As on 31.3.2018
Present value of Benefits Obligation at the beginning of the period	2,214,721	1,994,284
Interest cost	0	0
Current service cost	223,568	220,437
Past service cost	-	-
Liability transferred in / Acquisitions	-	-
Liability transfereed out / Divestments	-	-
Liabilities Extinguished on settlement	-	-
Benefits paid directly by the Employer	-	-
Benefits paid from the fund	-	-
The effect of changes in Foreign Exchange Rates	-	-
Actuarial (gains) / losses on obligation – Due to change in Demographic Assumptions	-	-
Actuarial (gains) / losses on obligation – Due to change in Financial Assumptions	-	-
Actuarial (gains) / losses on obligation – Due to Experience	-	-
Present value of Benefits Obligation at the end of the period	2,438,289	2,214,721

d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

As the company has no funded plan and hence opening and closing fair value in plan assets and changes thereof is NIL

e) The major categories of plan assets as a percentage of total plan assets are as follows:

The company has no funded plan.

f) Principal actuarial assumptions :

## Financial assumptions

Particulars	As on 31.3.2019	As on 31.3.2018
Salary escalation rate	6% p.a	6% p.a

(4) Information on related party transactions as required by Ind AS- 24 ' Related Party Disclosures' for the year ended

## a) List of the related parties and relationships

Sr No	Director	Nature of relationship
1	Mr. Pradeepkumar Bhutoria	Managing Director
2	Mrs. Sushma Bhutoria	Wholetime Director
3	Mr. Abhishek Bhutoria	Independent Director
4	Mr. Alpesh Tripathi	Independent Director
5	Mr. Dipen M Shah	Independent Director
6	Mr. Kiran C. Singh	Independent Director
7	Asian Gases Limited	Enterprises significantly
8	Bangal Business LLP	influenced by Directors
9	Mahanagar Realestate LLP	and/or their relatives

## b) Transaction with related parties:

(in rupees)

Sr no	Name of the related parties	Nature of transaction	2018-19
1	Asian Gases Limited	Loan Taken	5,596,330
2	Bangal Business LLP	Loan Repaid	7,726,225
3	Mahanagar Realestate LLP	Interest/ Commision Paid	822,281
4	Related parties referred in a) above	Remuneration	1,620,000

## (5) Deferred Tax Provision :

As per the Ind AS – 12 on "Income Taxes" the Deferred Tax Liability as at 31st March, 2019, The Company has worked out deferred tax liabilities/assets as at March 31, 2019. In view of unabsorbed, depreciation and business losses under tax laws, net result of computation is net deferred tax assets, which are not recognised as a matter of prudence and in absence of virtual certainty as to its realization.

Particulars	Current year	Previous year
<b>Deferred Tax Liability</b>		
Difference in block of fixed assets	-	-
<b>Deferred Tax Assets</b>		
Provision for gratuity	-	-
<b>Provision for Deferred Tax Liability (Net)</b>	-	-

## (6) Earning and expenditure in foreign currency

Particulars	Current year (Rs)	Previous year (Rs)
<b>(a) Earning in Foreign currency</b>		
Export of goods calculated on F.O.B. basis	116,898,715	85,348,714
<b>(b) Expenditure in foreign currency</b>		

Import of Goods	51,521,252	43,455,721
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- (7) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under to the extent the company has received intimation from the "Suppliers" regarding their status under the Act.

		(Amount in rupees)
Sr No	Particulars	As at 31.03.2019
(a)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	
>	Principal amount due to micro and small enterprise	Nil
>	Interest due on above	Nil
(b)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during the year	Nil
(c)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interests specified under the Micro, Small and Medium Enterprises Act, 2006	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil
(e)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**(8) Contingent Liabilities and commitments**

In the opinion of the board, contingent liabilities is NIL.

- (9) As per Ind AS - 23 "Borrowing Costs", the borrowing cost has been charged to Profit and Loss statement. None of the borrowing costs have been capitalized during the year.

**(10) Statement of licensed & installed capacity**

Particulars	Qty in M.T.	
	2018-19	2017-18
Un machined & Machined Production of Tarpualin and Woven Sacks		
<b>INSTALLED CAPACITY</b>	4,000.00	4,000.00
<b>OPENING STOCK</b>	989.95	957.50
<b>PRODUCTION</b>	3,630.49	3,115.98

TURNOVER	3,139.17	3,083.53
ISSUE/TRANSFER	-	-
CLOSING STOCK	1,481.27	989.95

This is a technical aspect not verified by the auditors as it is certified by the directors.

(11) Source wise break up of raw materials, stores and spares :

Particulars	2018-19	2017-18
<b>Raw Materials :</b>		
Imported & Indigeneous	337,961,358	277,191,532
<b>Stores &amp; Spares :</b>		
Imported	-	1,066,923
Indigenous	8,145,500	6,208,923
<b>Total</b>	<b>346,106,858</b>	<b>284,467,378</b>

(12) Confirmation letters have not been obtained from some of the Debtors, Creditors, and Loans & Advances. Hence the, balances of these accounts are subject to confirmation, reconciliation and consequent adjustments, if any.

(13) Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current Year's classifications/ disclosure.

Notes accompanying to the financial statements

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**V S Agarwal & Associates**

Chartered Accountants  
FRN : 141089W

(CA. Shikha Agarwal)

**Partner**

Membership No. : 066763  
Ahmedabad, Dated: 29th May, 2019

**For, Gujarat Raffia Industries Limited**

Pradeep Bhutoria  
Managing Director

Sushma Bhutoria  
Wholetime Director

Hardik J. Patel  
Comapany Secretary

Ramkant R. Pandey  
Chief Finance Officer

**ATTENDANCE SLIP**  
**CIN: L17110GJ1984PLC007124**  
**GUJARAT RAFFIA INDUSTRIES LIMITED**

Registered office: Plot No.455, Santej Vadsar Road, Village: Santej, Taluka: Kalol-382721.  
 Dist: Gandhinagar.

Date: \_\_\_\_\_

Please fill Attendance Slip and hand it over at the entrance of the meeting venue:

<b>Name</b>	
<b>Address</b>	
<b>DP Id *</b>	
<b>Client Id *</b>	
<b>Folio No.</b>	
<b>No. of shares held</b>	

I certify that I am the registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the Annual General Meeting of the Company held on Monday, 30<sup>th</sup> September, 2019 at 2.00 p.m. at the registered office of the Company at Registered office at Plot No.455, Santej Vadsar Road, Village: Santej, Taluka: Kalol-382721 Dist: Gandhinagar.

\_\_\_\_\_  
 Signature of Shareholder/Proxy

**Form No. MGT-11**  
**Proxy form**  
**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies**  
**(Management and Administration) Rules, 2014]**

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		
Name :	E-mail Id:	
Address:		
Signature , or failing him		

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the company, to be held on Monday, the 30<sup>th</sup> September, 2019 at 02: 00 p.m. at the registered office of the company at Plot No. 455 Santej-Vadsar Road, Village: Santej, Taluka: Kalol - 382721 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

**Resolution No: -**

Sr. No	Business	Option	
		For	Against
<b>ORDINARY BUSINESS</b>			
1.	To receive, consider and adopt the Audited Financial Statements as at 31 <sup>st</sup> March, 2019 including the Audited Balance Sheet as at 31 <sup>st</sup> March, 2019, the Statement of Profit and Loss and cash flow statement for the year ended on that date and reports of the Directors' and Auditors' thereon		
2.	To appoint a Director in place of Mrs. Abhishek Bhutoria (DIN: 00284819) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.		
3.	To re-appoint M/s. Chandabhoy & jassoobhoy, Chartered Accountants as the statutory Auditor		
<b>SPECIAL BUSINESS</b>			
4.	Levy of Charges for delivery of any document to member through a particular mode requested by such member		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix Revenue Stamp
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Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**ROUTE MAP TO AGM VENUE**

**Gujarat Raffia Industries Limited**

