



30th
Annual Report
2015-2016

**GUJARAT RAFFIA
INDUSTRIES LIMITED**

(CIN: L17110GJ1984PLC007124)

GUJARAT RAFFIA INDUSTRIES LIMITED

(CIN: L17110GJ1984PLC007124)

30TH ANNUAL REPORT 2015-16

BOARD OF DIRECTORS : - Shri Pradeep Bhutoria - Chairman & Managing Director
Smt. Sushma P. Bhutoria - Whole Time Director
Shri Abhishek Bhutoria - Director
Shri Alpesh R. Tripathi - Independent Director
Shri Dipen M. Shah - Independent Director

AUDITORS : M/s. V S Agarwal & Associates
Chartered Accountants,
Ahmedabad.

BANKERS : Union Bank of India

**REGISTERED OFFICE
& WORKS** : Plot No.455,
Santej Vadsar Road,
Village: Santej,
Taluka: Kalol-382721.
Dist: Gandhinagar.
[Tel:-02764-286632,286672,286673,286674](tel:02764-286632,286672,286673,286674)
Fax:- 02764-286652,286646
Email:- info@griltarp.com; accounts@griltarp.com
Website:- www.griltarp.com

**REGISTRAR AND
SHARE TRANSFER AGENT :** **M/s. Link Intime India Pvt Ltd.,**
Ahmedabad Branch,
303, Shopper's Plaza, - V,
Opp. Municipal Market, Off. C G Road,
Navrangpura, Ahmedabad – 380009
Contact Number: 079 – 26465179
e-mail id: ahmedabad@linkintime.co.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 30TH ANNUAL GENERAL MEETING OF THE MEMBERS OF GUJARAT RAFFIA INDUSTRIES LIMITED WILL BE HELD AS SCHEDULED BELOW:

Date: 27th September, 2016

Day: Tuesday

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 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss for the year ended on that date and reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Abhishek Pradeepkumar Bhutoria (DIN: 07263523) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration 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 Section 139 & other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Board of Directors, M/s V S Agarwal & Associates, Chartered Accountants, having Firm registration No. 141089W have confirmed their eligibility under the Companies Act, 2013 and rules made thereunder, be and are hereby appointed as the Auditors of the Company in place of the resigning Auditors M/s P G T & Associates., Chartered Accountants, having firm registration No. 116277W, who shall hold office from the conclusion of this 30th Annual General Meeting for term of five consecutive years till conclusion of the 35th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorized to fix such remuneration as may be determined by the audit Committee in consultation with the Auditors."

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

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

**Date : 11th August, 2016
Place : Santej**

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

NOTES:

1. 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.

2. 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.
3. 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.
4. Members are requested to bring their duly filled attendance slip along with their copy of Annual Report at the Meeting.
5. 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.
6. 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 (09.30 a.m. to 06.30 p.m.) up to the date of the Meeting.
7. Pursuant to the Section 91 of the Companies Act, 2013, Register of Members and Share Transfer Book of the Company will remain closed from Wednesday, 21st September, 2016 to Tuesday, 27th September, 2016 (both days inclusive).
8. 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.
9. 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).
10. 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

11. 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.
12. 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 2015-16 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.

Brief profile of the Directors being Appointed and re-appointed

Name of Director	Mr. Abhishek Pradeepkumar Bhutoria
Date of Birth and Age	16-03-1990, 26 Years
Date of Appointment	01-09-2015
Qualification	MBA
Nature of Expertise	Business Administration
Name of the public companies in which he holds Directorship	Not Applicable
Name of Committees of Public Companies of which he/she holds Membership/ Chairmanship	Not Applicable
No. of shares held	1,35,500
Relationship with other Directors/ Manager/KMP	Son of Mr. Pradeep Kumar Bhutoria

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 Saturday, 24th September, 2016 at 09.00 a.m. and ends on Monday, 26th September, 2016 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 20th September, 2016, 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.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. 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 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:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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.
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. 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).

- (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.

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- (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 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.
 - 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

The Company has appointed Mr. Samsad Alam Khan, Practicing Company Secretary to act as scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given here above.

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 and on the website of

CDSL within two days of passing of resolutions at the Annual General Meeting of the company and communicated to Bombay Stock Exchange 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 (9.00 am to 5.00 pm) on all working days except Tuesday upto the date of 30th Annual General Meeting of the company.

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

Sd/-

Date : 11th August, 2016

Place : Santej

Registered Office:

Plot No.455,

Santej Vadsar Road,

Village: Santej,

Taluka: Kalol-382721.

Dist: Gandhinagar

CIN: L17110GJ1984PLC007124

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

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors present the 30th Annual Report together with the Audited Statement of Accounts for the year ended on **31st March, 2016**.

1. FINANCIAL RESULTS:

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

Particulars	(Rs. In Lacs)	
	Standalone	
	2015-16	2014-15
Total Revenue	3775.96	3884.04
Less: Operating and Admi. Exps.	3363.95	3441.16
Profit Before Depreciation, Interest and Tax	412.01	442.88
Depreciation	200.89	205.80
Finance Costs	111.14	138.39
Profit Before Tax and Exceptional Items	99.97	98.68
Exceptional Items	-	-
Profit Before Tax	99.97	98.68
Current Tax	20.00	18.80
Earlier Year Tax	1.16	-
Deferred Tax	-	-
(Excess) / Shortfall in provision for current tax for earlier years	-	-
Minority Interest	0.00	0.00
Profit After Tax & Minority Interest	78.80	79.88
Earnings Per Equity Share		
Basic	1.58	1.60
Diluted	1.58	1.60

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 a total sales of Rs. 37,02,60,974 /- as compared to Rs. 38,74,10,525/- and earned other income of Rs. 73,35,011/- as compared to Rs. 9,93,084/- for the financial year ended on 31st March, 2016. The Profit before tax for the period under review is Rs. 99,97,183/- as compared to Rs. 98,68,454/- in the previous year. The Profit after tax during the year under review is Rs.78,80,270/- as against Rs.79,88,094/- in the previous year 2014-15.

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.

During the year under review, 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 not increased its paid up capital. The paid up equity share capital of the Company as on 31st March, 2016 is Rs. 4,99,47,750/-.

During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

7. TRANSFER TO RESERVES:

The Company has not transferred any amount to the General Reserves for the current reporting period. An amount of ₹ 78.80 Lacs 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, six 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.	29/05/2015	4	4
2.	15/07/2015	4	4
3.	14/08/2015	4	4
4.	01/09/2015	5	5
5.	14/11/2015	5	5
6.	13/02/2016	5	5

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:

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

*Appointed as Additional Director w.e.f. 01/09/2015

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, the members, in their Annual General Meeting held on 30th September, 2015, approved the appointment of Shri Abhishek P. Bhutoria as Non-Executive Directors who is liable to retire by rotation.

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

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 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 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 22nd February, 2016 to carry out the evaluation for the financial year 2015-16 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:**

M/s P G T & Associates, Chartered Accountants (Firm Registration No. 116277W), Ahmedabad were appointed as Statutory Auditors for a period of 5 year in the Annual General Meeting held on 23rd September, 2014. Due to unwillingness to act as a Statutory Auditor of the Company, the Company has received the resignation mail dated 20th August, 2016 from M/s P G T & Associates, Chartered Accountants, Ahmedabad. The Board of Directors has, at its meeting held on 3rd September, 2016, recommended the appointment of M/s. V S Agarwal & Associates, Chartered Accountants, (Firm Registration No. 141089W), Ahmedabad, as Statutory Auditor of your Company in place of M/s P G T & Associates, to hold office from the conclusion of this AGM until the conclusion of the 35th AGM of your Company, subject to ratification by the Members at every AGM held after this AGM.

Resolutions seeking your approval on these items are included in the Notice convening the AGM.

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. Samsad Alam Khan, Practicing Company Secretaries is appointed to conduct the secretarial audit of the Company for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. Your Company has received consent from Mr. Samsad Alam Khan to act as the auditor for conducting audit of the Secretarial records for the financial year ending 31st March, 2016. The secretarial audit report for FY 2015-16 forms part of the Annual Report as '**Annexure B**' to the *Board's report*.

Directors Response to Secretarial Audit Report:

Your Board of Directors would like to clarify the qualification remarks made in Secretarial Audit Report as under:-

Qualification/ Adverse Remark	Explanation :
<i>The Company has not make disclosure as required under the regulation 29(1) and 29(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.</i> <i>The Company has not make disclosure as required under the regulation 7(2) of The SEBI (Prohibition of Insider Trading) Regulations, 2015.</i>	There is Automatic Transmission of shares due to death of the Mr. Ratanlal Bhutoria. The Company had regularly submitted Shareholding Pattern on quarterly basis to Stock Exchange under regulation 33 of LODR Regulation 2015 and such transmission effect already disclosed in Shareholding Pattern. However, Board assures that it will be complied with now onwards in future.
<i>The Company has not compliance with the Listing Agreements entered into by the Company with National Stock Exchange of India Ltd (NSE) and not paid the listing fee, hence Suspended.</i>	During the current financial year the Company has asked to NSE to provide the bill of Annual Listing Fees, But Provided bill needs to be rectified, as Exchange charged listing fees on a higher capital. However Company's paid-up capital is Rs. 4,99,47,750/- Company informed to exchange for revise their bill and company will pay the same.
<i>With respect to delay in filings of E-forms MGT 14 with the Ministry of Corporate Affairs as specified under the provision of section 138 under the Companies act 2013 in respect of Appointment of Internal Auditor, the Company has paid the additional fee and complied with the requirements.</i> <i>With respect to delay in filings of E-forms MGT 14 with the Ministry of Corporate Affairs as specified under the provision of section 179(3) under the Companies act 2013 in respect of Approval of Unaudited Financial Results for the quarter ended 30th June, 2015, the Company has paid the additional fee and complied with the requirements.</i> <i>With respect to delay in filings of E-forms DIR 12 with the Ministry of Corporate Affairs as specified under the provision of section 161 under the Companies act 2013 in respect of Appointment of Additional Director, the Company has paid the additional fee and complied with the requirements.</i>	All qualification are relating to late filing of various forms with Ministry of Corporate Affairs as required under the Companies Act 2013. However, Board assures that it will be complied with now onwards.

<i>With respect to delay in filings of E-forms MGT 10 with the Ministry of Corporate Affairs as specified under the provision of section 93 of the Companies act 2013 in respect of Changes in shareholding position of promoters and top ten shareholders, the Company has paid the additional fee and complied with the requirements.</i>	
<i>The Company has not appointed Company Secretary and Chief Financial Officer as required under section 203 of the companies Act, 2013 as key managerial personnel of the Company</i>	The Company has appointed Company Secretary and Chief Financial officer w.e.f 11th August, 2016 and complied with the requirement under section 203 of the same.

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 are 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.

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 has 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.

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 31st March, 2016, 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 31st March 2016 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 Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under the Listing Regulation is annexed to this Report.

29. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015, issued SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the aim to consolidate and streamline the provisions of the listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from 1st December, 2015. Accordingly, all listed entities were required to enter into the New Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited and National Stock Exchange Limited during the February, 2016.

30. 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.

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: 11th August, 2016
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 31st March, 2016

[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 th 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	:	M/s. Link Intime India Pvt Ltd., Ahmedabad Branch, 303, Shopper's Plaza, - V, Opp. Municipal Market, Off. C G Road, Navrangpura, Ahmedabad – 380009. Contact Number: 079 – 26465179 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	17215	71.44
2.	Sacks	21021	14.84
3.	Fabric	17115	13.72

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 st April, 2015				No. of Shares held at the end of the year 31 st March, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER & PROMOTER GROUP									
(1) Indian									
Individual/HUF	11,55,934	-	11,55,934	23.14	11,64,253	-	11,64,253	23.31	0.17
Central Government / State Government(s)	-	-	-	-		-	-	-	-
Bodies Corporate	5,41,814	-	5,41,814	10.85	5,41,814	-	5,41,814	10.85	-
Financial Institution/ Bank	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	16,97,748	-	16,97,748	33.99	17,06,067	-	17,06,067	34.16	0.17
(2) Foreign									
Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Financial Institution/ Bank	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
TOTAL SHAREHOLDIG OF PROMOTER (A) = (A)(1)+(A)(2)	16,97,748	-	16,97,748	33.99	17,06,067	-	17,06,067	34.16	0.17
B. PUBLIC SHAREHOLDIG									
1. Institutions									
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)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
Bodies Corporate	40,881		40,881	0.82	27,279	-	27,279	0.55	(0.27)
Indian	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	500	-	500	0.01	0.01
Individuals									
HUF	-	-	-	-	42,256	-	42,256	0.85	0.85
i) Individual shareholders holding nominal share capital upto Rs. 2 Lakh	8,59,578	22,29,973	30,89,551	61.86	8,36,445	22,24,191	30,60,636	61.28	(0.58)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakh	1,38,000	-	1,38,000	2.76	1,30,000	-	1,30,000	2.60	(0.16)
Others (Specify)									
Clearing Member	1,764	-	1,764	0.03	3421	-	3421	0.07	0.04
Non Resident Indians (Repat)	18,849	-	18,849	0.38	17,375	-	17,375	0.35	(0.03)
Non Resident Indians (Non Repat)	7,982	-	7,982	0.16	7241	-	7241	0.14	(0.02)
Sub-total (B)(2):-	10,67,054	22,29,973	32,97,027	66.01	10,64,517	22,24,191	32,88,708	65.85	(0.16)
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+(B)(2)	10,67,054	22,29,973	32,97,027	66.01	10,64,517	22,24,191	32,88,708	65.85	(0.16)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	27,64,802	22,29,973	49,94,775	100	27,70,584	22,24,191	49,94,775	100	-

(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	3,80,449	7.62	0	6,69,029	13.39	0	5.77
2.	Bengal Business Limited	3,00,579	6.02	0	3,00,579	6.02	0	-
3.	Ratanlal Bhutoria	2,80,261	5.61	0	-	-	-	(5.61)
4.	Asian Gases Ltd	2,41,235	4.83	0	2,41,235	4.83	0	-
5.	Bhutoria Pradeep Kumar	1,69,177	3.39	0	1,81,264	3.63	0	0.24
6.	Sushma Bhutoria	1,38,310	2.77	0	1,38,310	2.77	0	-
7.	Abhishek P Bhutoria	1,35,500	2.71	0	1,35,500	2.71	0	-
8.	Sneha Bhutoria	40,150	0.80	0	40,150	0.80	0	-
9.	Gattudevi Bhutoria	12,087	0.24	0	-	-	-	0.24
	Total	16,97,748	33.99	0	17,06,067	34.16	0	0.17

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	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
1	Pradeep Bhutoria	3,80,449	7.62			3,80,449	7.62
				29-04-2015	955	3,81,404	7.64
				06-05-2015	2550	3,83,954	7.69
				08-07-2015	4814	3,88,768	7.78
				24-08-2015	2,80,261	6,69,029	13.39
2	Ratanlal Bhutoria	2,80,261	5.61	24-08-2015	(2,80,261)	0	0
3	Gattudevi Bhutoria	12,087	0.24			0	0

* Reason for change

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

Sr. No.	For Each of the Top 10 Shareholders*	Shareholding at the beginning of the year 1 st April, 2015		Cumulative Shareholding during the year 31 st March, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dipak Kanayalal Shah	65,000	1.30	75,000	1.50
2.	Gandhi Pratik Rajendra	55000	1.10	55,000	1.10
3.	Bharat K Parikh	18,000	0.36	18,000	0.36
4.	Jagdish D. Ramnani	12,500	0.25	12,500	0.25
5.	Satish P. Paseband	10000	0.20	10,000	0.20
6.	Vivek Goyal	9041	0.18	9041	0.18
7.	Kantilal Patel & Co Consultancy Pvt Ltd	7025	0.14	7025	0.14
8.	Sanjay N. Tibdewal	400	0.00	7075	0.14
9.	Krishna Vikram Mirani	6070	0.12	6554	0.13
10.	Piyush Dharnidharka	6113	0.12	6113	0.12

*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.

(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						
	DIRECTORS:						
1.	Alpesh Rajeshbhai Tripathi	-	-	-	-	-	-
2.	Dipen Mahasukhlal Shah	-	-	-	-	-	-
3.	Abhishek P. Bhutoria	1,35,500	2.71	-	-	1,35,500	2.71
	KMP:						
1.	Pradeep Bhutoria	3,80,449	7.62	29-04-2015	955	381404	7.63
				06-05-2015	2550	383954	7.68
				08-07-2015	4814	388768	7.78
				24-08-2015	2,80,261	6,69,029	13.39
2.	Sushma Bhutoria	1,38,310	2.77	-	-	1,38,310	2.77

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2.60	580.05	0.00	582.65
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
Total (i+ ii+ iii)	2.60	580.05	0.00	582.65
Change in Indebtedness during the financial year				
➤ Addition	6.58	0.00	0.00	6.58
➤ Reduction	0.50	8.45	0.00	8.95
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	8.69	571.60	0.00	580.29
ii) Interest due but not paid	0.00	14.20	0.00	14.20
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (I + ii+ iii)	8.69	585.80	0.00	594.49

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Pradeep Bhutoria	Sushma Bhutoria	
1.	Gross salary	6.00	4.20	10.20
	(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)	6.00	4.20	10.20
	Ceiling as per the Act	----	----	----
	Cumulative Ceiling as per the Act (10% of the Net Profit)	----		

B. Remuneration to other directors:

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
	3. Independent Directors	----	----	----
	• Fee for attending board / committee meetings			
	• Commission			
	• Others, please specify			
	Total (1)	----	----	----
	4. Other Non-Executive Directors	----	----	----
	• Fee for attending board / committee meetings			
	• Commission			
	• Others, please specify			
	Total (2)	----	----	----
	Total (B)=(1+2)	----	----	----
	Total Managerial Remuneration	----	----	----
	Overall Ceiling as per the Act (11% of the Net Profit, excluding seating fees)	----		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	----	----	----	----
	(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	----	----	----	----
	Total	----	----	----	----

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)
A. COMPANY					
Penalty	Not Applicable				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Not Applicable				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	Not Applicable				
Punishment					
Compounding					

Annexure – B
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[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, Samsad Alam Khan, Company Secretaries, 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 31st March, 2016 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 31st March, 2016 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, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(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, 1998 **(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. ENVIRONMENT RELATED:

- a) The Environment (Protection) Act, 1986
- b) The Hazardous Wastes (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 (effective from 1st July, 2015).
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange Limited for the period upto 30th November 2015;
- c) 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 w.e.f 1st December 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below.

- i. *The Company has not make disclosure as required under the regulation 29(1) and 29(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.*
- ii. *The Company has not make disclosure as required under the regulation 7(2) of The SEBI (Prohibition of Insider Trading) Regulations, 2015*
- iii. *The Company has not appointed Company Secretary and Chief Financial Officer as required under section 203 of the companies Act, 2013 as key managerial personnel of the Company.*
- iv. *The Company has not compliance with the Listing Agreements entered into by the Company with National Stock Exchange of India Ltd (NSE) and not paid the listing fee, hence Suspended.*
- v. *With respect to delay in filings of E-forms MGT 10 with the Ministry of Corporate Affairs as specified under the provision of section 93 of the Companies act 2013 in respect of Changes in shareholding position of promoters and top ten shareholders, the Company has paid the additional fee and complied with the requirements.*
- vi. *With respect to delay in filings of E-forms MGT 14 with the Ministry of Corporate Affairs as specified under the provision of section 138 under the Companies act 2013 in respect of Appointment of Internal Auditor, the Company has paid the additional fee and complied with the requirements.*
- vii. *With respect to delay in filings of E-forms MGT 14 with the Ministry of Corporate Affairs as specified under the provision of section 179(3) under the Companies act 2013 in respect of Approval of Unaudited Financial Results for the quarter ended 30th June, 2015, the Company has paid the additional fee and complied with the requirements.*
- viii. *With respect to delay in filings of E-forms DIR 12 with the Ministry of Corporate Affairs as specified under the provision of section 161 under the Companies act 2013 in respect of Appointment of Additional Director, the Company has paid the additional fee and complied with the requirements.*

I further report that

The Board of Directors of the Company is not 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 and were not carried out in compliance with the provisions of the Act.

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: Ahmedabad
Date: 30/05/ 2016

Sd/-
Samsad Alam Khan
Company Secretaries
CP No: 13972

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: Ahmedabad
Date: 30/05/ 2016

Sd/-
Samsad Alam Khan
Company Secretaries
CP No: 13972

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

(a)	Name(s) of the related party and nature of relationship	-
(b)	Nature of contracts/arrangements/transactions	-
(c)	Duration of the contracts / arrangements/transactions	-
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
(e)	Justification for entering into such contracts or arrangements or transactions	-
(f)	date(s) of approval by the Board	-
(g)	Amount paid as advances, if any	-
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-

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

(a)	Name(s) of the related party and nature of relationship	-
(b)	Nature of contracts/arrangements/transactions	-
(c)	Duration of the contracts / arrangements/transactions	-
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
(e)	date(s) of approval by the Board	-
(f)	Amount paid as advances, if any:	-

Form shall be signed by the persons who have signed the Board's report.

For Gujarat Raffia Industries Limited

Date: 11th August, 2016
Place: Santej

Sd/-
Pradeep Bhutoria
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 31st March, 2016:

Sr. No.	Executive Directors	Remuneration for FY 2015-16 (₹ in Lacs)	% increase in remuneration in FY 2015-16
1.	Shri Pradeep Bhutoria, Chairman & Managing Director	6.00	NIL
2.	Smt. Sushma Bhutoria, Whole Time Director	4.20	NIL

- 2) Percentage increase in median remuneration of employees in the financial year ended 31st March, 2016: Nil
- 3) The number of permanent employees on the rolls of the company as on 31st March, 2016: 83
- 4) The Explanation on the relationship between average increase in remuneration and Company performance:

Particulars	2015-16	2014-15
Total Income (₹ In Lacs)	3775.96	3884.04
Profit Before Tax(₹ In Lacs)	99.97	98.68
PBT as a % of Total Income	2.64%	2.54%

Average increase of Nil% in the remuneration of employees is in line with the company's performance, market dynamics.

- 5) Comparison of the remuneration to Key Managerial Personnel against the performance of the Company:

The increase in remuneration is not solely based on Company performance but also includes various factors like individual performance, industrial trends, economic situation, future growth prospects etc. Average increase in remuneration of Key Managerial Personnel is based on Company's Remuneration Policy.

- 6) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last offer:

Quotes from BSE & NSE	As on 31 st March, 2016	As on 31 st March, 2015
Issued Capital (no. of shares)	49,94,775	49,94,775
Market Price of Equity shares of the company (In ₹)	7.2	5.83
EPS (In ₹)	1.58	1.60
Price earnings Ratio (In ₹)	4.56	3.64
Market Capitalization (₹ In Lacs)	35962380	29119538
Issue price at the last public offer	10.00	10.00
% increase	Not Applicable	Not Applicable

- 7) 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 2015-16 was Salary increased for the person to whom it is require and average percentage increase in the Managerial Remuneration for the year was Nil % which is in line with the overall remuneration of the company.

- 8) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

The comparison of the performance of the company and increase in the remuneration of the Key Managerial Personnel is given at point no. 1 & 4 respectively.

- 9) 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.

- 10) The ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year: Not Applicable

- 11) 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	6,00,000	B.com.	27 Years in line of activity Marketing, Production, Finance	01/01/2007	56	NA
2.	Sushma P Bhutoria	Whole-Time-Director	4,20,000	B.com	12 Years in Business Administration	21/02/2008	54	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	2015-16 Current year	2014-15 Previous year
Foreign Exchange Earnings	10,26,86,036	13,57,58,991
Foreign Exchange Outgo	7,13,13,408	4,24,03,089

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 2015-16.

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 1st 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 five Directors as on 31st March, 2016 comprising two Executive Directors, two Independent Non-Executive Directors and one Promoter Non-Executive Director. The Chairman is executive in nature. The Company does not have any Nominee Director.

The Board Meetings held during the financial year 2015-16, 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 30 th September, 2015 Yes/ No
Mr. Pradeep Bhutoria Chairman & Managing Director	Promoter-Executive	1	-	06	Yes
Mrs. Shushma P. Bhutoria	Promoter-Executive	-	-	06	Yes
Mr. Alpesh R. Tripathi	Independent-Non-Executive	-	-	06	No
Mr. Dipen M. Shah	Independent-Non-Executive	-	-	06	Yes
Mr. Abhishek Bhutoria\$	Promoter- Non Executive	-	-	03	Yes

\$ Appointed w.e.f. 1st September, 2015

* 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.

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

Mr. Abhishek Bhutoria was appointed as Additional Director in the capacity of Non Executive of the Company with effect from 1st September, 2015. The Board seeks your confirmation for appointment of Mr. Abhishek Bhutoria as Non Executive Director, on rotational basis.

Relevant details pertaining to Mr. Abhishek Bhutoria are provided in the Notice of the AGM.

During the financial year, the two Independent Directors of the Company met on 22nd February, 2016 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.

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

Name of Director	Mr. Abhishek Pradeepkumar Bhutoria
Date of Birth and Age	16-03-1990 26 Years
Date of Appointment	01-09-2015
Qualification	MBA
Nature of Expertise	Business Administration
Name of the public companies in which he/ she holds Directorship	Not Applicable
Name of Committees of Public Companies of which he/she holds Membership/ Chairmanship	Not Applicable
No. of shares held	1,35,500
Relationship with other Directors/ Manager/KMP	Son of Mr. Pradeep Kumar Bhutoria

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. The meetings of the board of directors were held on 29-05-2015, 15-07-2015, 14-08-2015, 01-09-2015, 14-11-2015 and 13-02-2016.

d) Shareholding of Directors as on March 31, 2016:

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

3. AUDIT COMMITTEE:

The Audit Committee, comprising Three Directors, Two 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 2015-2016 and dates of the meetings:

Audit meeting	Committee	Date	Audit Meeting	Committee	Date
1		29/05/2015	3		14/11/2015
2		14/08/2015	4		13/02/2016.

b. The Composition of an Audit Committee as on 31.03.2016 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

The Chairman of the Audit Committee has attended AGM for the year 2014-15.

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 31.03.2016 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
Abhishek P. Bhutoria	Member	Non Executive

No Meeting of Nomination and Remuneration Committee was held during the year 2015-16.

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.

(a) 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.

(b) 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.

(c) 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. 6 Lacs to Mr. Pradeep Bhutoria, Managing Director during the year 2015-16.
2. The Company paid Managerial Remuneration of Rs. 4.20 Lacs to Mrs. Sushma Bhutoria, Whole Time Director during the year 2015-16.

(d) 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 31.03.2016 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	1	1
Mr. Pradeep R Bhutoria	Member	Executive	1	1

One Meeting of Stakeholders Relationship Committee was held on 29th May, 2015 and all members of such committee are present.

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 22nd February, 2016. 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 programme 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
2012-13	27-09-2013	2.00 p.m.	Registered Office at Plot No. 455, Santej-Vadsar Santej, Taluka: Kalol-382 721. Dist: Gandhinagar.	NIL
2013-14	23-09-2014	5.00 p.m.		2 (Two)
2014-15	30-09-2015	2.00 p.m.		NIL

8. DISCLOSURES:

- 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.
- There has neither been any intentional non compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.
- 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.
- Related party transactions are disclosed in the Note forming Parts of Accounts in this Annual Report.
- 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.
- a) There has been no complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year.

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

- b) During the year ended on 31st March, 2016, 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	Registered Office	Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382721 Dist: Gandhinagar.	
b	Annual General Meeting	Day	Tuesday
		Date	27 th September, 2016
		Time	2.00 p.m.
		Venue	Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382721 Dist: Gandhinagar.
c	Tentative Financial Calendar	Quarterly Unaudited Result	
		Quarter Ending 30 th June, 2016	On 13 th August, 2016
		Quarter Ending 30 th September, 2016	On or before 14 th November, 2016
		Quarter Ending 31 st December, 2016	On or before 14 th February, 2016

		Annual Audited Result	
		Year ending 31 st March, 2017	Within 60 days from 31 March, 2017
d	Book Closure Dates	From	To
		21 st September, 2016	27 th September, 2016
e	Registrar and Share Transfer Agents	M/s. Link Intime India Private Limited. Ahmedabad Branch, 303, Shopper's Plaza, - V , Opp Municipal Market , Off C G Road, Navrangpura , Ahmedabad - 380009 Tele. No. : (079) – 26465179 e-mail : ahmedabad@linkintime.co.in	
f	ISIN	INE610B01024	
g	Dividend Payment Date	The Company has not declared Dividend	
h	Stock Exchange Code	Stock Exchange	Code
		Bombay Stock Exchange Limited National Stock Exchange of India	523836 GUJRAFFIA

- i) Stock Price Data : The shares of the Company were traded on BSE Limited Stock Exchange
The information on stock price data are as under:

Month	BSE		
	High (Rs.)	Low(Rs.)	No. of Shares Traded
April, 2015	8.4	5.46	103
May, 2015	9.4	8.35	19
June, 2015	8.93	7.3	7
July, 2015	7.21	5.54	103
August, 2015	7.98	5.54	76
September, 2015	6.97	5.67	29
October, 2015	7.33	5.76	37
November, 2015	7.2	6.32	36
December, 2015	10.4	7	139
January, 2016	10.38	7.6	80
February, 2016	7.25	5.75	40
March, 2016	8.35	6.75	64

- 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 31st March, 2016:

No. of Equity Shares held	No. of Shareholders	% of Share holders	No. of Shares held	% of Shareholding
1 to 500	27824	98.4363	2558732	51.2282
501 to 1000	259	0.9163	196997	3.9441
1001 to 2000	105	0.3715	142204	2.8471
2001 to 3000	40	0.1415	99475	1.9916
3001 to 4000	12	0.0425	42872	0.8583
4001 to 5000	8	0.0283	37882	0.7584
5001 to 10000	7	0.0248	50046	1.0020
10001 to above	11	0.0389	1866567	37.3704
Grand Total	28266	100.0000	4994775	100.0000

l) Category of Shareholders as on 31st March, 2016:

Category	No. of Shares held	% of Shareholding
Promoters including Promoter Company	17,06,067	34.16
Financial Institutions/ Banks	0	0.00
Mutual Fund	0	0.00
Bodies Corporate	27,279	0.55
NRIs	24,616	0.49
Foreign National	500	0.01
Other (Clearing Member)	3,421	0.07
Public	31,90,636	63.88
Hindu Undivided Family (HUF)	42,256	0.85
Total	49,94,775	100%

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 31st March, 2016, a total of 27,70,584 Shares of the Company which form 55.47% 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. 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.

13. 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.

14. INCOME TAX PAN MANDATORY FOR TRANSFER OF SECURITIES:

As per Regulation 40(7) read with Schedule VII of the Listing Regulations, for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the listed entity for registration of transfer of securities.

15. PLANT LOCATIONS:

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

16. ADDRESS FOR CORRESPONDENCE:

For both Physical and Electronic Form:

M/s. Link Intime India Private Limited.

Ahmedabad Branch,
303, Shopper's Plaza, - V ,
Opp Municipal Market , Off C G Road,
Navrangpura , Ahmedabad – 380009.
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. : (02764) 28 66 52
(02764) 28 66 32

Compliance Officer : Mr. Gunjan B Kothari is designated as Compliance Officer.

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

Date : 11th August, 2016
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 31st March, 2016, compliance with the code of conduct of the Company laid down for them.

Date : 11th August, 2016
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. Sanjay H. Rana, 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 31st March, 2016 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:- 11th August, 2016

Sd/-
Pradeep Bhutoria
Managing Director

Sd/-
Sanjay H. Rana
Chief Financial Officer

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of

Gujarat Raffia Industries Limited

Ahmedabad

We have examined the compliance of conditions of Corporate Governance by M/s. Gujarat Raffia Industries Limited, for the year ended on 31st March, 2016 as stipulated in clause in Regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("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 31st March, 2016 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.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing regulation ***except the information of the Stock Price Data on National Stock Exchange where the shares are listed.***

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances is pending for period exceeding one month against the Company as per the records maintained and certified by the Company.

We further 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 affair of the Company.

**For P G T & Associates
Chartered Accountants
(Firm Reg. No.: 116277W)**

**Sd/-
(Chirali S Shah)
Partner
Membership No.: 164109**

Place : Ahmedabad

Date : 11th August, 2016

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

Despite the tumultuous global economic environment in 2015-16 and major economies showing signs of slowdown in growth, the Indian economy has emerged as the fastest growing economy with a high growth rate. India's economy which accounts for over 70% of South Asia's GDP, has grown by about 7.2% in 2015.

The Indian economy has picked up in the second quarter of 2015-16. Gross domestic product has grown 7.4% in the quarter ended September 2015 on the back of strong performances of the manufacturing sector, trade, hotels, transport and communication services. Even the agricultural sector has grown at a faster pace compared to the corresponding quarter of 2014-15.

The IMF has said that as private investment continues to show no sign of revival, the challenge for India is to sustain its growth momentum. According to the IMF, with global growth weaker, India will have to continue to rely mainly on domestic demand as a key driver of growth.

In the process, India's economic growth for the quarter ended September 2015 has outpaced the growth of the Chinese economy that expanded by 6.9% in the same quarter. China will continue to witness a slowdown in growth, with its GDP projected to grow at 6.4% in 2016 and 6.5% in 2017.

In the Global Competitiveness Index of the World Economic Forum, India ranks at 55, up 16 rungs in 2015-16 which is the largest gain among the major economies. The 2016 World Economic Situation and Prospect report had said that India will be the world's fastest growing large economy at 7.3% in 2016, improving further to 7.5% in the following year.

b. Industry Structure and Developments:

Riding high on the performance of the manufacturing sector, the industrial sector in India has registered a high growth during 2015-16. The manufacturing sector has been a major contributor in sustaining this high growth rate. The automotive industry is an engine of growth for the manufacturing industry and thereby the Indian economy. The auto component industry contributes 25.6% to the manufacturing GDP and 3.8% to the National GDP providing direct employment to 1.5 million people.

The growth in the manufacturing sector is the result of special efforts made by the Government to revive the country's manufacturing through its 'Make in India' initiative. Focus on ease of doing business, implementation of GST and other reforms augur well for the manufacturing industry.

c. Opportunities and Threats:

We have a huge resource of food production in India, but almost 50% of the food gets wasted due to improper handling, storage and transit. Proper and modern packaging can change all this. 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 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 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 professional firms 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 2015-2016 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 : 11th August, 2016
Place : Santej

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

Sd/-

Pradeep Bhutoria
Chairman & Managing Director
DIN:-00284808

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE FINANCIAL STATEMENTS**OPINION**

We have audited the accompanying financial statements of **GUJARAT RAFFIA INDUSTRIES LIMITED** ("The Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of the significant accounting policies and their explanatory information.

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 March 31, 2016, and profit/loss and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITY OF MANAGEMENT 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, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable

assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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.

- (a) 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.
- (b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (c) 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.
- (d) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (e) With respect to the financial 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-B
- (f) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at 31st March, 2016 which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2016 for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2016.

For, P G T & Associates.
Chartered Accountants
(Registration No. 116277W)

Sd/-
Chirali S. Shah
Partner
Membership No.164109

Place: Ahmedabad
Date: 30th May, 2016

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our independent Auditors' Report With respect to paragraph 1 of "Report on other Legal and Regulatory Requirements" to the members of the company on the financial statements for the year ended 31st March, 2016 We report that :

- I. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The fixed asset has been physically verified by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies have been 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 the 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 title deeds of immovable properties of the company 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.
- II. As explained to us, the inventories were physically verified by the management during the year at reasonable interval. No material discrepancies were noticed on physical verification stocks as compared to book records.
- III. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly the Provisions of clause 3(iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.
- IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, security.
- V. In our opinion and according to the information and explanations given to us , the company has 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 regard 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.
- VI. Company is not required to maintain cost records in pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
- VII. According to the information and explanation given to us, in respect of Statutory dues:
 - a. The company has generally been regular in depositing of undisputed statutory dues including Provident fund, Employees state insurance, Income tax, Sales tax, Service tax, duty of Customs, duty of Excise, Value added tax, Cess and other statutory dues applicable to it with the appropriate authorities and no amount payable were in arrears as at March 31, 2016 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, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute

- VIII. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, and government. The Company has not issued any debentures.
- IX. According to the record of the company has not raised any moneys by way of Initial Public Offer or Further Public Offer and term loan have been applied for the purpose for which they were raised.
- X. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on the company by its officers or employees nor any fraud by the company has been noticed or reported during the course of our audit.
- XI. Based upon the audit procedures performed and the information and explanations given by the management, the 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;
- XII. In our opinion, and to the best of our information and according to the explanation provided by the management, we are of the opinion that the company is not Nidhi hence in our opinion; the requirements of Clause 3(xii) of the order do not apply to the company.
- XIII. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- XIV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- XV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- XVI. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For, P G T & Associates.
Chartered Accountants
(Registration No. 116277W)

Sd/-
Chirali S. Shah
Partner
Membership No.164109

Place: Ahmedabad
Date: 30th May, 2016

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**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** as of March 31, 2016 in conjunction with our audit of the 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 about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 2016, 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.

For, P G T & Associates.
Chartered Accountants
(Registration No. 116277W)

Sd/-
Chirali S. Shah
Partner
Membership No.164109

Place: Ahmedabad
Date: 30th May, 2016

Gujarat Raffia Industries Limited			
Balance Sheet As At March 31, 2016			
Particulars	Note No.	In INR	
		Figures as at end of	
		Current Reporting Period	Previous Reporting Period
		March 31, 2016	March 31, 2015
EQUITY AND LIABILITIES:			
Shareholders' Funds:			
Share Capital	1	49,947,750	49,947,750
Reserves and Surplus	2	74,689,700	66,809,430
		124,637,450	116,757,180
Share Application Pending Allotment			
		-	-
Non-Current Liabilities:			
Long Term Borrowings	3	95,209,401	114,581,971
Long Term Provisions	4	1,776,939	1,571,052
		96,986,340	116,153,023
Current Liabilities:			
Short Term Borrowings	5	66,708,431	43,801,824
Trade Payables	6	17,860,014	19,515,731
Other Current Liabilities	7	38,968,419	52,465,499
Short Term Provisions	8	1,593,871	1,005,529
		125,130,735	116,788,583
Total		346,754,525	349,698,786
ASSETS:			
Non-Current Assets:			
Fixed Assets:			
Tangible Assets	9	130,070,159	148,565,882
Capital Work-in-Progress		-	-
		130,070,159	148,565,882
Non-Current Investments	10	500,500	500,500
		130,570,659	149,066,382
Current Assets:			
Inventories	11	108,258,853	117,283,991
Trade Receivables	12	89,832,966	61,291,887
Cash and Bank Balances	13	7,314,890	5,867,404
Short Term Loans and Advances	14	10,777,157	16,189,122
		216,183,866	200,632,404
Total		346,754,525	349,698,786
Significant Accounting Policies			
Notes to the Financial Statements			
The accompanying notes are an Integral part of Financial Statement.			
1 to 34			
As per our report of even date			
P G T & Associates			
Chartered Accountants			
FRN : 116277W			
Gujarat Raffia Industries Limited			
Gujarat Raffia Industries Limited			
Sd/-			
Sd/-			
Sd/-			
(Chirali S Shah)			
Pradeep Bhutoria			
Partner			
Managing Director			
M. No. : 164109			
Date: 30.05.2016			
Date: 30.05.2016			
Ahmedabad, Dated: 30th May, 2016			

Gujarat Raffia Industries Limited Statement of Profit and Loss For The Period Ended March 31, 2016			
Particulars	Note No.	In INR	
		Figures as at end of	
		Current Reporting Period	Previous Reporting Period
		March 31, 2016	March 31, 2015
REVENUE:			
Revenue from Operations:	16		
Sale of Products [Gross]		397,380,022	413,700,782
Less : Excise Duty		31,439,699	28,771,524
Sale of Products [Net]		365,940,323	384,929,258
Other Operating Revenues		4,320,651	2,481,267
Net Revenue from Operations		370,260,974	387,410,525
Other Income	17	7,335,011	993,084
Total Revenue		377,595,985	388,403,609
EXPENSES:			
Cost of Materials Consumed	18	242,302,839	288,620,212
Changes in Inventories of Finished goods, Work-in-progress	19	32,174,550	(6,214,777)
Employee Benefits Expense	20	12,241,123	11,219,287
Finance Costs	21	11,114,484	13,838,809
Depreciation and Amortisation expenses	9	20,089,433	20,580,024
Other Expenses	22	49,676,373	50,491,600
Total Expenses		367,598,802	378,535,155
Profit before exceptional & extraordinary items and Tax		9,997,183	9,868,454
Less: Exceptional Items		-	-
Profit before Tax		9,997,183	9,868,454
Less/[Add]: Tax Expense:			
Current Tax		2,000,000	1,880,360
Earlier Year Tax		116,913	-
Deferred Tax	31	-	-
Total Tax Paid		2,116,913	1,880,360
Profit for the period		7,880,270	7,988,094
Basic & Diluted Earning per Equity Share [EPS] [in Rupees]	23		
Before/After Exceptional Items		1.58	1.60
Significant Accounting Policies			
Notes to the Financial Statements	1 to 34		
The accompanying notes are an Integral part of Financial statement.			
<u>As per our report of even date</u>			
P G T & Associates	Gujarat Raffia Industries Limited	Gujarat Raffia Industries Limited	
Chartered Accountants			
FRN : 116277W			
Sd/-	Sd/-	Sd/-	
(Chirali S Shah)	Pradeep Bhutoria	Sushma Bhutoria	
Partner	Managing Director	Wholetime Director	
M. No. : 164109	Date: 30.05.2016	Date: 30.05.2016	
Ahmedabad, Dated: 30th May, 2016			

Gujarat Raffia Industries Limited				
Notes to the Financial Statements				
		In INR		
		Figures as at end of		
		Current Reporting Period	Previous Reporting Period	
		March 31, 2016	March 31, 2015	
Note: 1-Share Capital:				
Authorised:				
1,10,00,000 [as at 31-03-15 : 1,10,00,000] equity shares of Rs.10/- each		110,000,000	110,000,000	
Total		110,000,000	110,000,000	
Issued, Subscribed and Paid-up:				
49,94,775 [as at 31-03-15 : 49,94,775] equity shares of Rs.10/- each		49,947,750	49,947,750	
Total		49,947,750	49,947,750	
A The reconciliation of the number of shares outstanding is as under:		Equity Shares		
Number of shares at the beginning		4,994,775	4,994,775	
Add: Bonus shares issued during the period/shares issued during the period		-	-	
Less: Shares bought back/redeemed during the period		-	-	
Number of shares at the end		4,994,775	4,994,775	
B Terms/rights attached to equity shares:				
The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share The company declares and pays dividends in Indian rupees. The Dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. The equity shares rank parri passu and carry equal rights with respect to voting and dividend. In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remained after distribution of all preferential amounts.				
C Details of Share Holders holding more than 5% of Equity Shares of Rs. 10/- each, fully paid:				
		Current Reporting period		Previous Reporting period
		31st March, 2016		31st March, 2015
Name of the Shareholder		No of Shares	% of Holding	No of Shares
Pradeep Bhutoria		850293	17.02	546,374
Ratanlal Bhutoria		0.00	0.00	280,261
Bengal Business Limited		300579	6.02	300,579
As per records of the company, including its register of shareholers/members and declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.				
D The Equity Share Capital of the Company had been reduced from 10,21,87,000 comprising of 1,02,18,700 shares of Rs.10/- per share fully 99,89,550 equity shares of Rs.5/- each fully paid up. The reduction in capital had been approved under section 100 of the Companies Act 1956 by the High Court Of Gujarat vide its order dated Sept.21,2007. The company then converted its reduced face value of shares from Rs 5 each to Rs 10 each vide special resolution passed in Extra-ordinary General Meeting dated October 15, 2007.				
Note: 2-Reserves and Surplus:				
Capital Reserve:				
Balance as per last balance sheet : (On forfeiture of 2,29,150, equity shares)		2,530,849	2,530,849	
Addition during the period		-	-	
Closing Balance		2,530,849	2,530,849	
General Reserve				
Balance as per last balance sheet		16,906,075	15,471,216	
Add: Transfer from surplus in profit and loss account		-	2,629,077	
Less: Transfer to surplus in statement of profit and loss		-	1,194,218	
Closing Balance		16,906,075	16,906,075	
Surplus/(deficit) in Statement of Profit and Loss:				
Balance as per last Balance Sheet		47,372,506	39,384,412	
Add: (Loss)/Profit for the reporting period		7,880,270	7,988,094	
Net surplus in the statement of profit and loss		55,252,776	47,372,506	
Total		74,689,700	66,809,430	

Gujarat Raffia Industries Limited				
Notes to the Financial Statements				
			In INR	
			Figures as at end of	
			Current Reporting Period	Previous Reporting Period
			March 31, 2016	March 31, 2015
Note: 3-Long Term Borrowings:				
	In INR			
	Non-current portion		Current Maturities	
	Figures as at end of			
	Previous Reporting Period	Previous Reporting Period	Previous Reporting Period	Previous Reporting Period
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	2016	2015	2,016	2015
A Term Loans/Finance Lease Obligation (Secured)				
a From Banks	36565895	56577737	20,677,877	20,557,788
B From Others [Unsecured]	36565895	56577737	20,677,877	20,557,788
a Inter corporate deposits	54710813	54273065	-	-
b Director and their relatives	3932693	3731169	-	-
	58643506	58004234	-	-
Total	95209401	114581971	20,677,877	20,557,788
The above amount includes:				
Secured borrowings	36565895	56577737	20,677,877	20,557,788
Unsecured borrowings	58643506	58004234	-	-
Amount disclosed under head "Other Current Liabilities"	0	0	(20,677,877)	(20,557,788)
Net Amount	95209401	114581971	-	-
A Securities and Terms of Repayment for Secured Long Term Borrowings:				
a Finance Lease obligations is secured by hypothecation of assets taken on lease.				
b Term Loan from Bank				
- Secured against entire stock of Raw Material (imported / indigenous), semi-finished goods, Finished Goods, Book Debts and collateral Security of Factory Land and Building and Plant and Machinery.				
- Secured loan amounting to Rs. 868763/- (P.Y. Rs. 260520/-) is secured by hypothecation of vehicle.				
B Terms of Repayment for Secured Long Term Borrowings:				
a Finance lease obligations are repayable in equal monthly installments along with interest for the period.				
c There is no continuous default in repayment of Loan and interest thereon as on March 31st, 2016 for any loans under this head.				
Note: 4-Long Term Provisions:				
Provision for Employee Benefits			1,776,939	1,571,052
Total			1,776,939	1,571,052
Disclosure pursuant to Accounting Standard-15 [Revised] "Employee Benefits":				
Defined benefit plan and long term employment benefit				
A General description:				
<u>Gratuity [Defined benefit plan]:</u>				
The Company operates one defined plan viz. Gratuity, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of @ last drawn salary for each completed year of service. The scheme is not funded by the company.				
<u>[Defined contribution plan]</u>				
Contribution to Defined Contribution Plan, recognized as expense for the period is as under: Gratuity			205,887	1,196,895
<u>Leave wages [Long term employment benefit]:</u>				
The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting period is recognized as at the balance sheet date.			-	-

Gujarat Raffia Industries Limited		
Notes to the Financial Statements		
	In INR	
	Figures as at end of	
	Current Reporting Period	Previous Reporting Period
	March 31, 2016	March 31, 2015
Gratuity [Defined benefit plan]:		
a Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	1,571,052	374,157
Interest cost	-	-
Current service cost	205,887	1,196,895
Benefits paid	-	-
Actuarial [gain]/losses on obligation	-	-
Closing defined benefit obligation	1,776,939	1,571,052
b Change in the fair value of plan assets:		
Opening fair value of plan assets	-	-
Expected return on plan assets	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains/[losses]	-	-
Closing fair value of plan assets	-	-
Total actuarial gain [loss] to be recognized	-	-
c Actual return on plan assets:		
Expected return on plan assets	-	-
Actuarial gain/[loss] on plan assets	-	-
Actual return on plan assets	-	-
d Amount recognised in the balance sheet:		
[Assets]/Liability at the end of the period	1,776,939	1,571,052
Fair value of plan Assets at the end of the period	-	-
Difference	1,776,939	1,571,052
Unrecognised past Service cost	-	-
[Assets]/Liability recognised in the Balance Sheet	1,776,939	1,571,052
e [Income]/Expenses recognised in the Statement of Profit and Loss :		
Current service cost	205,887	1,196,895
Interest cost on benefit obligation	-	-
Expected return on plan assets	-	-
Net actuarial [gain]/loss in the period	-	-
Net [benefit]/expense	205,887	1,196,895
f Movement in net liability recognised in Balance Sheet:		
Opening net liability	1,571,052	374,157
Expenses as above [P & L Charge]	205,887	1,196,895
Employer's contribution	-	-
[Assets]/Liability recognised in the Balance Sheet	1,776,939	1,571,052
g Principal actuarial assumptions as at Balance sheet date:		
	Gratuity Unfunded	
Mortality table	NA	NA
Discount rate (rate annum)	NA	NA
Expected rate of return on plan assets (per annum)	NA	NA
Rate of escalation in salary	NA	NA
(Actuarial valuer has not given these parameters in the certificate)		
Note: 5-Short Term Borrowings:		
Working Capital Loans from Banks [Secured] [*]	66,708,431	43,801,824
Total	66,708,431	43,801,824
[*] [Secured against entire stock of Raw Material (imported / indigenous), semi-finished goods, Finished Goods, Book Debts and collateral Security of Factory Land and Building, Plant and Machinery].		

Gujarat Raffia Industries Limited			
Notes to the Financial Statements			
	In INR		
	Figures as at end of		
	Current Reporting Period	Previous Reporting Period	
	March 31, 2016	March 31, 2015	
Note: 6-Trade Payables:			
Micro, Small and Medium Enterprises [*] (To the extent available to the company)	-	-	
Others	17,860,014	19,515,731	
Total	17,860,014	19,515,731	
[*] The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:			
Particulars			
Principal amount due and remaining unpaid	-	-	
Interest due on above and the unpaid interest	-	-	
Interest paid	-	-	
Payment made beyond the appointed day during the period	-	-	
Interest due and payable for the period of delay	-	-	
Interest accrued and remaining unpaid	-	-	
Amount of further interest remaining due and payable in succeeding periods.	-	-	
Note: 7-Other Current Liabilities:			
Current Maturities of Long Term Debt including current maturity of finance lease obligation [Refer Note No. 3]	20,677,877	20,557,788	
Sundry Creditors - Capital Goods	355,037	579,266	
Advances from Debtors	7,736,680	17,860,701	
Others:			
Provision for Expenses	2,317,670	3,038,310	
Payable to Statutory Authorities (*)	7,881,155	10,429,434	
Total	38,968,419	52,465,499	
(*) The company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of finished goods lying in stock at the end of period.			
Note: 8-Short Term Provisions:			
Provision for Employee Benefits	-	-	
Others:			
Provision for Income Tax	1,593,871	1,005,529	
Total	1,593,871	1,005,529	
Note : 10 - Non Current Investments :			
Long Term Investments :			
Trade Investments :			
Investments in Equity Instruments	-	-	
Other Investments :			
Investments in Equity Instruments	500,500	500,500	
	500,500	500,500	
Details of Other Investments :	Face Value	No of Shares	
Investment in Equity Instruments :	Per Share	Current Period	Previous Year
Unquoted :			
In fully paid-up Equity Shares of :			
Others			
Asia Pacific Ltd.	10	500	500
Associate Concerns			
Bengal Business Ltd.	10	100000	100000
Asian gases Ltd.	10	150000	150000
Total [Aggregate Book Value of Investments]		500,500	500,500
Note: 11-Inventories:			
[The Inventory is valued at lower of cost and net realisable value]			
Classification of Inventories:			
Raw Materials	52,015,023	26,811,286	
Work-in-progress	2,996,663	2,825,134	
Finished Goods	49,610,807	86,521,515	
Stores and Spares	3,001,630	1,025,291	
Scrap	634,730	100,765	
Total	108,258,853	117,283,991	

Gujarat Raffia Industries Limited		
Notes to the Financial Statements		
	In INR	
	Figures as at end of	
	Current Reporting Period	Previous Reporting Period
	March 31, 2016	March 31, 2015
Note: 12-Trade Receivables:		
[Unsecured] Outstanding for a period exceeding six months from the date they are due for payment:		
Considered good	-	-
Others		
Considered good	89,832,966	61,291,887
Total	89,832,966	61,291,887
Note: 13-Cash and Bank Balances :		
Balances with Banks	7,069,784	5,852,765
Cash on Hand	245,106	14,639
Total	7,314,890	5,867,404
A Earmarked balances with banks:		
a Balances with Banks include balances to the extent held as margin money deposits against gurantee and letter of credit opened	5,862,437	5,427,700
b Bank deposits with maturity of more than 12 months	-	-
c Company keeps Fixed deposit with the Nationalised / Scheduled banks, which can be withdrawn by the company as per its own discretion / requirement of funds.		
Note: 14-Short Term Loans and Advances:		
[Unsecured, Considered Good] Loans and advances to related parties:		
Balances with Custom/ Central Excise/ Sales Tax Authorities	999,062	6,380,935
Advances to Suppliers	1,264,392	1,734,124
Advances recoverable in cash or in kind or for value to be received	8,513,703	8,074,063
Total	10,777,157	16,189,122
Note: 15-Contingent Liabilities and commitment [to the extent not provided for]:		
Contingent Liabilities:		
a Claims against the Company not acknowledged as debts		
i) Labour Matters	435,000	435,000
b In respect of guarantees given by Banks and/or counter guarantees given by the Company	250,000	250,000
c Other money for which the company is contingent liable:		
i) Letters of Credit for Imports	-	22,864,000
Note: 16-Revenue from Operations:		
Sales of Goods		
Sales	397,380,022	413,700,782
Services (Including Job Work)	-	-
	397,380,022	413,700,782
Other Operating Revenues:		
Net Gain on foreign currency transactions and translation	620,653	975,509
Freight Charges	628,715	872,900
Export Benefits	3,071,283	632,858
Total	4,320,651	2,481,267
Details of Sale of Goods (*) Net of Taxes		
Fabric	48,488,853	37,418,939
Sacks	52,439,688	51,580,126
Tarpaulin	252,523,583	275,802,811
Note: 17-Other Income:		
Other Non-operating Income		
Interest income	743,648	451,943
Earlier Year Interest Subsidy	6,591,363	-
Provision no longer required	-	541,141
Amount Written Off	-	-
Total	7,335,011	993,084

Gujarat Raffia Industries Limited					
Notes to the Financial Statements					
				In INR	
				Figures as at end of	
				Current Reporting Period	Previous Reporting Period
				March 31, 2016	March 31, 2015
Note: 18-Cost of Materials Consumed:					
Raw Materials:					
Stock at commencement				26,811,286	16,695,593
Add : Purchases				267,506,576	298,735,905
				294,317,862	315,431,498
Less : Stock at close				52,015,023	26,811,286
Total				242,302,839	288,620,212
A Details of Consumption of Raw Material [RM] is as under:					
a Fabric				13,300,238	40,445,008
b Granuals				171,192,831	198,071,549
Note: 19-Changes in Inventories:					
Stock at close:					
Work-in-progress				2,996,663	2,825,134
Finished Goods				50,245,537	86,622,280
				53,242,200	89,447,414
Less: Stock at commencement:					
Work-in-progress				2,825,134	2,464,441
Finished Goods				86,622,280	79,344,780
				89,447,414	81,809,221
Less:Differential Excise Duty on Opening and Closing stock of Finished Goods				(4,030,664)	1,423,416
Total				(32,174,550)	6,214,777
A Details of Finished Goods is as under:					
		2014	2015	2016	
a	Sacks	15736612	9093676	2993355	
b	Tarpaulin/Roll/Cover/Fabric/sheets	62955276	50156901	46617452	
Note: 20-Employee Benefit Expense:					
Salaries, Bonus and wages				11,705,884	10,989,516
Contribution to provident and other funds				472,794	214,961
Staff welfare expenses				62,445	14,810
Total				12,241,123	11,219,287
Note: 21-Finance Cost:					
Interest expense [*]				10,117,702	13,318,979
Bank commission & charges				996,782	519,830
Total				11,114,484	13,838,809
[*] The break up of interest expense in to major heads is given below:					
On working capital loans				7,041,628	6,191,666
Others				3,076,074	7,127,313
				10,117,702	13,318,979
Note: 22-Other Expenses:					
Consumption of Stores and spare parts				2,287,273	3,241,351
Other Manufacturing Expenses				1,891,991	1,562,910
Power & fuel				23,633,712	20,522,537
Rent				-	300,000
Repairs to Plant and Machinery				611,739	273,613
Repairs to Others				292,314	91,651
Insurance				377,581	530,436
Commission				674,215	-
Rates and Taxes [excluding taxes on income] (*)				10,621,855	10,359,315
Directors' Remuneration				1,020,000	1,020,000
Traveling Expenses				356,556	138,934
Legal and Professional Fees				614,210	385,264
Freight and forwarding on sales				5,051,208	8,556,949
Loss on Sale of Assets				80,110	-
Other marketing expenses				65,237	69,037.00
Miscellaneous Expenses [**]				2,098,372	3,439,603
Total				49,676,373	50,491,600
(*) Rate and taxes includes sales tax, excise duty, service tax and other taxes. Excise duty represents the aggregate of excise duty borne by the company .					
[**] Miscellaneous Expenses include Payment to the auditors as [Excluding Service Tax]:					
a	i Auditors		37,500	37,500	
	ii For taxation matters		7,500	7,500	
	iii For Other Services		-	-	
	iv Total		45,000	45,000	

Gujarat Raffia Industries Limited				
Notes to the Financial Statements				
		In INR		
		Figures as at end of		
		Current Reporting Period	Previous Reporting Period	
		March 31, 2016	March 31, 2015	
Note: 23-Calculation of Earnings per Equity Share [EPS]:				
The numerators and denominators used to calculate the basic and diluted EPS are as follows:				
A	Profit attributable to Shareholders	INR	7,880,270	7,988,094
B	Basic and weighted average number of Equity shares outstanding during the period	Nos.	4,994,775	4,994,775
C	Nominal value of equity share	INR	10	10
D	Basic & Diluted EPS :	INR	1.58	1.60
Note: 24-Expenditure in Foreign Currency:				
Business Promotion Expenses (*)			-	-
Import of Goods			71,313,408	42,379,411
Import of Capital Goods			-	23,678
(*) Considered on payment basis only.				
Note: 25-Earnings in Foreign Exchange:				
Export of goods calculated on F.O.B. basis			102,686,036	135,758,991
Note: 26-Remittances made on account of dividend in Foreign currency				
			-	-
Note: 27-Raw Materials and Spare parts consumed:				
Value of Raw Materials Consumed: Imported Indigenous Total Value of Spare parts Consumed: Imported Indigenous Total	Previous Reporting Period		Previous Reporting Period	
	March 31, 2016		March 31, 2015	
	INR	% to Total	INR	% to Total
	64594453	27	40,292,312	14
	177708386	73	248,327,900	86
	242302839	100	288,620,212	100
	0	0	-	-
	2287273	100	3,241,351	100
	2287273	100	3,241,351	100
Note : 28 - Derivative Financial Instruments :				
A The Company has not entered into any forward contracts to offset foreign currency risks arising from the amounts denominated in currencies other than the Indian Rupee.				
B The details of foreign currency exposures not hedged by derivative transactions are as under :				
		Value [*] in INR		
		Figures as at end of		
		Current Reporting Period	Previous Reporting Period	
		March 31, 2016	March 31, 2015	
Dues to Creditors /Advance payment from Debtors/ Loans				
Rupees		1912928	2,780,180	
US dollar/ Euro		27966	44,200	
Dues from Debtors and advance payment to suppliers				
Rupees		10043320	11,407,364	
US dollar/ Euro		151574	183,045	
Value [*] represents the Indian rupee equivalent of foreign currency contracts and derivatives converted in accordance with the accounting policy followed by the Company.				

Gujarat Raffia Industries Limited
Notes to the Financial Statements

	In INR	
	Figures as at end of	
	Current Reporting Period	Previous Reporting Period
	March 31, 2016	March 31, 2015

Note: 29-Segment Information:

Based on the guiding principal given in Accounting Standard - 17 on Segment Reporting issued by the Institute of Chartered Accountants of India, the Company's primary business is manufacturing of PE, Tarpaulin, HDPE/PP Woven sacks and fabrics, which has similar risks and returns, accordingly there are no separate reportable segment as far as primary segment is concerned.

The operations of the company are in India and all assets and liabilities are located in India except export debtors and import creditors. The secondary business segment by geographical market is given below.

SECONDARY BUSINESS SEGMENT BY GEOGRAPHICAL MARKET

A Sales Revenue	Within India	Outside India	Total
Current reporting period	292155536	105224486	397,380,022
Previous reporting period	277941791	135758991	413,700,782
(Sale revenue is gross of excise duty and sales tax.)			
B Carrying amount of segment assets			
Current reporting period	336711205	10043320	346,754,525
Previous reporting period	338291422	11407364	349,698,786
(Assets outside India include Export Debtors)			

Note: 30-Related Party Transactions:
A Name of the Related Party and Nature of the Related Party Relationship:
a) Directors and their relatives:

Mr. Pradeepkumar Bhutoria	Managing Director
Mrs. Sushma Bhutoria	Executive Director
Mr. Abhishek Bhutoria	Director
Mr. Alpesh Tripathi	Director
Mr. Dipen M Shah	Director

b) Enterprises significantly influenced by Directors and/or their relatives:

Asian Gases Limited
Bengal Business Limited
Mahanagar Realestate Pvt. Ltd.

Related party relationship is as identified by the Company and relied upon by the Auditors.

B Transactions with Related Parties:

The following transactions were carried out with the related parties in the ordinary course of business :

a) Details relating to parties referred to in A above

Nature of Transactions	Value of the Transactions [INR]			
	Related parties referred in A(a) above		Enterprises significantly influenced by Directors and/or their relatives	
	Reporting period ended March 31,			
	2016	2015	2016	2,015
Loan Taken	0	3722602	0	197,000
Loan Repaid	63540	6170974	781000	371,930
Interest Paid	223916	8567	785970	719,301
Remmuneration	1020000	1020000	0	-
Rent Paid	0	300000	0	-
Total	1307456	11222143	1566970	1,288,231

b) Disclosure in respect of transactions which are more than 10% of total transactions of same type with related parties during the period.
Transaction and Outstanding payable:

Name of Related Party	Balance as on 31.03.2015	Loan Taken	Amt Paid (*)	Expenses	Closing Balance 31.03.2016
Asian Gases Limited	15678152	0	516000	1,036,604	15,869,525.00
Bengal Business Ltd.	10860359	0	265000	242,349	10,595,359
Mahanagar Realestate Pvt. Ltd.	16600000	0	0	126,567	16,600,000
Abhishek Bhutoria	270000	0	0	-	270,000
Pradeep Bhutoria-HUF(Loan)	3731169	0	63540	223,916	3,869,153

(*) Including TDS and other deductions, if any

Note: 9-Fixed Assets:								INR
A	Tangible Assets:	Freehold		Plant and	Furniture and		Office	
		Land	Buildings	Equipment	Fixtures	Vehicles	Equipments	Total
	Gross Block:							
	As at March 31, 2016	12,95,932	335,10,318	2431,86,932	24,13,091	28,20,445	16,28,738	2848,55,456
	Additions	-	-	8,50,000	-	9,68,820	-	18,18,820
	Disposals	-	-	-	-	5,81,608	-	5,81,608
	Other adjustments	-	-	-	-	-	-	-
	As at March 31, 2016	12,95,932	335,10,318	2440,36,932	24,13,091	32,07,657	16,28,738	2860,92,668
	Depreciation:							
	As at March 31, 2015	-	59,55,538	1253,01,710	21,17,095	16,94,867	12,20,364	1362,89,574
	Charge for the Period	-	10,88,904	182,94,103	50,479	4,65,935	1,90,012	200,89,433
	Disposals	-	-	-	-	3,56,498	-	3,56,498
	As at March 31, 2016	-	70,44,442	1435,95,813	21,67,574	18,04,304	14,10,376	1560,22,509
	Net Block:							
	As at March 31, 2015	12,95,932	275,54,780	1178,85,222	2,95,996	11,25,578	4,08,374	1485,65,882
	As at March 31, 2016	12,95,932	264,65,876	1004,41,119	2,45,517	14,03,353	2,18,362	1300,70,159
1 The Borrowing costs capitalised by the Company during the reporting period is Rs.2226281/- (during the previous reporting 516933/-) 2 The fixed assets acquired on finance lease and lease rent are charged as per the agreed terms.								

Note: 31 During the year 2013-2014, company has imported capital goods under EPCG License Scheme. The company has already fulfilled its obligation, license Pending for Closure.

Note: 32 The Company has worked out deferred tax liabilities/assets as at March 31, 2016. In view of unabsorbed depreciation and business losses under tax laws, net result of computation is net deferred tax assets, which are not recognized as a matter of prudence and in absence of virtual certainty as to its realization.

Note: 33 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.

Note: 34 Previous period's figures have been regrouped/ reclassified wherever necessary to correspond with the current period's classifications/ disclosure.

Signatures to Significant Accounting Policies and Notes 1 to 34 to the Financial Statements

As per our report of even date

P G T & Associates

Chartered Accountants

Gujarat Raffia Industries Limited

Gujarat Raffia Industries Limited

FRN: 116277W

Sd/-

Sd/-

Sd/-

(Chirali S Shah)

Pradeep Bhutoria

Sushma Bhutoria

Partner

Managing Director

Wholetime Director

M. No. : 164109

Date: 30.05.2016

Date: 30.05.2016

Ahmedabad, Dated: 30th May, 2016

Gujarat Raffia Industries Limited				
CASH FLOW STATEMENT FOR PERIOD ENDED 31ST MARCH 2016				
	In INR			
	Figures as at end of			
	Current Reporting Period		Previous Reporting Period	
	March 31, 2016		March 31, 2015	
A. CASH ARISING FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Exceptional Items as per Profit and Loss Accounts		9997183		9,868,454
ADD/(DEDUCT):				
Depreciation and Amortisation Expenses	20089433		20,580,024	
Interest Income	(743,648)		(451,943)	
Loss on Sale of Fixed Assets	80,110		-	
Amount Written off	(1,446)		29,534	
Financial Charges	11,114,484		13,838,809	
Unrealised Foreign Exchange (Gain)/Loss	-		-	
		30,538,933		33,996,424
Operating Cash Profit Before Working Capital Changes		40,536,116		43,864,878
Change In Woking Capital				
Decrease in Trade and Other Current Liabilities	(14,945,464)		(6,636,949)	
Increase in Trade Receivable and Other Loans and Advances	(23,129,114)		21,556,857	
Decrease/(Increase) in Inventories	9,025,138		(17,759,756)	
Total Change in Working Capital		(29,049,440)		(2,839,848)
Cash flow from opration		11,486,676		41,025,030
Less:- Direct Taxes Paid		(1,528,571.00)		(1,181,681)
Net Cash Inflow/(Outflow) in the Course of Operating Activities after Exceptional Items		9,958,105		39,843,349
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
Inflow:				
Sale of Assets	581,608		-	
Inrerest Received	743,648		451,943	
		1,325,256		451,943
Outflow:				
Investment In Shares of Other Company	-		-	
Acquisiton of Fixed Assets (Including Capital WIP)	(1,818,820)		(2,531,665)	
		(1,818,820)		(2,531,665)
Net Cash Inflow/(Outflow) in the course of Invisting Activities		(493,564)		(2,079,722)
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
Inflow:				
Proceeds from Secured Loan	(20,011,842)		14,880,025	
Proceeds From Bank	22,906,607		(40,579,685)	
Proceeds from Unsecured Loan	639,272		(1,220,515)	
		3,534,037		(26,920,175)
Outflow:				
Finance charges	(11,114,484)		(13,838,809)	
		(11,114,484)		(13,838,809)
Net Cash Inflow/(Outflow) in the Course of Financing Activities		(7,580,447)		(40,758,984)
Net Increase/(Decrease) in Cash and Cash Equivalents		1,884,094		(2,995,357)
Add: Opening Balance of Cash and Cash Equivalents		5,867,404		8,862,761
Closing Balance of Cash and Cash Equivalents		7,751,498		5,867,404
<u>As per our report of even date</u>				
P G T & Associates Chartered Accountants FRN : 116277W	Gujarat Raffia Industries Limited Gujarat Raffia Industries Limited			
Sd/-	Sd/-			
(Chirali S Shah) Partner M. No. : 164109 Ahmedabad, Dated: 30th May, 2016	Pradeep Bhutoria Managing Director Date: 30.05.2016			
	Sushma Bhutoria Wholetime Director Date: 30.05.2016			

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:

Name	
Address	
DP Id *	
Client Id *	
Folio No.	
No. of shares held	

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 27th September, 2016 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

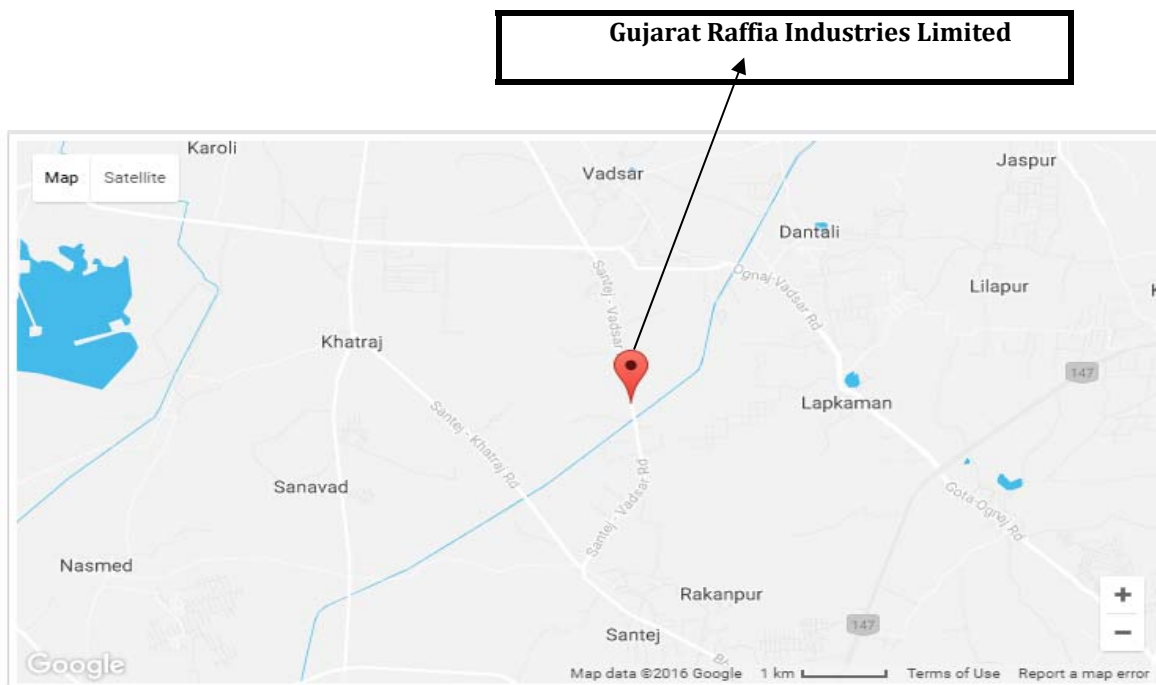
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint

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 ensuing Annual General Meeting of the Company, to be held on 27th September, 2016 at 2.00 p.m. at the registered office of the Company at Plot No.455, Santej Vadsar Road, Village: Santej, Taluka: Kalol-382721. Dist: Gandhinagar. and at any adjournment thereof in respect of such resolutions as are indicated below:

ROUTE MAP TO AGM VENUE**Resolution No: -**

Resolution No.

Sr. No	Business	Option	
		For	Against
	ORDINARY BUSINESS		
1.	To receive, consider and adopt the Audited Financial Statements as at 31 st March, 2016 including the Audited Balance Sheet as at 31 st March, 2016, the Statement of Profit and Loss for the year ended on that date and reports of the Directors' and Auditors' thereon		
2.	To appoint a Director in place of Mr. Abhishek Bhutoria (DIN: 07263523) who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment		
3.	To appoint Auditors and fix their remuneration		

Signed this _____ day of _____ 2016

Signature of shareholder _____

Signature of Proxy holder(s) _____

Note:

Affix
Revenue
Stamp

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.

BOOK POST

TO,

If undelivered please return to

GUJARAT RAFFIA INDUSTRIES LIMITED

Plot No.455, Santej Vadsar Road, Village: Santej, Taluka: Kalol,
Dist: Gandhinagar. Gujarat 382721