

**GRIL**

**Gujarat Raffia Industries Ltd.**

**35<sup>th</sup>  
Annual Report  
2020 - 2021**

**GUJARAT RAFFIA INDUSTRIES LIMITED**

(CIN: L17110GJ1984PLC007124)

**GUJARAT RAFFIA INDUSTRIES LIMITED**  
**(CIN: L17110GJ1984PLC007124)**  
**35<sup>th</sup> ANNUAL REPORT 2020-21**

|   |     |  |   |                              |
|---|-----|--|---|------------------------------|
| <b>BOARD OF DIRECTORS</b>                 | : - | Shri Pradeep R. Bhutoria   | - | Chairman & Managing Director |
|   |     | Smt. Sushma P. Bhutoria  | - | Whole Time Director          |
|   |     | Shri Abhishek P. Bhutoria  | - | Director                     |
|   |     | Shri Dipen M. Shah   | - | Independent Director         |
|   |     | Shri Karan Singh Chandalia   | - | Independent Director         |
| <b>COMPANY SECRETARY</b>                  | : - | Dhaval Patel   |   |                              |
| <b>CHIEF FINANCIAL OFFICER</b>            | `:- | Ramaakant Pandey   |   |                              |
| <b>AUDITORS</b>                           | :   | M/s. A.N. Ruparel & Co., Chartered Accountants,<br>Ahmedabad.  |   |                              |
| <b>BANKERS</b>                            | :   | Union Bank of India<br>State Bank of India<br>HDFC Bank  |   |                              |
| <b>REGISTERED OFFICE &amp; WORKS</b>      | :   | Plot No.455, Santej Vadsar Road, Village: Santej, Taluka: Kalol-382721.<br>Dist: Gandhinagar. <a href="tel:02764-286632,286672,286673,286674">Tel:-02764-286632,286672,286673,286674</a><br>Fax: - 02764-286652,286646, Website:- <a href="http://www.griltarp.com">www.griltarp.com</a><br>Email: - <a href="mailto:info@griltarp.com">info@griltarp.com</a> ; <a href="mailto:accounts@griltarp.com">accounts@griltarp.com</a> |   |                              |
| <b>REGISTRAR AND SHARE TRANSFER AGENT</b> | :   | <b>M/s. Accurate Securities &amp; Registry Pvt.Ltd.,</b><br>Ahmedabad Branch,<br>203, Shangrila Arcade, Above Samsung Showroom<br>Nr. Shyamal Cross Road, Satellite, Ahmedabad – 380015,<br>(O) – 079-48000319<br>E-mail id – <a href="mailto:investor@accuratesecurities.com">investor@accuratesecurities.com</a>   |   |                              |
| <b>SECRETARIAL AUDITOR</b>                | :   | <b>CS Himanshu Maheshwari, Practicing Company Secretary</b><br>A-24, Murli apartment, radio mirchi road Satellite, Ahmedabad-380015<br>E-MAIL : <a href="mailto:cshimanshu.maheshwari@gmail.com">cshimanshu.maheshwari@gmail.com</a><br>Phone no : 8460481770  |   |                              |

**CONTENT**

| <b>Sr. No.</b> | <b>Particular</b>                | <b>Page No.</b> |
|----------------|----------------------------------|-----------------|
| 1.             | Notice of Annual General Meeting | 02              |
| 2.             | Directors Report                 | 15              |
| 3.             | Corporate Governance Report      | 40              |
| 4.             | Management Discussion & Analysis | 57              |
| 5.             | Independent Audit Report         | 60              |
| 6.             | Financial Statements             | 76              |

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 35<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S. GUJARAT RAFFIA INDUSTRIES LIMITED WILL BE HELD AS SCHEDULED BELOW:**

Date: 30<sup>th</sup> September, 2021

Day: Thursday

Time: 2.00 p.m.

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

To transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements as at 31<sup>st</sup> March, 2021 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss and cash flow statement for the year ended on that date and reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Sushma Pradeep Bhutoria (DIN: 00284819) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

**By Order of the Board  
For Gujarat Raffia Industries Limited**

Place: Santej  
Date : 08.09.2021

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

**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 Authorized 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 dully 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 (10.00 a.m. to 05.00 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, 08<sup>th</sup> September, 2021 to Thursday, 30<sup>th</sup> September, 2021 (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, Accurate Securities & Registry 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), Accurate Securities & Registry 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 / Accurate Securities & Registry 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 Accurate Securities & Registry 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 Accurate Security & Registry Pvt. Ltd. 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 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
18. Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.
19. In compliance with the provisions of section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

**PROCEDURE FOR E-VOTING**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
2. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at 08<sup>th</sup> September, 2021
3. . The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Saturday, 25<sup>th</sup> September, 2021, at 10:00 A.M. and ends on 29<sup>th</sup> September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20<sup>th</sup> September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 03<sup>rd</sup> September, 2021.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held</li> </ol> |

|   |   |
|---|---|
|   | <p>with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>  |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol> |

|  |  |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| <b>Login type</b>  | <b>Helpdesk details</b>  |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30             |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43 |

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>   |
|---|---|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.            | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12***** then your user ID is 12*****   |
| c) For Members holding shares in Physical Form.                       | EVEN Number followed by Folio Number registered with the company<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.****How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cshimanshu.maheshwari@gmail.com](mailto:cshimanshu.maheshwari@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@griltarp.com](mailto:cs@griltarp.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@griltarp.com](mailto:cs@griltarp.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
  2. Members are encouraged to join the Meeting through Laptops for better experience.
  3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@griltarp.com](mailto:cs@griltarp.com). The same will be replied by the company suitably.
- (i) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Mr. HIMANSHU MAHESHWARI, Practicing Company Secretary [ACS No. 38047] has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The scrutinizer shall within a period of not exceeding Two (2) working days from the conclusion of the e-voting period unblock the votes in presence of at least two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favor or against, if any, forthwith to the Chairman of the company. The result shall be declared at or after the Annual General Meeting of the company. The result declared along with the scrutinizer's report shall be placed on company's website [www.griltarp.com](http://www.griltarp.com) and on the website of CDSL within two days of passing of resolutions at the Annual General Meeting of the company and communicated to BSE Limited and National Stock Exchange.

- (ii) All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during normal business hours (10.00 am to 5.00 pm) on all working days.

**By Order of the Board  
For Gujarat Raffia Industries Limited**

Place: Santej  
Date: 08.09.2021

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

## DIRECTOR'S REPORT

**Dear Shareholders,**

Your Directors present the **35<sup>th</sup>** Annual Report together with the Audited Statement of Accounts for the year ended on **31<sup>st</sup> March, 2021**.

### 1. FINANCIAL RESULTS:

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

| Particulars   | (Rs. In Lakhs) |               |
|---|----------------|---------------|
|   | Standalone     |               |
|   | 2020-21        | 2019-20       |
| Total Revenue   | 3910.33        | 3426.81       |
| <b>Less:</b> Operating and other Admin Expense.                     | 3622.26        | 3220.27       |
| <b>Profit Before Depreciation, Interest and Tax</b>                 | <b>288.07</b>  | <b>206.54</b> |
| <b>Less:</b> Depreciation   | 143.67         | 120.88        |
| <b>Less:</b> Finance Costs  | 18.95          | 30.34         |
| <b>Profit Before Tax and Exceptional Items</b>                      | <b>125.45</b>  | <b>55.32</b>  |
| Exceptional Items   | -              | -             |
| <b>Profit Before Tax</b>  | <b>125.45</b>  | <b>55.32</b>  |
| <b>Less:</b> Current Tax  | 21.60          | 22.50         |
| <b>Less:</b> Earlier Year Tax                                       | 15.12          | -             |
| <b>Less:</b> Deferred Tax   | -              | -             |
| (Excess) / Shortfall in provision for current tax for earlier years | -              | -             |
| <b>Less:</b> Minority Interest                                      | -              | -             |
| <b>Profit After Tax &amp; Minority Interest</b>                     | <b>118.97</b>  | <b>32.82</b>  |
| Earnings Per Equity Share   |                |               |
| Basic   | <b>2.20</b>    | <b>0.61</b>   |
| Diluted   | <b>2.20</b>    | <b>0.61</b>   |

### 2. DIVIDEND:

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

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

Your director report that during the year under review, in spite of economic slowdown the Company has recorded total sales of Rs. 3910.33 Lakhs as compared to Rs. 3426.81 Lakhs for the financial year ended on 31<sup>st</sup> March, 2020. The Profit before tax for the period under review is Rs. 125.45 Lakhs as compared to Rs. 55.32 Lakhs in the previous year 2019- 20. The Profit after tax during the year under review is Rs. 118.97 Lakhs as against Rs. 32.82 Lakhs in the previous year 2019- 20.

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

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

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

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

**5. 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 31<sup>st</sup> March, 2021 is Rs. 5,40,45,000/-.

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

**6. TRANSFER TO RESERVES:**

The Company has not transferred any amount to the General Reserves for the current reporting period. An amount of ₹ 118.97 Lakhs is proposed to be retained in the Statement of Profit and Loss of the Company.

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

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

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

During the year, Seven 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.

| <b>Sr. No.</b> | <b>Date on which board Meetings were held</b> | <b>Total Strength of the Board</b> | <b>No of Directors Present</b> |
|----------------|---|------------------------------------|--------------------------------|
| <b>1</b>       | 01/06/2020                                    | 5                                  | 5                              |
| <b>2</b>       | 22/06/2020                                    | 5                                  | 5                              |
| <b>3</b>       | 25/07/2020                                    | 5                                  | 5                              |
| <b>4</b>       | 12/08/2020                                    | 5                                  | 5                              |
| <b>5</b>       | 12/11/2020                                    | 5                                  | 5                              |
| <b>6</b>       | 07/12/2020                                    | 5                                  | 5                              |
| <b>7</b>       | 13/02/2021                                    | 5                                  | 5                              |

**ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:**

| <b>Sr. No.</b> | <b>Name of Directors</b>  | <b>No. of Meeting Held</b> | <b>No. of Meeting Attended</b> |
|----------------|---------------------------|----------------------------|--------------------------------|
| <b>1.</b>      | Mr. Pradeep Bhutoria      | 7                          | 7                              |
| <b>2.</b>      | Mrs. Sushma Bhutoria      | 7                          | 7                              |
| <b>3.</b>      | Mr. Dipen M Shah          | 7                          | 7                              |
| <b>4.</b>      | Mr. Abhishek P Bhutoria   | 7                          | 7                              |
| <b>5.</b>      | Mr. Karan Singh Chandalia | 7                          | 7                              |

**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.

Mrs. Sushma Pradeep 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

The Independent Directors of your Company, in a separate meeting held on 27<sup>th</sup> March, 2021 to carry out the evaluation for the financial year 2020-21 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. A.N. Ruparel & Co., Chartered Accountants (Firm Registration Number: 113413W) were appointed as Statutory Auditors of the Company for a period of 5 (Five) years from FY 2020 – 21 to 2024 – 25 at the 35<sup>th</sup> Annual General Meeting held on September 30, 2021. In view of the amendment to Section 139 of the Companies Act, 2013, the Company is not required to ratify the appointment of the Statutory Auditor at every Annual General Meeting. Hence, the item of ratification of appointment of Statutory Auditor is not considered in this Annual General Meeting. In view of the same M/s. A.N. Ruparel & Co., Chartered Accountants will continue to act as Statutory Auditors of your Company for Financial Year 2022-23.

**b) SECRETARIAL AUDITORS:**

**Mr. CS Himashu Maheshwari**, Practicing Company Secretaries is appointed to conduct the secretarial audit of the Company for the financial year 2020-21, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. Your Company has received consent from Mr. Himanshu Maheshwari to act as the auditor for conducting audit of the Secretarial records for the financial year ending 31st March, 2021. The secretarial audit report for FY 2020-21 forms part of the Annual Report as '**Annexure B**' to the *Board's report*.

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

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

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

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

**18. AUDIT COMMITTEE:**

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

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

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

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

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

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

**21. VIGIL MECHANISM:**

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

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

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

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

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

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

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

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

**25. DEPOSITS:**

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

**26. DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- a. that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2021, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- b. that the directors had selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March 2021 and of the profit of the Company for that period;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts/financial statements have been prepared on a going concern basis;

- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

**28. CORPORATE GOVERNANCE:**

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

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

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

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

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

**31. ACKNOWLEDGEMENT:**

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

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

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

**Date: 29<sup>th</sup> June, 2021  
Place: Santej**

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

**Annexure – A**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31<sup>st</sup> March, 2021**

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

**I. REGISTRATION AND OTHER DETAILS:**

|      |   |   |   |
|------|---|---|---|
| i.   | CIN   | : | L17110GJ1984PLC007124   |
| ii.  | Registration Date   | : | 30 <sup>th</sup> July, 1984   |
| iii. | Name of the Company   | : | GUJARAT RAFFIA INDUSTRIES LIMITED   |
| iv.  | Category / Sub-Category of the Company                                    | : | Company limited by shares   |
| v.   | Address of the Registered office and contact details                      | : | Plot No 455, Santej-Vadsar Road, Gandhinagar-382721 Gujarat, India  |
| vi.  | Whether listed company Yes / No   | : | Yes   |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | : | <b>M/s. Accurate Securities &amp; Registry Pvt.Ltd.,</b><br>Ahmedabad Branch,<br>203, Shangrila Arcade, Above Samsung Showroom,<br>Nr. Shyamal Cross Road,<br>Satellite, Ahmedabad – 380015<br>C.No. – 079-48000319<br>E-mail – investor@accuratesecurities.com |

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

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product / service | % to total turnover of the company |
|---------|--|-----------------------------------|------------------------------------|
| 1.      | Tarpaulin & Fabrics                              | 17215                             | 72.33                              |
| 2.      | Sacks  | 21021                             | 23.61                              |

**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<br>1 <sup>st</sup> April, 2020 |          |                  |                   | No. of Shares held at the end of the year 31 <sup>st</sup><br>March, 2021 |          |                  |                   | % Change during the year |
|---|--|----------|------------------|-------------------|---|----------|------------------|-------------------|--------------------------|
|   | Demat  | Physical | Total            | % of Total Shares | Demat   | Physical | Total            | % of Total Shares |                          |
| <b>A. PROMOTER &amp; PROMOTER GROUP</b>                   |  |          |                  |                   |   |          |                  |                   |                          |
| <b>(1) Indian</b>   |  |          |                  |                   |   |          |                  |                   |                          |
| Individual/HUF  | 11,70,146  | -        | 11,70,146        | 21.65             | 11,70,146   | -        | 11,70,146        | 21.65             | -                        |
| Central Government / State Government(s)                  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Bodies Corporate  | 9,51,539   | -        | 9,51,539         | 17.61             | 9,51,539  | -        | 9,51,539         | 17.61             | -                        |
| Financial Institution/ Bank                               | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Others  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| <b>Sub-total (A) (1):-</b>                                | <b>21,21,685</b>   | <b>-</b> | <b>21,21,685</b> | <b>39.26</b>      | <b>21,21,685</b>  | <b>-</b> | <b>21,21,685</b> | <b>39.26</b>      | <b>-</b>                 |
| <b>(2) Foreign</b>  |  |          |                  |                   |   |          |                  |                   |                          |
| Individuals (NRIs/Foreign Individuals)                    | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Other- Individuals  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Bodies Corporate  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Financial Institution/ Bank                               | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Others  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| <b>Sub-total (A) (2):-</b>                                | <b>-</b>   | <b>-</b> | <b>-</b>         | <b>-</b>          | <b>-</b>  | <b>-</b> | <b>-</b>         | <b>-</b>          | <b>-</b>                 |
| <b>TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+(A)(2)</b> | <b>21,21,685</b>   | <b>-</b> | <b>21,21,685</b> | <b>39.26</b>      | <b>21,21,685</b>  | <b>-</b> | <b>21,21,685</b> | <b>39.26</b>      | <b>-</b>                 |
| <b>B. PUBLIC SHAREHOLDING</b>                             |  |          |                  |                   |   |          |                  |                   |                          |
| <b>1. Institutions</b>                                    |  |          |                  |                   |   |          |                  |                   |                          |
| Mutual Funds/UTI  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Financial Institution/ Bank                               | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Central Government / State Government(s)                  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Venture Capital Funds                                     | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Insurance Companies                                       | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Foreign Institutional Investors                           | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Foreign Venture Capital Investors                         | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Qualified Foreign Investor                                | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |
| Others (specify)  | -  | -        | -                | -                 | -   | -        | -                | -                 | -                        |

| Category of the shareholders   | No. of Shares held at the beginning of the year<br>1 <sup>st</sup> April, 2020 |                  |                  |                   | No. of Shares held at the end of the year 31 <sup>st</sup><br>March, 2021 |                  |                  |                   | % Change during the year |
|--|--|------------------|------------------|-------------------|---|------------------|------------------|-------------------|--------------------------|
|  | Demat  | Physical         | Total            | % of Total Shares | Demat   | Physical         | Total            | % of Total Shares |                          |
| <b>Sub-total (B)(1):-</b>  | -  | -                | -                | -                 | -   | -                | -                | -                 | -                        |
| <b>2. Non-Institutions</b>   |  |                  |                  |                   |   |                  |                  |                   |                          |
| Bodies Corporate   | 1,13,192   | -                | 1,13,192         | 2.09              | 1,14,702  | -                | 1,14,702         | 2.12              | 0.03                     |
| Indian   | -  | -                | -                | -                 | -   | -                | -                | -                 | -                        |
| Foreign Nationals  | 500  | -                | 500              | 0.001             | -   | -                | -                | -                 | -                        |
| Individuals  |  |                  |                  |                   |   |                  |                  |                   |                          |
| HUF  | 42,354   | -                | 42,345           | 0.79              | 44,920  | -                | 44,920           | 0.83              | 0.04                     |
| i) Individual shareholders holding nominal share capital upto Rs. 2 Lakh         | 7,21,676   | 21,46,323        | 28,67,999        | 53.07             | 6,70,295  | 21,43,945        | 28,14,240        | 52.07             | (1.00)                   |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakh | 2,34,243   | -                | 2,34,243         | 4.33              | 2,82,881  | -                | 2,82,881         | 5.23              | 0.90                     |
| Others (Specify)   |  |                  |                  |                   |   |                  |                  |                   |                          |
| Clearing Member  | 136  | -                | 136              | -                 | 1660  | -                | 1660             | 0.03              | 0.03                     |
| Non Resident Indians (Repat & Non Repat)   | 24341  | -                | 24341            | 0.45              | 24,362  | -                | 24,362           | 0.45              | -                        |
| Trust  | 50   | -                | 50               | 0                 | 50  | -                | 50               | 0                 | 0                        |
| <b>Sub-total (B)(2):-</b>  | <b>11,36,492</b>   | <b>21,46,323</b> | <b>32,82,815</b> | <b>60.74</b>      | <b>11,38,870</b>  | <b>21,43,945</b> | <b>32,82,815</b> | <b>60.74</b>      | <b>0.00</b>              |
| <b>TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+(B)(2)</b>                               | <b>11,36,492</b>   | <b>21,46,323</b> | <b>32,82,815</b> | <b>60.74</b>      | <b>11,38,870</b>  | <b>21,43,945</b> | <b>32,82,815</b> | <b>60.74</b>      | <b>0.00</b>              |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           | -  | -                | -                | -                 | -   | -                | -                | -                 | -                        |
| <b>GRAND TOTAL (A+B+C)</b>   | <b>32,58,177</b>   | <b>21,46,323</b> | <b>54,04,500</b> | <b>100</b>        | <b>32,60,555</b>  | <b>21,43,945</b> | <b>54,04,500</b> | <b>100</b>        | <b>-</b>                 |

**(ii) Shareholding of Promoters**

| Sr. No. | Shareholder's Name         | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in share holding during the year |
|---------|----------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
|         |                            | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1.      | Pradeep Bhutoria           | 6,74,635                                  | 12.48                            | 0  | 6,74,635                            | 12.48                            | 0  | -   |
| 2.      | Bengal Business LLP        | 5,10,304                                  | 9.44                             | 0  | 5,10,304                            | 9.44                             | 0  | -   |
| 3.      | Asian Gases Ltd            | 4,41,235                                  | 8.16                             | 0  | 4,41,235                            | 8.16                             | 0  | -   |
| 4.      | Bhutoria Pradeep Kumar HUF | 1,81,551                                  | 3.36                             | 0  | 1,81,551                            | 3.36                             | 0  | -   |
| 5.      | Sushma Bhutoria            | 1,38,310                                  | 2.56                             | 0  | 1,38,310                            | 2.56                             | 0  | -   |
| 6.      | Abhishek P Bhutoria        | 1,35,500                                  | 2.51                             | 0  | 1,35,500                            | 2.51                             | 0  | -   |
| 7.      | Sneha Bhutoria             | 40,150                                    | 0.74                             | 0  | 40,150                              | 0.74                             | 0  | -   |
|         | <b>Total</b>               | <b>21,15,792</b>                          | <b>39.15</b>                     | <b>0</b>   | <b>21,21,685</b>                    | <b>39.26</b>                     | <b>0</b>   | <b>-</b>                                  |

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

| SN | Promoters                         | No. of Share | % of total Share of Company |
|----|-----------------------------------|--------------|-----------------------------|
| 1  | <b>Pradeep Bhutoria</b>           |              |                             |
|    | at the beginning of the year      | 6,74,635     | 12.48                       |
|    | Changes during the year           | NIL          | NIL                         |
|    | at the end of the year            | 6,74,635     | 12.48                       |
| 2  | <b>Bengal Business LLP</b>        |              |                             |
|    | at the beginning of the year      | 5,10,304     | 9.44                        |
|    | Changes during the year           |              | NIL                         |
|    | at the end of the year            | 5,10,304     | 9.44                        |
| 3  | <b>Asian Gases Ltd</b>            |              |                             |
|    | at the beginning of the year      | 4,41,235     | 8.16                        |
|    | Changes during the year           |              | NIL                         |
|    | at the end of the year            | 4,41,235     | 8.16                        |
| 4  | <b>Bhutoria Pradeep Kumar HUF</b> |              |                             |
|    | at the beginning of the year      | 1,81,264     | 3.35                        |

|   |                              |          |      |
|---|------------------------------|----------|------|
|   | Changes during the year      | NIL      |      |
|   | at the end of the year       | 1,81,264 | 3.36 |
| 5 | <b>Sushma Bhutoria</b>       |          |      |
|   | at the beginning of the year | 1,38,310 | 2.56 |
|   | Changes during the year      | NIL      |      |
|   | at the end of the year       | 1,38,310 | 2.56 |
| 6 | <b>Abhishek Bhutoria</b>     |          |      |
|   | at the beginning of the year | 1,35,500 | 2.51 |
|   | Changes during the year      | NIL      |      |
|   | at the end of the year       | 1,35,500 | 2.51 |
| 7 | <b>Sneha Bhutoria</b>        |          |      |
|   | at the beginning of the year | 40,150   | 0.74 |
|   | Changes during the year      | NIL      |      |
|   | at the end of the year       | 40,150   | 0.74 |

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

| Sr<br>No | Name of shareholder             | Date wise increase /Decrease |                       |                          | Cumulative<br>shareholding | % of<br>total<br>capital |
|----------|---------------------------------|------------------------------|-----------------------|--------------------------|----------------------------|--------------------------|
|          |                                 | Date                         | Increase/<br>Decrease | % of<br>total<br>capital |                            |                          |
| 1        | Virtue Ceramics Private Limited | At the beginning of the year |                       |                          | 62,000                     | 1.47                     |
|          |                                 | At the end of the year       |                       |                          | 62,000                     | 1.15                     |
| 2        | Gandhi Pratik Rajendra          | At the beginning of the year |                       |                          | 50,000                     | 0.93                     |
|          |                                 | At the end of the year       |                       |                          | 50,000                     | 0.93                     |
| 3        | Hemalben Sanjay Shah            | At the beginning of the year |                       |                          | 55,547                     | 1.02                     |
|          |                                 | At the end of the year       |                       |                          | 49,197                     | 0.54                     |
| 4        | Mahendra Girdharilal            | At the beginning of the year |                       |                          | 0                          | 0.00                     |
|          |                                 | At the end of the year       |                       |                          | 38,466                     | 0.83                     |
| 5        | Nishil Financial Advisors LLP   | At the beginning of the year |                       |                          | 30,884                     | 0.57                     |
|          |                                 | At the end of the year       |                       |                          | 32,017                     | 0.69                     |
| 6        | Vaishaliben Rajeshbhai Modi     | At the beginning of the year |                       |                          | 0                          | 0                        |
|          |                                 | At the end of the year       |                       |                          | 29,682                     | 0.55                     |
| 7        | Rajesh Jayantilal Modi          | At the beginning of the year |                       |                          | 0                          | 0.00                     |
|          |                                 | At the end of the year       |                       |                          | 22,855                     | 0.44                     |
| 8        | Manish Bipinchandra Gor         | At the beginning of the year |                       |                          | 0                          | 0.00                     |
|          |                                 | At the end of the year       |                       |                          | 22,155                     | 0.43                     |
| 9        | Pankajbhai K Shah               | At the beginning of the year |                       |                          | 0                          | 0.00                     |
|          |                                 | At the end of the year       |                       |                          | 19,500                     | 0.40                     |
| 10       | Bharat K Parikh                 | At the beginning of the year |                       |                          | 18,000                     | 0.33                     |

|  |  |                        |        |      |
|--|--|------------------------|--------|------|
|  |  | At the end of the year | 18,000 | 0.33 |
|--|--|------------------------|--------|------|

\*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 |
| <b>DIRECTORS:</b> |                                   |   |                                  |  |               |   |                                  |
| 1.                | Dipen Mahasukhlal Shah            | -   | -                                | -  | -             | -                                       | -                                |
| 2.                | Karan Singh Chandalia             | -   | -                                | -  | -             | -                                       | -                                |
| 3.                | Abhishek P. Bhutoria              | 1,35,500                                  | 2.51                             | -  | -             | 1,35,500                                | 2.51                             |
| <b>KMP:</b>       |                                   |   |                                  |  |               |   |                                  |
| 1.                | Pradeep Bhutoria                  | 6,74,635                                  | 12.48                            | -  | -             | 6,74,635                                | 12.48                            |
| 2.                | Sushma Bhutoria                   | 1,38,310                                  | 2.56                             | -  | -             | 1,38,310                                | 2.56                             |
| 3.                | Ramaakant Pandey (CFO)            | -   | -                                | -  | -             | -                                       | -                                |
| 4.                | Dhaval Patel (CS)                 | -   | -                                | -  | -             | -                                       | -                                |

**V. INDEBTEDNESS**

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

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | 134.67                           | 0.00            | 0.00     | 134.67             |
| ii) Interest due but not paid                              | 0.00                             | 0.00            | 0.00     | 0.00               |
| iii) Interest accrued but not due                          | 0.00                             | 0.00            | 0.00     | 0.00               |
| <b>Total (i+ ii+ iii)</b>                                  | 134.67                           | 0.00            | 0.00     | 134.67             |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| ➤ Addition   | 0.00                             | 0.00            | 0.00     | 0.00               |
| ➤ Reduction  | 70.99                            | 0.00            | 0.00     | 70.99              |
| <b>Net Change</b>  | 70.99                            | 0.00            | 0.00     | 70.99              |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount  | 63.68                            | 0.00            | 0.00     | 63.68              |
| ii) Interest due but not paid                              | 0.00                             | 0.00            | 0.00     | 0.00               |
| iii) Interest accrued but not due                          | 0.00                             | 0.00            | 0.00     | 0.00               |
| <b>Total (I + ii+ iii)</b>                                 | 63.68                            | 0.00            | 0.00     | 63.68              |

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

(Rs. in lakhs)

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

**Remuneration to other directors:**

(Rs. in lakhs)

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

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

(Rs. in lakhs)

| Sr. No. | Particulars of Remuneration   | Key Managerial Personnel  |  |             |
|---------|---|---|--|-------------|
|         |   | Dhaval Patel<br>Company Secretary<br>(01.04.2020 to 21.03.2021) | Ramaakant Pandey<br>CFO<br>01.04.2020 to 21.03.2021) | Total       |
| 1.      | Gross salary  | 1.80  | 3.60   | 5.40        |
|         | (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<br>- as % of profit<br>- others, specify...                              | ----  | ----   | ----        |
| 5.      | Others, please specify  | ----  | ----   | ----        |
|         | <b>Total</b>  | <b>1.80</b>   | <b>3.60</b>  | <b>5.40</b> |

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

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

|         |                |
|---------|----------------|
| Penalty | Not Applicable |
|---------|----------------|

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

**Date: 29<sup>th</sup> June, 2021  
Place: Santej**

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

**Annexure – B****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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

To,

Board of Directors of,

GUJARAT RAFFIA INDUSTRIES LIMITED

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

Gujarat.

I, Mr. Himanshu Maheshwari, Practicing Company Secretary have examined:

- a) all the documents and records made available to me physically or through electronically by way of scan copy or soft copy through mail or otherwise and explanation provided by Gujarat Raffia Industries Limited (‘the Company’),
- b) the filings/ submissions made by the Company to the stock exchanges,
- c) website of the Company,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

For the year ended 31 March, 2021 in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

Apart from above, the specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018:-  
N.A.

- a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;

- b. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018:- N.A.
- c. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014:- N.A.
- d. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:- N.A.
- e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013:- N.A.
- f. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
- g. SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2016:- N.A.
- h. Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008:- N.A.
- i. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003:- N.A.
- j. SEBI (Issue of Sweat Equity) Regulations, 2002:- N.A.
- k. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended from time to time;
- l. SEBI (Depositories and Participant) Regulations, 2018, as amended from time to time;
- m. SEBI (Investor Protection and Education Fund) Regulations, 2009;

and based on the above information and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that, during the Period under Review:

(a) The Company has generally complied with all the material provisions of the above applicable Regulations and circulars/ guidelines issued thereunder, except one stated below.

1. The Company does not file Form DPT-3 pursuant to Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014
2. The Company does not File Form MSME-1 with Registrar of Companies as per Section 9 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.
3. The Company does not maintain the Register of Deposit as per Rule 14 of the Companies

(Acceptance of Deposits) Rules, 2014.

(b) The Company has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(c) The Company has prima facie complied with and included the conditions as mentioned in Para 6(A) and 6(B) of the SEBI circular CIR/CFD/CMD1/114/2019, dated October 18, 2019 in the terms of appointment of statutory auditor of the Company

(d) No Observations has been issued on the Company in the previous report and so compliance on the observation will not apply to the Company.

Signature:

Place: Ahmedabad

Name of Company Secretary: **Himanshu Maheshwari**

Date: 30.06.2021

Membership No. : **A38047**

C P No. : **14406**

UDIN: **A038047C000555443**

**Note :**

Due to restricted movement amid COVID-19 pandemic, I have conducted the Secretarial audit by examining the secretarial records including Minutes, Documents, Registers and other records, etc., some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to me are the true and correct

**Annexure – C**  
**Form No. AOC-2**

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

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

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

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

| Sr. No. | Name of the Related Party | Nature of Relationship   | Nature of contracts /arrangements/ transactions | Amount | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value , if any | Amount paid as Advances, if any |
|---------|---------------------------|--|---|--------|---|---|---------------------------------|
| 1.      | Asian Gases Limited       | Enterprises significantly influenced by Directors and/or their relatives | Loan taken                                      | -      | -   | -   | -----                           |
|         |                           |  | Loan Repaid                                     | 124646 | -   | -   | -----                           |
|         |                           |  | Commission on sale                              | -      | -   | -   | -----                           |
| 2.      | Bengal Business LLP       | Enterprises significantly influenced by Directors and/or their relatives | Loan taken                                      | -      | -   | -   | -----                           |
|         |                           |  | Loan Repaid                                     | 120235 | -   | -   | -----                           |
|         |                           |  | Commission on sale                              | -      | -   | -   | -----                           |
| 3.      | Mahanagar Realestate LLP  | Enterprises significantly influenced by Directors and/or their relatives | Loan Repaid                                     | 130792 | -   | -   | -----                           |
|         |                           |  | Loan Taken                                      | -      | -   | -   | -----                           |
|         |                           |  | Commission on sale                              | -      | -   | -   | -----                           |

**For Gujarat Raffia Industries Limited**

**Date: 29.06.2021**  
**Place: Santej**

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

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

- 1) Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31<sup>st</sup> March, 2021:

| Sr. No. | Executive Directors                                    | Remuneration for FY 2020-21<br>( ₹ in Lakhs) | % increase in remuneration in FY 2020-21 |
|---------|--|--|--|
| 1.      | Shri Pradeep Bhutoria,<br>Chairman & Managing Director | 9.00   | 0.00                                     |
| 2.      | Smt. Sushma Bhutoria,<br>Whole Time Director           | 7.20   | 0.00                                     |

- 2) Percentage increase in median remuneration of employees in the financial year ended 31<sup>st</sup> March, 2021: Nil
- 3) The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March, 2021: 78
- 4) Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

The average increase in salaries of the employees other than Managerial Personnel in 2020-21 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.

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

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

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

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

| Sr. No. | Name               | Designation                  | Remuneration (In ₹) | Qualification | Experience (In Yrs)   | Commencement of Employment | Age (In Yrs) | Particulars of Last Employment/ Employer/ Last Post & Period for which post held |
|---------|--------------------|------------------------------|---------------------|---------------|---|----------------------------|--------------|--|
| 1.      | Pradeep R Bhutoria | Chairman & Managing Director | 9,00,000            | B.com.        | 30 Years in line of activity Marketing, Production, Finance | 01/01/2007                 | 61           | NA   |
| 2.      | Sushma P Bhutoria  | Whole-Time-Director          | 7,20,000            | B.com         | 15 Years in Business Administration                         | 21/02/2008                 | 59           | NA   |

**Notes:**

- 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)-<br><br>(a) the details of technology imported;<br>(b) the year of import;<br>(c) whether the technology been fully absorbed;<br>(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-**

| <b>Particulars</b>               | <b>2020-21<br/>Current year</b> | <b>2019-20<br/>Previous year</b> |
|----------------------------------|---------------------------------|----------------------------------|
| <b>Foreign Exchange Earnings</b> | 8,39,30,458                     | 7,37,97,383                      |
| <b>Foreign Exchange Outgo</b>    | 4,09,37,491                     | 88,20,240                        |

## 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 2020-21

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

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

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

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

### 3. BOARD OF DIRECTORS:

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

Your company's Board comprises of Six Directors as on 31st March, 2021 comprising three Executive Directors, three Independent Non-Executive Directors. The Chairman is executive in nature. The Company does not have any Nominee Director.

The Board Meetings held during the financial year 2020-21, 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 | No. of Board Meetings attended | Attendance at the AGM held on 30 <sup>th</sup> September, 2020 |
|-------------------|--------------------------|------------------------------|---|--------------------------------|--|
|                   |                          |                              |   |                                |  |

\*

|   |                               |   | <b>other Companies</b> |    | <b>Yes/ No</b> |
|---|-------------------------------|---|------------------------|----|----------------|
| Mr. Pradeep Bhutoria<br>Chairman & Managing<br>Director | Promoter-<br>Executive        | - | -                      | 07 | Yes            |
| Mrs. Shushma P.<br>Bhutoria                             | Promoter-<br>Executive        | - | -                      | 07 | Yes            |
| Mr. Abhishek Bhutoria                                   | Promoter -<br>Executive       | - | -                      | 07 | Yes            |
| Mr. Dipen M. Shah                                       | Independent-<br>Non-Executive | - | -                      | 07 | Yes            |
| Mr. Karan Singh<br>Chandalia                            | Independent-<br>Non-Executive | - | -                      | 07 | Yes            |

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

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

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

During the financial year, the three Independent Directors of the Company met on 27<sup>th</sup> March, 2021 without the presence of non-independent directors or management personnel to review the performance of Non-Independent Directors, the Board and its Chairman. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board. The terms and conditions of appointment of Independent Directors are incorporated on the website of the Company [www.griltarp.com](http://www.griltarp.com).

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

|   |   |
|---|---|
| <b>Name of the Director</b>   | <b>Mrs. Sushma Pradeep Bhutoria</b>                           |
| Date of Birth and Age   | 27-08-1962 & 59 Years   |
| Date of Appointment   | 21-02-2008  |
| Qualification   | Higher Secondary  |
| Expertise in specific functional areas  | 13 Year in line of activity of marketing, production, finance |
| Directorship held in other companies (Excluding Foreign Companies)  | NIL   |
| Membership/Chairmanship of committee of other Companies (includes only Audit Committee and Share holders/Investor Grievance Committee ) | NIL   |
| Number of Share Holder  | 1,38,310  |

**c) Board Procedures:**

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

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

During the financial year 2020-21 7(seven) board meeting were held on 01/06/2020, 22/06/2020, 25/07/2020, 12/08/2020, 12/11/2020, 07/12/2020 and 13/02/2021 The necessary quorum was present for all the above meeting. The maximum interval between two meetings did not exceed 120 days.

Skills/expertise/competencies identified by the Board of Directors

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

**d) Shareholding of Directors as on March 31, 2021:**

| <b>Sr. No.</b> | <b>Name of Director</b>   | <b>No. of Shares held</b> |
|----------------|---------------------------|---------------------------|
| 1              | Mr. Pradeep R Bhutoria    | 674635                    |
| 2              | Mrs. Sushma P Bhutoria    | 138310                    |
| 3              | Mr. Abhishek P. Bhutoria  | 135500                    |
| 4              | Mr. Dipen M. Shah         | 0                         |
| 5              | Mr. Karan Singh Chandalia | 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 2020-2021 and dates of the meetings:**

During the financial year 2020-21 4(Four) Audit Committee meeting were held on 22/06/2020, 12/11/2020, 07/12/2020 and 13/02/2021.

**b. The Composition of an Audit Committee as on 31.03.2021 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                          |
| Karan Singh Chandalia | Member      | Independent & Non-Executive | 4                              | 4                          |

The Chairman of the Audit Committee has attended AGM for the year 2019-20

**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 31.03.2021 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 |
| Karan Singh Chandalia | Member      | Independent & Non-Executive |
| Abhishek Bhutoria     | Member      | Director                    |

##### a) Number of Nomination and Remuneration Committee Meetings held during the financial year 2020-21 and dates of the meetings:

| Nomination and Remuneration Committee meeting | Date       |
|---|------------|
| 1   | 12/07/2020 |
| 2   | 11/02/2021 |

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

##### b) Remuneration policy

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

the Remuneration Policy form a part of the Directors Report and the same has been uploaded on the website of the company.

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

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

**d) Remuneration to Executive Directors:**

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

Details of remuneration paid:

1. The Company paid Managerial Remuneration of Rs. 9.00 Lakhs to Mr. Pradeep Bhutoria, Managing Director during the year 2020-21.
2. The Company paid Managerial Remuneration of Rs. 7.20 Lakhs to Mrs. Sushma Bhutoria, Whole Time Director during the year 2020-21.

**e) Performance evaluation of Directors:**

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

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

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

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

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

The composition of the Stakeholders Relationship Committee as on 10.08.2020 and 13.02.2021 and the details of the meetings attended by the Directors are given below:-

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

Two Meeting of Stakeholders Relationship Committee was held during the year under review and date on which of meeting of Stakeholders Relationship Committee held was 10/08/2020 and 13/02/2021.

Details of investor complaints Received and redressed during the financial year 2020-21 are as follows:

| <b>Opening Balance</b> | <b>Received during the Year</b> | <b>Resolved During the Year</b> | <b>Closing Balance</b> |
|------------------------|---------------------------------|---------------------------------|------------------------|
| 0                      | 2                               | 2                               | 0                      |

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 27<sup>th</sup> March, 2021. All the Independent Directors have attended the meeting. At the meeting, the Independent Directors reviewed the performance of the non-independent directors and the Board as whole and assessed the quality, quantity and timeliness of flow of information between the company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

##### **Familiarization programme for Independent Directors:**

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

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

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

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

**7. GENERAL BODY MEETINGS:**

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

| <b>Financial Year</b> | <b>Date</b> | <b>Time</b> | <b>Venue</b>   | <b>Special Resolution passed</b> |
|-----------------------|-------------|-------------|--|----------------------------------|
| 2017-18               | 21-09-2018  | 2.00 p.m.   | Registered Office at<br>Plot No. 455, Santej-Vadsar<br>Road, Village: Santej,<br>Taluka:<br>Kalol-382 721.<br>Dist: Gandhinagar. | YES                              |
| 2018-19               | 30-09-2019  | 2.00 p.m.   |  | NO                               |
| 2019-20               | 30-09-2020  | 2.00 p.m.   |  | NO                               |

**8. DISCLOSURES:**

- a) The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company at large.
- b) There has neither been any intentional non-compliance of any legal provision of applicable law, nor any penalty, structure imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.
- c) The Board of Directors has adopted the policy on Related Party Transactions and the same has been uploaded on the <http://www.griltarp.com/> website of the company.
- d) Related party transactions are disclosed in the Note forming Parts of Accounts in this Annual Report.
- e) While preparing the financial statements, the company has followed all relevant accounting standards.
- f) The Company has formulated a Risk Management Policy duly approved by the Board of Directors in terms of Section 177 of the Companies Act, 2013 read with Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- g) The company has implemented the Whistle Blower policy and the same has been reviewed by the Audit Committee. No complaints have been received under the policy during the financial year under review. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the company and the same has been uploaded on the <http://www.griltarp.com/> website of the company.
- h) The company has a well-defined 'Code of Business Conduct' applicable to all the Board members and senior management personnel. The compliance to 'Code of Business Conduct' has been affirmed by the Managing Director of the company. The certificate for the affirmation to the same forms part of the Corporate Governance Report.
- i) The Managing Director of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of as provided under Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Executive Chairman also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

- j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013 during the financial year 2020-21:
- Number of complaint filed during financial year: Nil
  - Number of complaint disposed of during financial year: Nil
  - Number of complaint pending as on end of the financial year: Nil

#### 9. MEANS OF COMMUNICATIONS:

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

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

- b) During the year ended on 31<sup>st</sup> March, 2021, no presentation was made to Institutional Investors or analyst or any other enterprise.
- c) Management Discussion and Analysis form part of the Annual Report.

#### 10. SHAREHOLDERS' INFORMATION:

|   |  |   |  |
|---|--|---|--|
| A | <b>Registered Office</b>                   | Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382721 Dist: Gandhinagar.  |  |
| B | <b>Annual General Meeting</b>              | Day   | Thursday   |
|   |  | Date  | 30 <sup>th</sup> September, 2021   |
|   |  | Time  | 2.00 p.m.  |
|   |  | Venue   | Plot No. 455, Santej-Vadsar Road, Village: Santej, Taluka: Kalol-382721 Dist: Gandhinagar. |
| C | <b>Tentative Financial Calendar</b>        | <b>Quarterly Unaudited Result</b>   |  |
|   |  | Quarter Ending 30 <sup>th</sup> June, 2021  | On 15 <sup>th</sup> August, 2021   |
|   |  | Quarter Ending 30 <sup>th</sup> September, 2021   | On or before 14 <sup>th</sup> November, 2021   |
|   |  | Quarter Ending 31 <sup>st</sup> December, 2021  | On or before 14 <sup>th</sup> February, 2022   |
|   |  | <b>Annual Audited Result</b>  |  |
|   | Year ending 31 <sup>st</sup> March, 2022   | Within 60 days from 31 March, 2022  |  |
| D | <b>Book Closure Dates</b>                  | <b>From</b>   | <b>To</b>  |
|   |  | 24 <sup>th</sup> September, 2021  | 30 <sup>th</sup> September, 2021   |
| E | <b>Registrar and Share Transfer Agents</b> | <b>M/s. Accurate Security and Registry Private Limited.</b><br>Ahmedabad Branch,<br>203, 506 To 508, Amarnath Business Centre – 1, (ABC-1),<br>Besides Gala Business Centre, Nr. St. Xavier's Collage Corner,<br>Off. C. G. Road, Ahmedabad – 380 006. (o): 079 – 2646 5179 |  |

|   |                              |   |                                    |
|---|------------------------------|---|------------------------------------|
|   |                              | e-mail id: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> |                                    |
| F | <b>ISIN</b>                  | INE610B01024  |                                    |
| G | <b>Dividend Payment Date</b> | The Company has not declared Dividend   |                                    |
| H | <b>Stock Exchange Code</b>   | <b>Stock Exchange</b>   |                                    |
|   |                              | BSE Limited<br>National Stock Exchange of India                                       | <b>Code</b><br>523836<br>GUJRAFFIA |

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

| Mon<br>th    | Share price<br>BSE |              | BSE Sensex |          | BSE<br>volu<br>me(N<br>o of<br>sh<br>ares<br>) | Share price<br>NSE |              | NSE Nifty |          | NSE<br>volume<br>(No of<br>shares<br>) |
|--------------|--------------------|--------------|------------|----------|--|--------------------|--------------|-----------|----------|--|
|              | High<br>(Rs.)      | Low<br>(Rs.) | High       | Low      |  | High<br>(Rs.)      | Low<br>(Rs.) | High      | Low      |  |
| April,<br>20 | 7.39               | 6.71         | 33887.25   | 27500.79 | 2384   | 7.70               | 6.60         | 9889.05   | 8055.80  | 5929                                   |
| May,<br>20   | 7.03               | 9.40         | 32845.48   | 29968.45 | 606  | 11.80              | 8.05         | 9598.85   | 8806.75  | 25917                                  |
| June,<br>20  | 8.33               | 9.17         | 35706.55   | 32348.1  | 143  | 14.15              | 8.90         | 10553.15  | 9544.35  | 21686                                  |
| July,<br>20  | 9.62               | 11.68        | 38617.03   | 34927.20 | 2289   | 14.85              | 9.50         | 11341.40  | 10299.60 | 17104                                  |
| Aug,<br>20   | 9.20               | 10.65        | 40010.17   | 36911.23 | 951  | 12.90              | 9.90         | 11794.25  | 10882.25 | 21119                                  |
| Sep,<br>20   | 10.65              | 13.50        | 39359.51   | 36495.98 | 32421  | 13.40              | 10.55        | 11618.10  | 10790.20 | 6504                                   |
| Oct,<br>20   | 11.66              | 16.05        | 41048.05   | 38410.20 | 6830   | 18.45              | 12.25        | 12025.45  | 11347.05 | 19161                                  |
| Nov,<br>20   | 12.61              | 13.50        | 44825.37   | 39334.92 | 2932   | 15.15              | 12.55        | 13145.85  | 11557.40 | 12952                                  |
| Dec,<br>20   | 12.41              | 16.50        | 47896.97   | 44118.10 | 5328   | 17.20              | 13.30        | 14024.85  | 12962.80 | 32115                                  |
| Jan,<br>21   | 15.80              | 27.80        | 50184.01   | 46160.46 | 22023  | 28.85              | 14.50        | 14753.55  | 13596.75 | 115300                                 |
| Feb,<br>21   | 29.15              | 69.50        | 52516.76   | 46433.65 | 10825  | 75.65              | 30.25        | 15431.75  | 13661.75 | 101305                                 |
| Mar,<br>21   | 72.95              | 83.45        | 51821.84   | 48236.35 | 54478  | 83.35              | 46.35        | 15336.30  | 14264.40 | 291466                                 |

j) Share Transfer System:

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

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

k) Distribution of Shareholding as on 31<sup>st</sup> March, 2021

| No. of Equity Shares held | No. of Shareholders | % of Share holders | No. of Shares held | % of Shareholding |
|---------------------------|---------------------|--------------------|--------------------|-------------------|
| 1 to 500                  | 26,600              | 98.62              | 2380826            | 44.05             |
| 501 to 1000               | 208                 | 0.77               | 155907             | 2.88              |
| 1001 to 2000              | 81                  | 0.30               | 109113             | 2.02              |
| 2001 to 3000              | 29                  | 0.11               | 70576              | 1.31              |
| 3001 to 4000              | 9                   | 0.03               | 30824              | 0.57              |
| 4001 to 5000              | 16                  | 0.06               | 76849              | 1.42              |
| 5001 to 10000             | 7                   | 0.03               | 51322              | 0.95              |
| 10001 to above            | 22                  | 0.08               | 2529083            | 46.80             |
| <b>Grand Total</b>        | <b>26,972</b>       | <b>100</b>         | <b>54,04,500</b>   | <b>100</b>        |

l) Category of Shareholders as on 31<sup>st</sup> March, 2021:

| Category                             | No. of Shares held | % of Shareholding |
|--------------------------------------|--------------------|-------------------|
| Promoters including Promoter Company | 21,21,685          | 39.26             |
| Financial Institutions/ Banks        | 0                  | 0.00              |
| Mutual Fund                          | 0                  | 0.00              |
| Bodies Corporate                     | 1,13,672           | 2.10              |
| NRIs                                 | 24,341             | 0.45              |
| Foreign National                     | 500                | 0.01              |
| Other (Clearing Member)              | 1,972              | 0.04              |
| Public                               | 30,99,926          | 57.36             |
| Hindu Undivided Family (HUF)         | 42,354             | 0.78              |
| Trust                                | 50                 | 0.00              |
| <b>Total</b>                         | <b>54,04,500</b>   | <b>100%</b>       |

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

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

As on 31<sup>st</sup> March, 2021, a total of 32,60,555 Shares of the Company which form 60.29% of the Share Capital of the Company stands dematerialised.

#### **11. CODE OF CONDUCT**

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

#### **12. COMMODITY PRICE RISK AND FOREIGN EXCHANGE RISK**

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

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

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

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

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

#### **15. CAPITAL MANAGEMENT**

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

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

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

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

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

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

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

The Company has obtained the Certificate from CS Himanshu Maheshwari, Company Secretaries in practice, certifying that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

**18. ADDRESS FOR CORRESPONDENCE:**

For both Physical and Electronic Form:

**M/s. Accurate Securities and Registry Private Limited.**

203, Shangrila Arcade, Samsung Showroom, Nr. Shyamal Cross Road, Satellite,  
Ahmedabad – 380 009, Tele. No. : (079) – 48000319, e-mail : [investor@accuratesecurities.com](mailto:investor@accuratesecurities.com)

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

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

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

**Compliance Officer** : Mr. Dhaval Patel\* is designated as Compliance Officer. (\*Resigned w.e.f 14<sup>th</sup> August 2021)

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

**Date : 29<sup>th</sup> June, 2021  
Place : Santej**

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

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

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

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

I, Pradeep Bhutoria, Managing Director, of Gujarat Raffia Industries Limited hereby declare that all the board members and senior executives one level below the executive directors including all functional heads have affirmed for the financial year ended 31<sup>st</sup> March, 2021, compliance with the code of conduct of the Company laid down for them.

**Date : 29<sup>th</sup> June, 2021**  
**Place : Santej**

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

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

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

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

- A.** We have reviewed financial statements and the cash flow statement of Gujarat Raffia Industries Limited for the year ended 31<sup>st</sup> March, 2021 and to the best of their knowledge and belief :
- 1.** these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2.** these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C.** They accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D.** They have indicated to the auditors and the Audit committee:
- 1.** that there are no significant changes in internal control over financial reporting during the year;
  - 2.** that there are no significant changes in accounting policies during the year; and
  - 3.** that there are no instances of significant fraud of which we have become aware.

Place:- Santej  
Date:- 29<sup>th</sup> June, 2021

Sd/-  
**Pradeep Bhutoria**  
Managing Director

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

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Gujarat Raffia Industries Limited**  
**Village: Santej, Tal: Kalol, Dist: Gandhinagar**

We have examined the compliance of conditions of Corporate Governance by M/s. Gujarat Raffia Industries Limited, for the year ended on 31<sup>st</sup> March, 2021 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) of the said Company with stock exchanges in India. We have conducted over review on the basis of relevant records and documents maintained by the Company for the year ended 31<sup>st</sup> March, 2021 and furnished to us for the purpose of the review and the information and explanation given to us by the Company during the course of review.

### **MANAGEMENT'S RESPONSIBILITY**

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

### **AUDITORS' RESPONSIBILITY**

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of

the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

**OPINION**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2021.

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

**For, A. N. Ruparel & Co.**

**Chartered Accountants**

**Place: Ahmedabad**

**(Atul N. Ruparel)**

**Date : 29/06/2021**

**Proprietor – M. No.: 46392**

**Firm Reg. No.: 113413W**

**UDIN : 21046392AAAAKV2994**

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

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

The Indian textiles industry is expected to reach US\$ 240 billion by 2021. The Indian Textile Industry contributes approximately 2 per cent to India's Gross Domestic Product (GDP), 10 per cent of manufacturing production and 14 per cent to overall Index of Industrial Production (IIP).

According to The IMF, "In India, growth is projected to pick up to 7.3% in 2019 (2019-20) and 7.5% in 2020, due to COVID-19 the growth rate is uncertain supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy,

**b. Industry Structure and Developments:**

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

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

**c. Opportunities and Threats:**

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

**d. Segment wise Performance:**

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

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

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

**f. Risks and Concerns:**

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

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

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

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

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

The financial performance of the company for the year 2020-2021 is described in the Director's report under the head "Review of Operations, sales and working results."

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

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

**j. Cautionary Statement:**

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

**Date : 29<sup>th</sup> June, 2021**

**Place : Santej**

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

**Sd/-**

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

**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
**Gujarat Raffia Industries Limited**  
Village: Santej, Tal: Kalol, Dist: Gandhinagar

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **Gujarat Raffia Industries Limited** ("The company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give true and fair view in conformity with the Indian Accounting Standards prescribed u/s 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principals generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis of Opinion**

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together

with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis on matter**

We draw attention to Note No.25(12) to the standalone financial statements, as regarding management evaluation of COVID-19 impact on the future performance of the company.

Our opinion is not modified in respect of this matter

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report –

#### **1. Key Audit Matter – GST reconciliation**

As at 31<sup>st</sup> March, 2021, balances with revenue authorities and unpaid duties and taxes being GST as per books of account and GST returns are pending for reconciliation.

### **Other Information**

The company's Board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management discussion and analysis, Board's report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the

standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), charges in equity and cash flows of the Company in accordance with 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 provision of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **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 terms of Sub-section (11) of section 143 of the Companies Act, 2013, we give in "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:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Charges in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
  
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
  
  - g) In our opinion and based on the consideration of reports of, the managerial remuneration for the year ended 31<sup>st</sup> March 2021 has been paid/provided by the company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- h) 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 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, A. N. Ruparel & Co.**

**Chartered Accountants**

**Place: Ahmedabad**

**(Atul N. Ruparel)**

**Date : 29/06/2021**

**Proprietor – M. No.: 46392**

**Firm Reg. No.: 113413W**

**UDIN : 21046392AAAAKV2994**

**“Annexure A” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of GUJARAT RAFFIA INDUSTRIES LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Gujarat Raffia Industries Limited** (“the Company”) as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended as on 31<sup>st</sup> March 2021 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 (ICAI). 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, 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, A. N. Ruparel & Co.**

**Chartered Accountants**

**Place: Ahmedabad**

**(Atul N. Ruparel)**

**Date : 29/06/2021**

**Proprietor – M. No.: 46392**

**Firm Reg. No.: 113413W**

**UDIN : 21046392AAAAKV2994**

**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT  
Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on  
31<sup>st</sup> March 2021**

To  
The Members of  
**Gujarat Raffia Industries Limited**  
Village: Santej, Tal: Kalol, Dist: Gandhinagar

## **Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of **Gujarat Raffia Industries Limited** ("The company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give true and fair view in conformity with the Indian Accounting Standards prescribed u/s 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principals generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis of Opinion**

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We

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

### **Emphasis on matter**

We draw attention to Note No.25(12) to the standalone financial statements, as regarding management evaluation of COVID-19 impact on the future performance of the company.

Our opinion is not modified in respect of this matter

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report –

#### **2. Key Audit Matter – GST reconciliation**

As at 31<sup>st</sup> March, 2021, balances with revenue authorities and unpaid duties and taxes being GST as per books of account and GST returns are pending for reconciliation.

### **Other Information**

The company's Board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management discussion and analysis, Board's report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we

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conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), charges in equity and cash flows of the Company in accordance with 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 provision of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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

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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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements,

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including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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- 4. As required by section 143(3) of the Act, we report that:**
- i) 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.**
  - j) 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;**
  - k) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Charges in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;**
  - l) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;**
  - m) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021, from being appointed as a director in terms of Section 164(2) of the Act;**
  - n) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”;**
  - o) In our opinion and based on the consideration of reports of, the managerial remuneration for the year ended 31<sup>st</sup> March 2021 has been paid/provided by the company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;**
  - p) 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:**
    - iv. The Company does not have any pending litigations which would impact its financial position.**
    - v. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.**

- vi. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, A. N. Ruparel & Co.**

**Chartered Accountants**

**Place: Ahmedabad**

**(Atul N. Ruparel)**

**Date : 29/06/2021**

**Proprietor – M. No.: 46392**

**Firm Reg. No.: 113413W**

**UDIN : 21046392AAAAKV2994**

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b><br><b>( CIN No.: L17110GJ1984PLC007124 )</b><br><b>Balance Sheet as at 31st March, 2021</b>  |         |  |                                 |                                 |
|---|---------|--|---------------------------------|---------------------------------|
| Particulars   | Note No | Amount<br>(in Rs.)   | As at<br>31.03.2021<br>(In Rs.) | As at<br>31.03.2020<br>(In Rs.) |
| <b>I. ASSETS</b>  |         |  |                                 |                                 |
| <b>(1) Non-current assets</b>   |         |  |                                 |                                 |
| (a) Property, Plant and Equipment   | 1       | 76354016   |                                 | 90285998                        |
| (b) Capital work-in-progress  |         | 0  |                                 | 0                               |
| (c) Investment property   |         | 0  |                                 | 0                               |
| (d) Goodwill  |         | 0  |                                 | 0                               |
| (e) Other Intangible assets   |         | 0  |                                 | 0                               |
| (f) Intangible assets under development   |         | 0  |                                 | 0                               |
| (g) Biological Assets other than bearer plants  |         | 0  |                                 | 0                               |
| (h) Financial assets  |         |  |                                 | 0                               |
| (i) Investments   |         | 0  |                                 | 0                               |
| (ii) Trade receivables  |         | 0  |                                 | 0                               |
| (iii) Loans   |         | 0  |                                 | 0                               |
| (iv) Other financial assets   |         | 0  |                                 | 0                               |
| (i) Deferred tax assets (net)   |         | 0  |                                 | 0                               |
| (j) Other non-current assets  |         | 0  | 76354016                        |                                 |
| <b>(2) Current assets</b>   |         |  |                                 |                                 |
| (a) Inventories   | 2       | 43984443   |                                 | 61647342                        |
| (b) Financial Assets  |         |  |                                 |                                 |
| (i) Investments   |         | 0  |                                 | 0                               |
| (ii) Trade receivables  | 3       | 63652652   |                                 | 53965437                        |
| (iii) Cash and cash equivalents   | 4       | 8499167  |                                 | 31368076                        |
| (iv) Other Bank Balance   | 5       | 38023296   |                                 | 4059930                         |
| (v) Loans   | 6       | 0  |                                 | 79000                           |
| (vi) Other financial assets   | 7       | 8625596  |                                 | 5945313                         |
| (c) Current tax assets (net)  |         | 0  |                                 | 0                               |
| (d) Other current assets  | 8       | 5486836  | 168271990                       | 9172709                         |
| <b>TOTAL ASSETS</b>   |         |  | <b>244626006</b>                | <b>256523805</b>                |
| As Per our Report Attached<br>For, A. N. Ruparel & Co.<br>Chartered Accountants<br><br>(Atul N. Ruparel)<br>Proprietor - M. No.: 46392<br>Firm Reg. No.: 113413W<br>UDIN : 21046392AAAAKV2994<br><br>Place: Ahmedabad<br>Date: 29/06/2021 |         | For, Gujarat Raffia Industries Limited<br><br>Managing Director<br>(Pradeep Bhutoria - DIN No.: 00284808)<br><br>Wholetime Director<br>(Sushma Bhutoria - DIN No.: 00284819) |                                 |                                 |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b><br><b>( CIN No.: L17110GJ1984PLC007124 )</b><br><b>Balance Sheet as at 31st March, 2021</b>  |                |  |                                 |                                 |
|---|----------------|--|---------------------------------|---------------------------------|
| Particulars   | Note No        | Amount<br>(in Rs.)   | As at<br>31.03.2021<br>(In Rs.) | As at<br>31.03.2020<br>(In Rs.) |
| <b>II. EQUITY AND LIABILITIES</b>   |                |  |                                 |                                 |
| <b>Equity</b>   |                |  |                                 |                                 |
| (a) Equity Share Capital  | 9              | 54045000   |                                 | 54045000                        |
| (b) Other Equity  | 10             | 125670498  | 179715498                       | 113772922                       |
| <b>Liabilities</b>  |                |  |                                 |                                 |
| <b>(1) Non-current liabilities</b>  |                |  |                                 |                                 |
| <b>(a) Financial Liabilities</b>  |                |  |                                 |                                 |
| (i) Borrowings  | 11             | 4705285  |                                 | 6273319                         |
| (ii) Trade payables   |                |  |                                 |                                 |
| Total outstanding due of  |                |  |                                 |                                 |
| (A) Micro enterprises and small enterprises   |                | 0  |                                 | 0                               |
| (B) Creditors other than micro enterprises and small enterprises  |                | 0  |                                 | 0                               |
| (b) Provisions  | 12             | 3024567  |                                 | 2704779                         |
| (c) Deferred tax liabilities (Net)  |                | 0  |                                 | 0                               |
| (d) Other non-current liabilities   |                | 0  | 7729852                         | 0                               |
| <b>(2) Current liabilities</b>  |                |  |                                 |                                 |
| <b>(a) Financial Liabilities</b>  |                |  |                                 |                                 |
| (i) Borrowings  | 13             | 25881480   |                                 | 5738267                         |
| (ii) Trade payables   |                |  |                                 |                                 |
| Total outstanding due of  |                |  |                                 |                                 |
| (A) Micro enterprises and small enterprises   | 14             | 2492679  |                                 | 127200                          |
| (B) Creditors other than micro enterprises and small enterprises  | 14             | 6361006  |                                 | 25057929                        |
| (iii) Other financial liabilities   |                | 0  |                                 | 0                               |
| (b) Other current liabilities   | 15             | 21473757   |                                 | 47474773                        |
| (c) Provisions  | 16             | 73107  |                                 | 101681                          |
| (d) Current tax liabilities (Net)   | 17             | 898627   | 57180656                        | 1227936                         |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |                |  | <b>244626006</b>                | <b>256523805</b>                |
| Significant Accounting Policies   |                |  |                                 |                                 |
| Notes on Financial Statement  | <b>1 to 24</b> |  |                                 |                                 |
| As Per our Report Attached<br>For, A. N. Ruparel & Co.<br>Chartered Accountants<br><br>(Atul N. Ruparel)<br>Proprietor - M. No.: 46392<br>Firm Reg. No.: 113413W<br>UDIN : 21046392AAAAKV2994<br><br>Place: Ahmedabad<br>Date: 29/06/2021 |                | For, Gujarat Raffia Industries Limited<br><br>Managing Director<br>(Pradeep Bhutoria - DIN No.: 00284808)<br><br>Wholetime Director<br>(Sushma Bhutoria - DIN No.: 00284819) |                                 |                                 |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>                                      |                |                        |  |
|---|----------------|------------------------|--|
| <b>( CIN No.: L17110GJ1984PLC007124 )</b>                                     |                |                        |  |
| <b>Statement of Profit and Loss for the year ended 31st March, 2021</b>       |                |                        |  |
|   | Note No        | 31.03.2021<br>(In Rs.) | 31.03.2020<br>(In Rs.)                 |
| <b>INCOME</b>   |                |                        |  |
| Revenue from operations   | 18             | 387934509              | 337605639                              |
| Other income  | 19             | 3098593                | 5074993                                |
| <b>Total income</b>   |                | <b>391033102</b>       | <b>342680632</b>                       |
| <b>EXPENCES</b>   |                |                        |  |
| Cost of materials consumed  | 20             | 243812083              | 249341329                              |
| Purchases of stock-in-trade   |                | 0                      | 0                                      |
| Changes in inventories of finished goods and work-in-progress                 | 21             | 31053286               | (7248623)                              |
| Employee benefits expense   | 22             | 30197445               | 15840888                               |
| Finance costs   | 23             | 1894665                | 3034217                                |
| Depreciation and amortisation expense   | 1              | 14366771               | 12087812                               |
| Other expenses  | 24             | 57163328               | 64093345                               |
| <b>Total Expenses</b>   |                | <b>378487578</b>       | <b>337148968</b>                       |
| Profit/(loss) before exceptional items and tax                                |                | <b>12545524</b>        | <b>5531665</b>                         |
| Exceptional Items   |                | 0                      | 0                                      |
| Profit/(loss) before tax  |                | 12545524               | 5531665                                |
| Tax expense:  |                |                        |  |
| Current tax   |                | 2160000                | 2250000                                |
| Deferred tax  |                | 0                      | 0                                      |
| Adjustments of tax relating to earlier periods                                |                | 1512052                | 0                                      |
| Profit(Loss) for the period from continuing operations                        |                | <b>11897576</b>        | <b>3281665</b>                         |
| Profit(Loss) from discontinued operations                                     |                |                        |  |
| Tax expense of discontinued operations  |                | 0                      | 0                                      |
| Tax expense of discontinued operations  |                | 0                      | 0                                      |
| Profit/(loss) from Discontinued operations (after tax)                        |                | 0                      | 0                                      |
| Profit/(loss) for the period  |                | 11897576               | 3281665                                |
| Other comprehensive income  |                |                        |  |
| A (i) Items that will not be reclassified to profit or loss                   |                |                        |  |
| Re-measurement gains / (losses) on defined benefit plans                      |                | 0                      | 0                                      |
| Income tax effect   |                | 0                      | 0                                      |
| B (i) Items that will be reclassified to profit or loss                       |                |                        |  |
| (ii) Income tax relating to items that will be reclassified to profit or loss |                | 0                      | 0                                      |
| Total comprehensive income for the period                                     |                | <b>11897576</b>        | <b>3281665</b>                         |
| Earnings per equity share (for continuing operation):                         |                |                        |  |
| (1) Basic   |                | 2.20                   | 0.61                                   |
| (2) Diluted   |                | 2.20                   | 0.61                                   |
| Earnings per equity share (for discontinued operation):                       |                |                        |  |
| (1) Basic   |                | 0.00                   | 0.00                                   |
| (2) Diluted   |                | 0.00                   | 0.00                                   |
| Earnings per equity share (for discontinued & continuing Operations)          |                |                        |  |
| (1) Basic   |                | 2.20                   | 0.61                                   |
| (2) Diluted   |                | 2.20                   | 0.61                                   |
| Significant Accounting Policies   |                |                        |  |
| Notes on Financial Statement  | <b>1 to 24</b> |                        |  |
| As Per our Report of even date  |                |                        | For, Gujarat Raffia Industries Limited |
| For, A. N. Ruparel & Co.  |                |                        |  |
| Chartered Accountants   |                |                        | Managing Director                      |
|   |                |                        | (Pradeep Bhutoria - DIN No.: 00284808) |
| (Atul N. Ruparel)   |                |                        |  |
| Proprietor - M. No.: 46392  |                |                        | Wholetime Director                     |
| Firm Reg. No.: 113413W  |                |                        | (Sushma Bhutoria - DIN No.: 00284819)  |
| UDIN : 21046392AAAAKV2994   |                |                        |  |
| Place: Ahmedabad  |                |                        |  |
| Date: 29/06/2021  |                |                        |  |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>                        |   |                              |                              |
|---|---|------------------------------|------------------------------|
| <b>CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST March, 2021</b> |   |                              |                              |
| (In rupees)   |   |                              |                              |
|   | <b>Particulars</b>  | <b>Year ended 31-03-2021</b> | <b>Year ended 31-03-2020</b> |
| <b>A</b>  | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                |                              |                              |
|   | Net Profit/(Loss) before Tax                              | 12545524                     | 5531665                      |
|   | Add/(Less) : Adjustments for non cash items               |                              |                              |
|   | Depreciation  | 14366771                     | 12087812                     |
|   | Provision for tax   | (2160000)                    | (2250000)                    |
|   | Add/(Less) : Other adjustments                            |                              |                              |
|   | Adjustments of tax relating to earlier periods            | 1512052                      | 0                            |
|   | Interest Income   | (395419)                     | (507016)                     |
|   | Interest and Other Borrowing cost paid                    | 1894665                      | 3034217                      |
|   | Gain on redemption of Mutual Funds                        | (1693777)                    | 0                            |
|   | <b>Operating Profit before working Capital changes</b>    | <b>26069816</b>              | <b>17896677</b>              |
|   | Add/(Less) : Adjustments for working capital changes      |                              |                              |
|   | <b>Changes in Current Assets</b>                          |                              |                              |
|   | Decrease / (Increase) in Inventory                        | 17662899                     | 33319020                     |
|   | Decrease / (Increase) in Trade Receivables                | (9687214)                    | 53646352                     |
|   | Decrease / (Increase) in Other bank balances              | 0                            | 0                            |
|   | Decrease / (Increase) in loans and other financial assets | (2601283)                    | 3295597                      |
|   | Decrease / (Increase) in Current tax assets               | 0                            | 0                            |
|   | Decrease / (Increase) in Other current assets             | 3685873                      | (386518)                     |
|   | <b>Changes in Current Liabilities</b>                     |                              |                              |
|   | Decrease / (Increase) in Trade Payables                   | (16331444)                   | (7899244)                    |
|   | Decrease / (Increase) in Other Current Liabilities        | (26001016)                   | (9491713)                    |
|   | Decrease / (Increase) in Provisions                       | (28574)                      | 101681                       |
|   | Decrease / (Increase) in Current tax liabilities          | (329309)                     | 230437                       |
|   | <b>Net cash generated from operations :</b>               | <b>(7560252)</b>             | <b>90712289</b>              |
| <b>B</b>  | <b>NET FLOW FROM INVESTING ACTIVITIES</b>                 |                              |                              |
|   | Purchase of property, plant & equipment/intangible assets | (474789)                     | (6641254)                    |
|   | Sale of property, plant & equipment                       | 40000                        | 0                            |
|   | Purchase of Investments:                                  |                              |                              |
|   | In mutual funds   | (62000000)                   | 0                            |
|   | Sale of Investments:                                      |                              |                              |
|   | In mutual funds   | 63693777                     | 0                            |
|   | Change in other non current assets                        | 0                            | 0                            |
|   | Interest Income   | 395419                       | 507016                       |
|   | <b>Net cash used in investing activities :</b>            | <b>1654407</b>               | <b>(6134238)</b>             |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>   |   |                             |                             |
|--|---|-----------------------------|-----------------------------|
| <b>CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST March. 2021</b>  |   |                             |                             |
| (In rupees)  |   |                             |                             |
|  | Particulars   | Year ended 31-03-2021       | Year ended 31-03-2020       |
| <b>C</b>   | <b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>                  |                             |                             |
|  | Changes in current and non current borrowings               | 18575179                    | (100713132)                 |
|  | Changes in non current : other financial liabilities        | 0                           | 0                           |
|  | Changes in non current provisions                           | 319788                      | 266490                      |
|  | Interest and other Borrowing Cost paid                      | (1894665)                   | (3034217)                   |
|  | Dividend paid including Corporate dividend tax              | 0                           | 0                           |
|  | <b>Net cash generated from financing activities :</b>       | <b>17000302</b>             | <b>(103480859)</b>          |
|  | <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>11094457</b>             | <b>(18902808)</b>           |
|  | <b>OPENING CASH AND CASH EQUIVALENTS</b>                    | <b>35428006</b>             | <b>54330814</b>             |
|  | <b>CLOSING CASH AND CASH EQUIVALENTS</b>                    | <b>46522463</b>             | <b>35428006</b>             |
| <b>Notes:</b>  |   |                             |                             |
| 1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows. |   |                             |                             |
| 2 Cash and cash equivalents comprises :  |   |                             |                             |
|  | <b>Particulars</b>  | <b>As at<br/>31.03.2021</b> | <b>As at<br/>31.03.2020</b> |
|  | Balance in current account with banks                       | 7109041                     | 277890                      |
|  | Debit balance in Cash credit account with banks             | 0                           | 28999915                    |
|  | Cash on Hand  | 1390126                     | 2090271                     |
|  | Other bank balances   | 38023296                    | 4059930                     |
|  | <b>Cash and cash equivalents in Cash Flow Statement</b>     | <b>46522463</b>             | <b>35428006</b>             |

**GUJARAT RAFFIA INDUSTRIES LIMITED****CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST March. 2021**

<sup>3</sup> Ind AS 7 cash flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liability arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation, between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet disclosure requirement.

| <b>Particulars</b>       | <b>As at 31.03-2020</b> | <b>Cash flows/non-cash changes</b> | <b>As at 31.03.2021</b> |
|--------------------------|-------------------------|------------------------------------|-------------------------|
| Borrowings - Non Current | 6273319                 | -1568034                           | 4705285                 |
| Borrowings - Current     | 7193944                 | 20350891                           | 27544835                |

For, A. N. Ruparel & Co.  
Chartered Accountants

(Atul N. Ruparel)  
Proprietor - M. No.: 46392  
Firm Reg. No.: 113413W  
UDIN : 21046392AAAAKV2994  
Place: Ahmedabad  
Date: 29/06/2021

For, Gujarat Raffia Industries Limited

Managing Director  
(Pradeep Bhutoria - DIN No.: 00284808)

Wholetime Director  
(Sushma Bhutoria - DIN No.: 00284819)

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>                                  |                      |                  |                              |                    |                   |           |   |             |
|---|----------------------|------------------|------------------------------|--------------------|-------------------|-----------|---|-------------|
| <b>Statement of Changes in Equity for the year ended 31st March, 2021</b> |                      |                  |                              |                    |                   |           |   |             |
| <b>A Equity Share Capital:</b>  |                      |                  |                              |                    |                   |           |   |             |
| Particulars   | Number of shares     | Amount in rupees |                              |                    |                   |           |   |             |
| Equity shares of Rs. 10 each issued, subscribed and fully paid up:        |                      |                  |                              |                    |                   |           |   |             |
| Balance at the beginning of the reporting year                            | 5404800              | 54045000         |                              |                    |                   |           |   |             |
| Changes in equity share capital during the year                           | -                    |                  |                              |                    |                   |           |   |             |
| Balance at the end of the reporting year                                  | 5404800              | 54045000         |                              |                    |                   |           |   |             |
| <b>B Other Equity:</b>  |                      |                  |                              |                    |                   |           |   |             |
| Particulars   | Reserves and Surplus |                  |                              |                    |                   | Total     | OCI                                       |             |
|   | Capital Reserve      | General Reserve  | Reserve for Forfeited Shares | Securities Premium | Retained Earnings |           | Other items of other-comprehensive income | Total       |
|   |                      |                  |                              |                    |                   |           |   | (In rupees) |
| Balance as at April 1, 2019   | 2301699              | 16906075         | 229150                       | 10243125           | 80811208          | 110491257 | 0   | 0           |
| Profit for the year   | 0                    | 0                | 0                            | 0                  | 3281665           | 3281665   | 0   | 0           |
| Other comprehensive income for the year                                   | 0                    | 0                | 0                            | 0                  | 0                 | 0         | 0   | 0           |
| <b>Total Comprehensive Income for the year</b>                            | 0                    | 0                | 0                            | 0                  | 3281665           | 3281665   | 0   | 0           |
| Dividends   | 0                    | 0                | 0                            | 0                  | 0                 | 0         | 0   | 0           |
| Transfer during the year  | 0                    | 0                | 0                            | 0                  | 0                 | 0         | 0   | 0           |
| Transfer to retained earnings   | 0                    | 0                | 0                            | 0                  | 0                 | 0         | 0   | 0           |
| Balance as at March 31, 2020  | 2301699              | 16906075         | 229150                       | 10243125           | 84092873          | 113772922 | 0   | 0           |
| Balance as at April 1, 2020   | 2301699              | 16906075         | 229150                       | 10243125           | 84092873          | 113772922 | 0   | 0           |
| Profit for the year   | 0                    | 0                | 0                            | 0                  | 11897576          | 11897576  | 0   | 0           |
| Other comprehensive income for the year                                   | 0                    | 0                | 0                            | 0                  | 0                 | 0         | 0   | 0           |
| <b>Total Comprehensive Income for the year</b>                            | 0                    | 0                | 0                            | 0                  | 11897576          | 11897576  | 0   | 0           |
| Dividends   | 0                    | 0                | 0                            | 0                  | 0                 | 0         | 0   | 0           |
| Transfer to retained earnings   | 0                    | 0                | 0                            | 0                  | 0                 | 0         | 0   | 0           |
| Balance as at March 31, 2021  | 2301699              | 16906075         | 229150                       | 10243125           | 95990449          | 125670498 | 0   | 0           |

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

**GUJARAT RAFFIA INDUSTRIES LIMITED**
**Notes on Financial Statements for the Year ended 31st March, 2021**
**1. PROPERTY, PLANT AND EQUIPMENTS**

| PARTICULARS                 | GROSS BLOCK       |                                 |                                  |                    | DEPRECIATION      |                 |                                |                   | NET BLOCK          |                    |
|-----------------------------|-------------------|---------------------------------|----------------------------------|--------------------|-------------------|-----------------|--------------------------------|-------------------|--------------------|--------------------|
|                             | AS ON<br>1-Apr-20 | ADDITIONS<br>DURING THE<br>YEAR | DEDUCTIONS<br>DURING THE<br>YEAR | TOTAL<br>31-Mar-21 | AS ON<br>1-Apr-20 | FOR THE<br>YEAR | TRANSFER<br>DURING THE<br>YEAR | UPTO<br>31-Mar-21 | AS ON<br>31-Mar-21 | AS ON<br>31-Mar-20 |
| Buildings                   | 33510318          | 0                               | 0                                | 33510318           | 11266923          | 887108          | 0                              | 12154031          | 21356287           | 22243395           |
| Plant & Machinery           | 154723101         | 0                               | 0                                | 154723101          | 96995604          | 13195013        | 0                              | 110190617         | 44532484           | 57727497           |
| Furniture & Fittings        | 17799             | 0                               | 0                                | 17799              | 5629              | 1691            | 0                              | 7320              | 10479              | 12170              |
| Motor Vehicles              | 13735100          | 0                               | 40000                            | 13695100           | 4841811           | 166826          | 0                              | 5008637           | 8686463            | 8893289            |
| Office Equipments           | 204137            | 181859                          | 0                                | 385996             | 90422             | 116133          | 0                              | 206555            | 179441             | 113715             |
| Land                        | 1295932           | 0                               | 0                                | 1295932            | 0                 | 0               | 0                              | 0                 | 1295932            | 1295932            |
| Shed                        | 0                 | 292930                          | 0                                | 292930             | 0                 | 0               | 0                              | 0                 | 292930             | 0                  |
| <b>Total (Current Year)</b> | <b>203486387</b>  | <b>474789</b>                   | <b>40000</b>                     | <b>203921176</b>   | <b>113200389</b>  | <b>14366771</b> | <b>0</b>                       | <b>127567160</b>  | <b>76354016</b>    | <b>90285998</b>    |
| <b>(Previous Year)</b>      | <b>291613708</b>  | <b>6641254</b>                  | <b>94768575</b>                  | <b>203486387</b>   | <b>195881152</b>  | <b>12087812</b> | <b>94768575</b>                | <b>113200389</b>  | <b>90285998</b>    | <b>95732556</b>    |

**Notes:**

Motor Vehicles are registered in the name of directors of the company.

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>                                 |   |                                 |                                 |
|--|---|---------------------------------|---------------------------------|
| <b>Notes on Financial Statements for the Year ended 31st March, 2021</b> |   |                                 |                                 |
| Note No.   | Particulars   | As at<br>31-03-2021<br>(In Rs.) | As at<br>31-03-2020<br>(In Rs.) |
| <b>2 INVENTORIES</b>   |   |                                 |                                 |
|  | (As taken, valued and certified by a director)                          |                                 |                                 |
|  | Raw materials   | 34393031                        | 20197964                        |
|  | Work-in-progress  | 9591412                         | 11155462                        |
|  | Finished goods  | 0                               | 28899496                        |
|  | Stores and spares   | 0                               | 804680                          |
|  | Scrap   | 0                               | 589740                          |
|  | <b>TOTAL</b>  | <b>43984443</b>                 | <b>61647342</b>                 |
| <b>3 FINANCIAL ASSETS - CURRENT : TRADE RECEIVABLES</b>                  |   |                                 |                                 |
|  | <b>Unsecured:</b>   |                                 |                                 |
|  | Outstanding exceeding six months from the day they are due for payment: |                                 |                                 |
|  | Considered good   | 11527709                        | 9352839                         |
|  | Others-considered good  | 52124943                        | 44612598                        |
|  | <b>TOTAL</b>  | <b>63652652</b>                 | <b>53965437</b>                 |
| <b>4 CASH AND CASH EQUIVALENTS</b>                                       |   |                                 |                                 |
|  | Balances in current account with scheduled banks                        | 7109041                         | 277890                          |
|  | Debit balance in cash credit account with scheduled bank                | 0                               | 28999915                        |
|  | Cash on hand  | 1390126                         | 2090271                         |
|  | <b>TOTAL</b>  | <b>8499167</b>                  | <b>31368076</b>                 |
| <b>5 FINANCIAL ASSETS - CURRENT : OTHER BANK BALANCES</b>                |   |                                 |                                 |
|  | Balances in term deposit accounts with scheduled banks                  | 38023296                        | 4059930                         |
|  | <b>TOTAL</b>  | <b>38023296</b>                 | <b>4059930</b>                  |
| <b>6 FINANCIAL ASSETS - CURRENT - LOANS</b>                              |   |                                 |                                 |
|  | <b>Unsecured</b>  |                                 |                                 |
|  | Considered good   | 0                               | 79000                           |
|  | Considered doubtful - credit impaired                                   | 0                               | 0                               |
|  | Less: Allowances for credit impairment losses                           | 0                               | 0                               |
|  | <b>TOTAL</b>  | <b>0</b>                        | <b>79000</b>                    |
|  | Includes loans to related parties<br>Pradipkumar Bhutoria HUF           | 0                               | 79000                           |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>                                 |  |                                 |                                 |
|--|--|---------------------------------|---------------------------------|
| <b>Notes on Financial Statements for the Year ended 31st March, 2021</b> |  |                                 |                                 |
| Note No.   | Particulars  | As at<br>31-03-2021<br>(In Rs.) | As at<br>31-03-2020<br>(In Rs.) |
| <b>7 FINANCIAL ASSETS - CURRENT - OTHERS</b>                             |  |                                 |                                 |
|  | <b>Unsecured, Considered good</b>  |                                 |                                 |
|  | Advances recoverable in cash or in kind or for value to be received  | 4572695                         | 1892412                         |
|  | Security deposits  | 4052901                         | 4052901                         |
|  | <b>TOTAL</b>   | <b>8625596</b>                  | <b>5945313</b>                  |
| <b>8 OTHER CURRENT ASSETS</b>  |  |                                 |                                 |
|  | <b>Unsecured, Considered good</b>  |                                 |                                 |
|  | Balances with government authorities:  |                                 |                                 |
|  | Balances with custom/central excise/GST tax authorities  | 4718141                         | 3999923                         |
|  | Advances to suppliers  | 768695                          | 5172786                         |
|  | <b>TOTAL</b>   | <b>5486836</b>                  | <b>9172709</b>                  |
| <b>9 EQUITY SHARE CAPITAL</b>  |  |                                 |                                 |
| <b>1</b>   | <b>Authorised Share Capital</b>  |                                 |                                 |
|  | 11000000 Equity shares of Rs. 10/- each.<br>(11000000 Equity shares of Rs. 10/- each.-previous year)   | 110000000                       | 110000000                       |
|  |  | <b>110000000</b>                | <b>110000000</b>                |
| <b>2</b>   | <b>Issues, Subscribed and Paid up Share Capital</b>  |                                 |                                 |
|  | 5404500 Equity shares of Rs.10/- each fully paid up<br>(5404500 Equity shares of Rs.10/- each. - previous year)<br>(Equity shares are pari-passu in voting rights, dividend rights etc.<br>inter-se) | 54045000                        | 54045000                        |
|  | <b>TOTAL</b>   | <b>54045000</b>                 | <b>54045000</b>                 |
| <b>3</b>   | <b>Reconciliation of Share Capital</b>   | No. of Shares                   | No. of Shares                   |
|  | Equity shares at the beginning of the year   | 5404500                         | 5404500                         |
|  | Add.: Shares issued/cancelled during the year.   | 0                               | 0                               |
|  | Outstanding as at the end of the period  | 5404500                         | 5404500                         |
| <b>4</b>   | <b>List of shareholders holding more than 5% of shares</b>   | No. of Shares held              | % of Holding                    |
|  | Pradeep Bhutoria   | 674635                          | 12.48%                          |
|  | Bengal Business LLP  | 510304                          | 9.44%                           |
|  | Asian Gases Limited  | 441235                          | 8.16%                           |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>                                 |  |                                 |                                 |
|--|--|---------------------------------|---------------------------------|
| <b>Notes on Financial Statements for the Year ended 31st March, 2021</b> |  |                                 |                                 |
| Note No.   | Particulars  | As at<br>31-03-2021<br>(In Rs.) | As at<br>31-03-2020<br>(In Rs.) |
| <b>10 OTHER EQUITY</b>   |  |                                 |                                 |
|  | <b>Reserves and Surplus</b>  |                                 |                                 |
|  | <b>Capital Reserve</b>   |                                 |                                 |
|  | Balance as per last year   | 2301699                         | 2301699                         |
|  | <b>Reserve for Forfeited Shares</b>  |                                 |                                 |
|  | Balance as per last year   | 229150                          | 229150                          |
|  | <b>General Reserve</b>   |                                 |                                 |
|  | Balance as per last year   | 16906075                        | 16906075                        |
|  | <b>Securities Premium Reserve</b>  |                                 |                                 |
|  | Balance as per last year   | 10243125                        | 10243125                        |
|  | <b>Retained Earnings</b>   |                                 |                                 |
|  | Balance as at the beginning of the year  | 84092873                        | 80811208                        |
|  | Less: Dividend   | 0                               | 0                               |
|  | Add.: Profit as per statement of profit and loss   | 11897576                        | 3281665                         |
|  | Other comprehensive income for the year  | 0                               | 0                               |
|  | Balance as at the end of the year  | 95990449                        | 84092873                        |
|  | <b>TOTAL</b>   | <b>125670498</b>                | <b>113772922</b>                |
| <b>11 FINANCIAL LIABILITIES - NON CURRENT - BORROWINGS</b>               |  |                                 |                                 |
|  | <b>Secured</b>   |                                 |                                 |
|  | From banks against hypothecation of motor vehicles   | 4705285                         | 6273319                         |
|  | <b>TOTAL</b>   | <b>4705285</b>                  | <b>6273319</b>                  |
|  | <b>Notes:</b>  |                                 |                                 |
|  | All the secured borrowings are secured by hypothecation of the motor vehicle against which such borrowings taken.  |                                 |                                 |
|  | All the secured borrowings are repayable in equated monthly installments including/along with interest for the period  |                                 |                                 |
|  | Motor Vehicles purchased for the company are registered in the name of directors of the company and borrowings from the banks against the hypothecation of motor vehicle also in the name of directors. As the motor vehicles are for the business of the company and accounted in the books of the company, borrowings against the purchase of the motor vehicles also accounted in the books of the company. |                                 |                                 |
| <b>12 NON CURRENT PROVISIONS</b>   |  |                                 |                                 |
|  | <b>Provisions for employee benefits</b>  |                                 |                                 |
|  | Gratuity payable   | 3024567                         | 2704779                         |
|  | <b>TOTAL</b>   | <b>3024567</b>                  | <b>2704779</b>                  |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>   |   |                                 |                                 |
|--|---|---------------------------------|---------------------------------|
| <b>Notes on Financial Statements for the Year ended 31st March, 2021</b>   |   |                                 |                                 |
| Note No.   | Particulars   | As at<br>31-03-2021<br>(In Rs.) | As at<br>31-03-2020<br>(In Rs.) |
| <b>13 FINANCIAL LIABILITIES - CURRENT - BORROWINGS</b>   |   |                                 |                                 |
|  | <b>Secured</b>  |                                 |                                 |
|  | Working capital loans from bank                                       | 25881480                        | 5738267                         |
|  | <b>Unsecured</b>  |                                 |                                 |
|  | Inter-corporate deposits  | 0                               | 0                               |
|  | Director and their relatives  | 0                               | 0                               |
|  | <b>TOTAL</b>  | <b>25881480</b>                 | <b>5738267</b>                  |
| <b>Notes:</b>  |   |                                 |                                 |
| Loans repayable on demand in the nature of cash credit facilities against the hypothecation of stock and book debt of the company from Union Bank of India.  |   |                                 |                                 |
| <b>Nature of securities on secured borrowings:</b>   |   |                                 |                                 |
| The credit facilities in the nature of cash credit secured by way of hypothecation of company's entire present and future stock and book debt of the company as a primary security and by way of equitable mortgage of properties of the company being factory land & building situated at block No. 455, village Santej, taluka Kalol, Dist. Gandhinagar admeasuring 10821 sq. meters and existing plant & machineries of the company as a collateral security and personal guarantee of Mr. Pradeep Bhutoria and Mrs. Sushma Bhutoria, the directors of the company. |   |                                 |                                 |
| <b>14 FINANCIAL LIABILITIES - CURRENT - TRADE PAYABLES</b>   |   |                                 |                                 |
|  | Outstanding due to micro and small enterprises                        | 2492679                         | 127200                          |
|  | Outstanding due to creditors other than micro and small enterprises   | 6361006                         | 25057929                        |
|  | <b>TOTAL</b>  | <b>8853685</b>                  | <b>25185129</b>                 |
|  | <b>Includes payables to related parties</b>                           | <b>0</b>                        | <b>375673</b>                   |
| <b>15 OTHER CURRENT LIABILITIES</b>  |   |                                 |                                 |
|  | Current maturity of long term debt including finance lease obligation | 1663355                         | 1455677                         |
|  | Advances from customers   | 16286816                        | 38806356                        |
|  | Creditors for expenses & expenses payable [Incl. 564618 to MSME]      | 3382148                         | 6219058                         |
|  | Unpaid duties and taxes   | 141438                          | 993682                          |
|  | <b>TOTAL</b>  | <b>21473757</b>                 | <b>47474773</b>                 |
| <b>16 CURRENT PROVISIONS</b>   |   |                                 |                                 |
|  | Provisions for employee benefits                                      | 73107                           | 101681                          |
|  | <b>TOTAL</b>  | <b>73107</b>                    | <b>101681</b>                   |
| <b>17 CURRENT TAX LIABILITIES (NET)</b>  |   |                                 |                                 |
|  | Provisions for income tax (net of advance payment of tax)             | 898627                          | 1227936                         |
|  | <b>TOTAL</b>  | <b>898627</b>                   | <b>1227936</b>                  |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>  |  |                                 |                                 |
|---|--|---------------------------------|---------------------------------|
| <b>Notes on Financial Statements for the Year ended 31st March, 2021</b>                  |  |                                 |                                 |
| Note No.  | Particulars                              | As at<br>31-03-2021<br>(In Rs.) | As at<br>31-03-2020<br>(In Rs.) |
| <b>18 REVENUE FROM OPERATIONS</b>   |  |                                 |                                 |
|   | Sales                                    | 387505563                       | 335847580                       |
|   | Freight charges                          | 428946                          | 409141                          |
|   | Export benefits                          | 0                               | 1348918                         |
|   | <b>TOTAL</b>                             | <b>387934509</b>                | <b>337605639</b>                |
| <b>19 OTHER INCOME</b>  |  |                                 |                                 |
|   | Interest income                          | 395419                          | 507016                          |
|   | VAT/Interest subsidy                     | 699969                          | 3652164                         |
|   | Gain on redemption of Mutual Funds       | 1693777                         | 0                               |
|   | Excess provision /creditors written back | 309428                          | 915813                          |
|   | <b>TOTAL</b>                             | <b>3098593</b>                  | <b>5074993</b>                  |
| <b>20 COST OF MATERIALS CONSUMED</b>  |  |                                 |                                 |
|   | Opening stock of raw materials           | 20197964                        | 59891787                        |
|   | Add.: Purchase of raw material           | 258007150                       | 209647506                       |
|   |  | 278205114                       | 269539293                       |
|   | Less: Closing stock of raw materials     | 34393031                        | 20197964                        |
|   | <b>TOTAL</b>                             | <b>243812083</b>                | <b>249341329</b>                |
| <b>21 CHANGES IN INVENTORIES OF FINISHED GOODS, A WORK-IN-PROGRESS AND STOCK-IN-TRADE</b> |  |                                 |                                 |
|   | <b>Closing stock at the year end</b>     |                                 |                                 |
|   | Work-in-progress                         | 9591412                         | 11155462                        |
|   | Finished goods                           | 0                               | 29489236                        |
|   |  | <b>9591412</b>                  | <b>40644698</b>                 |
|   | <b>Less: Opening stock</b>               |                                 |                                 |
|   | Work-in-progress                         | 11155462                        | 4279944                         |
|   | Finished goods                           | 29489236                        | 29116131                        |
|   |  | <b>40644698</b>                 | <b>33396075</b>                 |
|   | <b>TOTAL</b>                             | <b>31053286</b>                 | <b>(7248623)</b>                |

| <b>GUJARAT RAFFIA INDUSTRIES LIMITED</b>                                 |   |                                 |                                 |
|--|---|---------------------------------|---------------------------------|
| <b>Notes on Financial Statements for the Year ended 31st March, 2021</b> |   |                                 |                                 |
| Note No.   | Particulars   | As at<br>31-03-2021<br>(In Rs.) | As at<br>31-03-2020<br>(In Rs.) |
| <b>22 EMPLOYEE BENEFITS EXPENSE</b>                                      |   |                                 |                                 |
|  | <b>Employee benefits expenses</b>                         |                                 |                                 |
|  | Salaries, bonus and wages                                 | 27954891                        | 13572648                        |
|  | Contribution to provident and other funds                 | 247486                          | 415112                          |
|  | Staff welfare expenses                                    | 75068                           | 58128                           |
|  |   | <b>28277445</b>                 | <b>14045888</b>                 |
|  | <b>Director's remuneration</b>                            |                                 |                                 |
|  | Remuneration  | 1407600                         | 1328100                         |
|  | House rent allowance                                      | 278400                          | 258400                          |
|  | Conveyance allowance                                      | 180000                          | 162000                          |
|  | Medical allowance   | 54000                           | 46500                           |
|  |   | <b>1920000</b>                  | <b>1795000</b>                  |
|  | <b>TOTAL</b>  | <b>30197445</b>                 | <b>15840888</b>                 |
| <b>23 FINANCE COSTS</b>  |   |                                 |                                 |
|  | Interest on working capital and EPC from banks            | 339149                          | 1878108                         |
|  | Interest on term loan from banks                          | 632546                          | 514140                          |
|  | Other finance cost  | 922970                          | 641969                          |
|  | <b>TOTAL</b>  | <b>1894665</b>                  | <b>3034217</b>                  |
| <b>24 OTHER EXPENSES</b>   |   |                                 |                                 |
|  | Consumption of stores and spare parts                     | 12010222                        | 1034494                         |
|  | Power and fuel  | 23248815                        | 26122450                        |
|  | Freight, labour and forwarding charges                    | 8833690                         | 16482195                        |
|  | Other manufacturing expenses                              | 5306334                         | 981874                          |
|  | Repairs and maintenance:                                  |                                 |                                 |
|  | Building  | 1046662                         | 63030                           |
|  | Plant & Machinery   | 147140                          | 0                               |
|  | Others  | 232605                          | 169388                          |
|  | Insurance   | 340621                          | 553391                          |
|  | Commission on sales                                       | 663161                          | 717919                          |
|  | Rates and taxes   | 101542                          | 368787                          |
|  | Travelling expenses                                       | 92680                           | 273954                          |
|  | Legal and professional fees                               | 722303                          | 786928                          |
|  | Auditors' remuneration:                                   |                                 |                                 |
|  | For statutory and tax audit services                      | 135000                          | 120000                          |
|  | For GST audit services                                    | 40000                           | 0                               |
|  | Donation  | 121000                          | 0                               |
|  | Bad debts written off                                     | 0                               | 8889837                         |
|  | Other marketing expenses                                  | 239014                          | 653014                          |
|  | Net Loss on foreign currency transactions and translation | 44843                           | 2826997                         |
|  | Miscellaneous expenses                                    | 3837696                         | 4049387                         |
|  | <b>TOTAL</b>  | <b>57163328</b>                 | <b>64093345</b>                 |
|  | <b>Payments to auditors</b>                               |                                 |                                 |
|  | Audit, tax audit and GST fees                             | 175000                          | 120000                          |

**Note -25 Notes to the Financial Statements****NOTES ACCOMPANYING THE FINANCIAL STATEMENTS:****(1) Company Background**

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

**(2) Significant accounting policies and key accounting estimates and judgements.****2.1 Basis of preparation of financial statements**

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

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

The financial statements are presented in Indian rupees and all values are rounded to the nearest rupee, except when otherwise indicated.

**2.2 Current / Non- Current Classification**

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

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

All other assets and liabilities not classified as current are classified as non-current.

### **Operating cycle**

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

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

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

#### **Measurement at recognition:**

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

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

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

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

**Capital work in progress and Capital advances:**

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

**Depreciation:**

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

| <b>Particulars</b>   | <b>Years</b> |
|--|--------------|
| Factory buildings  | 30           |
| Buildings (other than factory buildings)                   | 60           |
| Fences, wells, tube wells                                  | 5            |
| Plant and equipment (other than continuous process plants) | 15           |
| General furniture and fittings                             | 10           |
| Office equipment   | 5            |
| Information technology hardware                            | 10           |
| Motor cycles, scooters and other mopeds                    | 10           |
| Motor buses, motor lorries and motor cars                  | 8            |
| General laboratory equipment                               | 10           |
| Electrical installations and equipment                     | 10           |

Freehold land is not depreciated

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

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

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

**DE recognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the DE recognition of an item of property, plant and

equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**b) Intangible assets**

**Measurement at recognition:**

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

**Amortization:**

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

| <b>Particulars</b>              | <b>Years</b> |
|---------------------------------|--------------|
| Information Technology Software | 10           |

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

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

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

**DE recognition:**

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

**c) Impairment**

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

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

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses. Impairment losses are reversed

in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

**d) Revenue**

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

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

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The impact of application of the Standard is not material.

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

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

**Sale of products:**

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

**Rendering of services:**

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

**Interest, royalties and dividends:**

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

**e) Inventory**

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

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

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

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

**f) Financial Instruments**

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

**➤ Financial Assets****Initial recognition and measurement:**

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

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

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

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

**Subsequent measurement:**

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

- i. The Company's business model for managing the financial asset and

- ii. The contractual cash flow characteristics of the financial asset.

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

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

**i. Financial assets measured at amortized cost:**

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

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

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

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

asset. The same is included under other income in the Statement of Profit and Loss.

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

**ii. Financial assets measured at FVTOCI:**

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

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

**iii. Financial assets measured at FVTPL:**

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

**DE recognition:**

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

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfer its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset.
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pas-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

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

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

**Impairment of financial assets:**

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

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

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

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

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

➤ **Financial Liabilities**

**Initial recognition and measurement:**

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

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

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

**Subsequent measurement:**

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

**DE recognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified. Such an exchange or modification is

treated as the DE recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

**g) Fair value**

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

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

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

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

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

**Level 3 - inputs that are unobservable for the asset or liability**

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the company determines whether transfers have occurred

between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**h) Foreign Currency Translation**

**Initial Recognition:**

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

**Measurement of foreign currency items at reporting date:**

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

**i) Income Taxes**

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

**Current tax:**

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

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

**Deferred tax:**

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

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

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

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

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

**Presentation of current and deferred tax:**

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

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

**j) Provisions and Contingencies**

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

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

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

**k) Cash and Cash Equivalents**

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

**l) Employee Benefits**

**Short Term Employee Benefits:**

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

**Post-Employment Benefits:****Defined Benefit plans:****i) Provident Fund scheme:**

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

**ii) Gratuity scheme:**

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

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

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

**m) Borrowing Cost**

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

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

**n) Segment Reporting**

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

**o) Events after Reporting date**

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

**p) Earnings per share**

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

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

weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**q) Recent accounting pronouncements**

**Ind AS 116 Leases:**

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

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

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

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- It's carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to the lease recognized under Ind AS 17 immediately before the date of initial application.

Effective April 01, 2019, the company has adopted Ind As 116 'Leases' using modified retrospective approach. The adoption of the standard did not have any material impact on the financial results.

#### **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments**

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

The standard permits two possible method of transition:

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

Effective April 01, 2019, the company has adopted Ind AS 12 Appendix C using Retrospectively, with the cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The adoption of the standard did not have any material impact on the financial results.

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

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

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

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

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

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

##### **a. Income taxes**

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

##### **b. Defined benefit obligation**

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 16 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are

assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

**c. Fair value measurement of Financial Instruments**

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

**d. Property, Plant and Equipment**

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

**(3) Employee benefits**

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

| <b>Particulars</b>                  | <b>F.Y.: 2020-21</b> | <b>F.Y.: 2019-20</b> |
|-------------------------------------|----------------------|----------------------|
| Contribution towards provident fund | Rs. 247486           | Rs. 415112           |

- (ii) The gratuity benefits have been valued in accordance with the rules of gratuity framed by the Company. The Company reports gratuity defined plan in accordance with Ind AS – 19 “Employee Benefits”.

**Defined Benefit Obligations: Gratuity benefit**

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

| Particulars   | As on<br>31.03.2021 | As on<br>31.03.2020 |
|---|---------------------|---------------------|
| <b>A. Present value of defined benefit obligation</b> | 3024567             | 2704779             |
| Present value of funded obligations                   | -                   | -                   |
| Fair value of plan assets                             | -                   | -                   |
| Present value of unfunded obligations                 | -                   | -                   |
| Unrecognized past service cost                        | -                   | -                   |
| Net liability   | -                   | -                   |
| <b>B. Amounts reflected in the balance sheet</b>      |                     |                     |
| Liabilities   | 3024567             | 2704779             |
| Assets  | -                   | -                   |
| Net Liability   | 3024567             | 2704779             |

**b). The Expenses recognized in the Statement of Profit or Loss is as follows: (In rupees)**

| Particulars                                     | As on<br>31.03.2021 | As on<br>31.03.2020 |
|---|---------------------|---------------------|
| Current service cost                            | 359930              | 266490              |
| Net interest cost                               | -                   | -                   |
| Past service cost                               | -                   | -                   |
| Expected contributions by the employees         | -                   | -                   |
| (Gains)/ losses on curtailments and settlements | -                   | -                   |
| Net effect of changes in Foreign Exchange Rates | -                   | -                   |
| Expenses Recognized                             | 359930              | 266490              |

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

(In rupees)

| Particulars  | As on<br>31.03.2021 | As on<br>31.03.2020 |
|--|---------------------|---------------------|
| Actuarial (Gains)/losses on Obligation for the period  | -                   | -                   |
| Return of Plan Assets, Excluding Interest Income       | -                   | -                   |
| Change in Asset Ceiling                                | -                   | -                   |
| Net (Income)/Expenses for the period Recognized in OCI | -                   | -                   |

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

(In rupees)

| Particulars   | As on<br>31.03.2021 | As on<br>31.03.2020 |
|---|---------------------|---------------------|
| Present value of Benefits Obligation at the beginning of the period               | 2704779             | 2438289             |
| Interest cost   | 0                   | 0                   |
| Current service cost  | 359930              | 266490              |
| Past service cost   | -                   | -                   |
| Liability transferred in / Acquisitions   | -                   | -                   |
| Liability transferred out/Divestments   | -                   | -                   |
| Liabilities Extinguished on settlement  | 40142               | -                   |
| Benefits paid directly by the Employer  | -                   | -                   |
| Benefits paid from the fund   | -                   | -                   |
| The effect of changes in Foreign Exchange Rates                                   | -                   | -                   |
| Actuarial (gains)/losses on obligation – Due to change in Demographic Assumptions | -                   | -                   |
| Actuarial (gains)/losses on obligation – Due to change in Financial Assumptions   | -                   | -                   |

|   |         |         |
|---|---------|---------|
| Actuarial (gains) / losses on obligation - Due to Experience  | -       | -       |
| Present value of Benefits Obligation at the end of the period | 3024567 | 2704779 |

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

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

- e) The major categories of plan assets as a percentage of total plan assets are as follows:  
The company has no funded plan.

- f) Principal actuarial assumptions:

**Financial assumptions:**

| Particulars            | As on<br>31.03.2021 | As on<br>31.03.2020 |
|------------------------|---------------------|---------------------|
| Salary escalation rate | 6% p. a.            | 6% p. a.            |

**(4) Related party transactions**

Information on related party transactions as required by Ind AS-24 'Related Party Disclosures' for the year ended 31<sup>st</sup> March, 2021.

**a) List of the related parties and relationships:**

| S. N. | Director                  | Nature of relationship  |
|-------|---------------------------|---|
| 1     | Mr. Pradeepkumar Bhutoria | Managing Director   |
| 2     | Mrs. Sushma Bhutoria      | Whole time Director   |
| 3     | Mr. Abhishek Bhutoria     | Director  |
| 4     | Mr. Dipen M. Shah         | Independent Director  |
| 5     | Nr. Kiran C. Singh        | Independent Director  |
| 6     | Asian Gases Limited       | Enterprises significantly influenced by Director and/or their relatives |
| 7     | Bengal Business LLP       | Enterprises significantly influenced by Director and/or their relatives |

|   |                           |   |
|---|---------------------------|---|
| 8 | Mahanagar Real estate LLP | Enterprises significantly influenced by Director and/or their relatives |
|---|---------------------------|---|

**b) Transaction with related parties: (In rupees)**

| S. N. | Name of the related parties | Nature of transaction          | 2020-21 | 2019-20           |
|-------|-----------------------------|--------------------------------|---------|-------------------|
| 1     | Asian Gases Limited         | Commission paid<br>Loan repaid | 0<br>0  | 131206<br>1297122 |
| 2     | Bengal Business LLP         | Commission paid<br>Loan repaid | 0<br>0  | 142353<br>493605  |
| 3     | Mahanagar Real estate LLP   | Commission paid<br>Loan repaid | 0<br>0  | 153465<br>1379804 |
| 4     | Mr. Pradeepkumar Bhutoria   | Remuneration                   | 900000  | 900000            |
| 5     | Mrs. Sushma Bhutoria        | Remuneration                   | 720000  | 720000            |
| 6     | Mr. Abhishek Bhutoria       | Remuneration                   | 300000  | 175000            |

| Balance outstanding as at the year end | 2020-21 | 2019-20  |
|--|---------|----------|
| ➤ Receivables                          | 0       | 59750    |
| ➤ Payable                              | 0       | 28535298 |

**(5) Deferred Tax Provision:**

Deferred tax asset has not been recognized based on conservative principles.

**(6) Earning and expenditure in foreign currency:**

| Particulars                                | Current Year (Rs.) | Previous Year (Rs.) |
|--|--------------------|---------------------|
| <b>(a) Earning in Foreign</b>              |                    |                     |
| Export of goods calculated on F.O.B. basis | 83930458           | 73797383            |
| <b>(b) Expenditure in foreign currency</b> |                    |                     |
| Import of Goods                            | 40937491           | 8820240             |

- (7) Disclosure under the Micro, Small and medium Enterprises Development Act, 2006 are provided as under to the extent the company has received intimation from the “Suppliers” regarding their status under the Act.

| <b>S. N.</b> | <b>Particulars</b>   | <b>2020-21</b>     | <b>2019-20</b>    |
|--------------|--|--------------------|-------------------|
| (a)          | Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)<br>> Principal amount due to micro and small Enterprise<br>> Interest due on above | 3057297<br><br>NIL | 127200<br><br>NIL |
| (b)          | Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during the year                          | NIL                | NIL               |
| (c)          | Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under the Micro, Small and Medium Enterprise Act, 2006              | NIL                | NIL               |
| (d)          | The amount of interest accrued and remaining unpaid at the end of each accounting year   | NIL                | NIL               |
| (e)          | Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises  | NIL                | NIL               |

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

**(8) Contingent Liabilities and commitments:****a) Contingent liabilities:**

Outstanding guarantees and counter guarantees to various banks, in respect of the guarantees given by those banks in favor of various government authorities for performance of the order Rs. 2889560/-

**b) Tax demand against the company not acknowledged as payable:**

Rs. 774614/- refer note no. 13

- (9) As per Ind AS – 23 “Borrowing Costs”, the borrowing cost has been charged to profit and Loss statement. None of the borrowing costs have been capitalized during the year.
- (10) Licensed and Installed capacity of unmachined and machined production of tarpualin and woven sacks is 4000 M. T. This being the technical aspect not verified by the auditors as it is certified by the directors.
- (11) Confirmation letters have not been obtained from some of the Debtors, Creditors, Loans and Advances. Hence the, balances of these accounts are subject to confirmation, reconciliation and consequent adjustments, if any.
- (12) The Company has evaluated the impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements and expect to recover the carrying amount of inventories, receivables and investments. The Company does not foresee any material impact on liquidity and assumption of going concern. Till the time business operations at customers’ end get fully functional and supplies chain with vendors totally restored, business operations of the Company will remain at sub-optimal level. The Company will continue to monitor the future market conditions and update its assessment.
- (13) During the year under consideration, Deputy state tax commissioner passed an reassessment order for the F. Y. 2011-12 raising the total demand of Rs. 774614 including tax of Rs. 273505, interest of Rs. 443071 and penalty of Rs. 54701. The

company has not accepted the above demand and has filed an appeal with the respective authority.

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

**For, A. N. Ruparel & Co.**

**For, Gujarat Raffia Industries Limited**

**Chartered Accountants**

**(Atul N. Ruparel)**

**Managing Director**

**Proprietor – M. No.: 46392**

**(Pradeep Bhutoria – DIN No.: 00284808)**

**Firm Reg. No.: 113413W**

**UDIN : 21046392AAAAKV2994**

**Wholetime Director**

**Place: Ahmedabad**

**(Sushma Bhutoria – DIN No.: 00284819)**

**Date : 29/06/2021**

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

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

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

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

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

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

I hereby record my presence at the Annual General Meeting of the Company held on Thursday, 30<sup>th</sup> September, 2021 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 35<sup>th</sup> Annual General Meeting of the company, to be held on Thursday, the 30<sup>th</sup> September, 2021 at 02: 00 p.m. at the registered office of the company at Plot No. 455 Santej-Vadsar Road, Village: Santej, Taluka: Kalol - 382721 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Note:

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

**Resolution No: -**

| Sr. No                   | Business  | Option |         |
|--------------------------|---|--------|---------|
|                          |   | For    | Against |
| <b>ORDINARY BUSINESS</b> |   |        |         |
| 1.                       | To receive, consider and adopt the Audited Financial Statements as at 31 <sup>st</sup> March, 2021 including the Audited Balance Sheet as at 31 <sup>st</sup> March, 2021, the Statement of Profit and Loss and cash flow statement for the year ended on that date and reports of the Directors' and Auditors' thereon |        |         |
| 2.                       | To appoint a Director in place of Mrs. Sushma Pradeep Bhutoria (DIN: 00284819) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.   |        |         |
| <b>SPECIAL BUSINESS</b>  |   |        |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

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

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



and deposited

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

**ROUTE MAP TO AGM VENUE**

