

**26TH | ANNUAL REPORT
2017-18**



GUJARAT FOILS LTD.



Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses to the Company or its Registrar and Share Transfer Agents (RTA).

You are requested to send an e-mail to secretarial@topworthgroup.com for register your e-mail ID with Name of first registered shareholder, Folio/DP ID & Client ID.

On registration, all the communication will be sent to the e-mail ID registered in the Folio/DP ID & Client ID.

Corporate Information

BOARD OF DIRECTORS

Mr. Abhay Lodha
Chairman, Non-Executive Director

Mr. Kamal Kishore Indoria
Executive, Whole Time Director
(upto 09th August 2017)

Mr. Satish Chandra Gupta
Non-Executive, Independent Director

Mr. Viresh Mathur
Non-Executive, Independent Director

Ms. Ankita Singh
Non-Executive, Independent Director

Mr. Jagannath Pandharinath Dange
Non-Executive, Independent Director

CHIEF FINANCIAL OFFICER

Mr. Jitendra Jain

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Rahul Singh

AUDITORS

M/s. H.R. AGARWAL & ASSOCIATES
Chartered Accountants

SECRETARIAL AUDITORS

M/s. UMESH VED & ASSOCIATES
Company Secretaries

COST AUDITORS

M/s. S. K. AGARWAL & ASSOCIATES
Cost Accountants

BANKERS

Allahabad Bank
Oriental Bank of Commerce
State Bank of India
Dena Bank
IDBI Bank
Union Bank of India
Bank of India

REGISTERED OFFICE

Plot no 3436-3439, Chhatral, G.I.D.C.,
Phase IV, Taluka-Kalol,
Dist - Gandhinagar, Gujarat-382729
Tel: +91-2764-233656
Fax: +91-2764-233657
CIN:L28999GJ1992PLC018570

CORPORATE OFFICE:

Ceejay House, 3rd Floor, office no. 308,
Dr. A.B. Road, Opp. Atria Mall,
Worli, Mumbai – 400 018, Maharashtra.
Tel:+91 22 49174500
Email:secretarial@topworthgroup.com
Website: www.gujaratfoils.com

REGISTRAR AND SHARE TRANSFER AGENTS:

Link Intime India Private Limited
506 To 508, 5th Floor, Amarnath Business Centre 1,
H L College Road, Navrangpura,
Ahmedabad - 380009, Near St Xaviers College
Corner, Beside Gala Business Centre
Email: ahmedabad@linkintime.co.in

RESOLUTION PROFESSIONAL

Mr. Alok Kailash Saksena (w.e.f 30.11.2017)
Desai Saksena and Associates
Laxmi Building, 1st Floor, Sir P. M. Road, Fort,
Mumbai - 400 001

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Directors' Report

To,
The Shareholders,

Your Directors have pleasure in presenting to you this 26th Annual Report of your Company together with the Audited Accounts for the Financial Year ended on 31st March, 2018..

FINANCIAL RESULTS

Your Company's financial performance during the year has been summarized below:

(Rs. In Lakhs)

Particulars	Year Ended 31 st March, 2018	Year Ended 31 st March, 2017
Gross Income from Operations	21904.07	30130.38
Less: Excise Duty	(290.58)	(1697.03)
Net Income from Operations	21613.49	28433.35
Profit before Depreciation, Finance cost and Taxation	(37348.52)	(453.24)
Less: Depreciation and Amortization	794.87	815.00
Profit before Finance cost and Taxation	(38143.39)	(1268.24)
Less: Finance Cost	179.68	2793.86
Profit before Taxation	(38323.07)	(4062.10)
Tax Expense	-	-
- Current Tax	-	-
- Deferred Tax	109.34	147.80
- Earlier Years	-	-
Profit after Taxation	(38432.41)	(4209.91)

REVIEW OF OPERATIONS/STATE OF COMPANY'S AFFAIRS

During the year under review, the Company's Net Income from operations stood at ₹ 21613.49 Lakhs as compared to ₹ 28433.35 Lakhs in the previous year, thereby registering a downfall. Loss before Tax was ₹ (38323.07) Lakhs as compared to ₹ (4062.10) Lakhs. The Company has incurred huge loss due to valuation of stock at net realisable value. There is no change in the nature of business during the financial year 2018.

DIVIDEND

In view of huge losses incurred during the year, the Board of Directors has not recommended any Dividend.

SHARE CAPITAL

During the year under review, there is no change in the paid-up share capital of the Company which stands at ₹ 3320.18 Lakhs comprising of 82,01,810 equity shares of ₹ 10/- each fully paid up and 2,50,00,000 10 % Non-Convertible, Non-Cumulative, Redeemable Preference Shares of ₹ 10/- each. As on March 31, 2018, 97.4% of the total paid-up capital of the Company stands in the dematerialized form.

TRANSFER TO RESERVES

The Company has proposed not to transfer any amount to General Reserve due to loss in the Current Year.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

No Loan, Guarantees and Investments covered under section 186 of the Companies are outstanding as at 31st March, 2018.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance sheet.

DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

In terms of order dated 30th November, 2017 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench (NCLT Order), the Corporate Insolvency Resolution Process has been initiated for the Company (CIRP) under Insolvency and Bankruptcy Code 2016 (Code). Mr. Alok Kailash Saksena was appointed as Interim Resolution Professional in terms of the NCLT Order and subsequently he was appointed as Resolution Professional by the Committee of Creditors in its meeting held on 4th January, 2018 as per the provisions of the IBC Code

Pursuant to Section 17 of the Code, during the continuation of CIRP, the powers of the Board of Directors of the Company stand suspended and the powers of the Board of Directors and the management of affairs of the Company being vested in the Resolution Professional, viz., Mr. Alok Kailash Saksena.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

As disclosed above, Hon'ble National Company Law Tribunal, Ahmedabad Bench has vide its order dated 30th November, 2017 has initiated Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code 2016 and appointed Mr. Alok Kallash Saksena as Interim Insolvency Resolution Professional who has been confirmed to continue as Resolution Professional as approved by the Committee of Creditors in its meeting held on 4th January, 2018 under the provisions of the said Code.

Further the moratorium period of the Company pursuant to the IBC Code of 180 days was completed on 28th May, 2018 and application for extension of Moratorium period of 90 days was made on 11th May, 2018 which was granted by Hon'ble NCLT Ahmedabad Bench on 28th May, 2018. Final Resolution Plan was placed before Committee of Creditors ("CoC") in CoC meeting for their approval in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder. On account of less than 66% of the votes being cast in favour, the aforementioned approval of the CoC could not be obtained and moratorium period ended on 27th August, 2018. Henceforth Resolution Professional filed Application for liquidation with NCLT Ahmedabad Bench on 11th September, 2018 on which order is awaited.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at <http://www.gujaratfoils.com/investors>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

No Related Party Transactions were entered during the year under review by the Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC -2 is not applicable.

SUBSIDIARY COMPANY

The Company does not have any Subsidiary Company, Joint Venture and Associate Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. In the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed and there are no material departures;
- b. They have selected such 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 as on 31st March, 2018 and of the profit of the Company for that period;
- c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the annual accounts on a going concern basis;
- e. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;



- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors and the reviews performed by management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2017-18.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. Mr. Kamal Kishore Indoria, (DIN 07728233) Whole Time Director of the Company resigned with effect from 9th August, 2017 due to his personal and pressing needs.

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. Kamal Kishore Indoria, Whole Time Director (upto 09.08.2017), Mr. Jitendra Jain, Chief Financial Officer and Mr. Rahul Singh, Company Secretary.

NUMBER OF MEETINGS OF THE BOARD

Four meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

ANNUAL EVALUATION OF THE BOARD

During the year, Corporate Insolvency Resolution Process (CIRP) was initiated in respect of the Company, vide order of the Hon'ble National Company Law Tribunal, Ahmedabad Bench dated 30th November, 2017, under Insolvency And Bankruptcy Code 2016. During the pendency of the proceedings, the powers of the Board of Directors of the Company were suspended and all powers were instead exercised by Mr. Alok Kailash Saksena, Resolution Professional appointed for the Company. Since post appointment of Interim/Resolution Professional, there was no Meeting of Directors, hence Annual Evaluation of the Board has not been done.

During the financial year ended 31st March, 2018, there was no Meeting of Independent Directors of the Company.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' appointment including criteria for determining qualifications, positive attributes and independence of a director as well as policy relating to remuneration of Key Managerial Personnel and other employees and other matters provided in Section 178(3) of the Act, is available on Company's website at <http://www.gujaratfoils.com/investors>.

AUDIT COMMITTEE AND VIGILANCE MECHANISM

The Audit Committee comprises of Mr. Satish Chandra Gupta, Mr. Viresh Shankar Mathur and Mr. Jagannath Pandharinath Dange. The other details pertaining to Audit Committee are included in the Corporate Governance Report, which forms part of this report. There has been no instance of non-acceptance of recommendation of Audit Committee by the Board.

The Board of Directors has established vigil mechanism in the form of Whistle Blower Policy to enable directors and employees to make written Protected Disclosures (as defined in the policy) to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases for investigation. The policy provides for adequate protection for whistle blowers and victimization of complainants and also provides for initiation of disciplinary or corrective action. This functioning of vigil mechanism is periodically reviewed by the audit committee. Your Company has posted the Vigil Mechanism/ Whistle Blower Policy on its website <http://www.gujaratfoils.com/investors>.

AUDITORS

STATUTORY AUDITOR

The Board has recommended the appointment of **M/s. J JAIN & Company.**, Chartered Accountants, Kolkata (having Firm Registration No 310064E) as the Statutory Auditors of the Company in place of M/s. H.R.Agarwal & Associates (Firm Registration No.323029E), for a First term of five consecutive years, from the conclusion of the 26th Annual General Meeting of the Company scheduled to be held on 29th November, 2018 till the conclusion of the 31st Annual General Meeting to be held in the year 2022, for approval of shareholders of the Company.

Your Company has received written consent and certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014.

COST AUDITORS

Pursuant to Section 148(3) of the Companies Act, 2013, the Resolution Professional recommended the re-appointment of M/s S. K. Agarwal & Associates, Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2018-2019 for conducting the audit of cost records.

The Resolution Professional has re-appointed M/s. S. K. Agarwal & Associates as Cost Auditors for the Financial Year 2018-19 to conduct the audit of cost record and they have confirmed that their appointment, is within the limits of section 141(3) (g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 148(5) read with Section 139 and Section 141(3) of the Companies Act, 2013. Their remuneration approved by the Resolution Professional, is recommended for ratification by the member at the ensuing Annual General Meeting.

SECRETARIAL AUDITORS

During the year, Secretarial Audit was carried out by M/s. Umesh Ved & Associates, Company Secretaries and Secretarial Auditor of the Company for the financial year 2017-18. Secretarial Audit Report as required under the provisions of Section 204 under the Companies Act, 2013 is annexed herewith as an **Annexure A** and the report of the Auditor is self-explanatory.

AUDITORS' OBSERVATIONS

The observations in the Auditors Report read with notes to accounts at appropriate place are self-explanatory.

As regards to the observations of Secretarial Auditor with regard to the late filing of couple of forms the directors hereby confirm that the default made was only of a technical nature and the default has been made good by filing the respective forms with additional filing fees.

Further the requisite Form MGT-14 was filed vide SRN: G46305348 on 17.06.2017 for consideration and approval of Audited Financials Results and other related items which was inadvertently filed in general sense and not specifically by mentioning for Consideration and approval of Directors Report for FY 2016-17.

RISK MANAGEMENT

The Company has the risk assessment and mitigation procedures in place and the same have been laid before the Board members from time to time.

CORPORATE SOCIAL RESPONSIBILITY

The Company has framed a Corporate Social Responsibility (CSR) Policy in compliance with section 135 of the Companies Act, 2013 and the said policy may be accessed on the website of the Company <http://www.gujaratfoils.com/investors>. The annual report on the Corporate Social Responsibility (CSR) Policy of the Company as per format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, is appended as an **Annexure B** to this Report.

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure C** in the prescribed Form MGT-9, which forms part of this report.



MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION

No material changes and commitments affecting the financial position between the end of the financial year and the date of the report.

PARTICULARS OF EMPLOYEES

The employer employee relations remained cordial throughout the year. The Board places on record its sincere appreciation for the valuable contribution made by employees across all levels of the organization.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as **Annexure D** to this Report.

During the year under consideration, there were no employees, whose particulars are required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been constituted to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. There was no complaint received from any employee during the financial year 2017 -18 and hence no complaint is outstanding as on 31st March, 2018 for redressal.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a detailed report on Corporate Governance duly certified regarding compliances of its conditions by the Statutory Auditors M/s H.R. Agarwal & Associates, Chartered Accountants, is presented in a separate section forming part of the Annual Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars required to be disclosed under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is appended as Annexure E to this Report.

ACKNOWLEDGMENTS

Your Directors wish to place on record their deep sense of appreciation for Investors, Shareholders and Employees of the Company for their continued support towards conduct and operations of the Company.

Your Directors also wish to express their sincere gratitude to the Union Government and the Government of various States, as also to all the Government agencies, Banks, Financial Institutions, Customers, Vendors and other related organizations, who, through their continued support and cooperation, have contributed towards the Company's growth and progress during the year under review.

**By order of Resolution Professional
For Gujarat Foils Limited**

**ABHAY NARENDRA LODHA
CHAIRMAN
DIN 00052194**

Place : Mumbai
Date : 30th October, 2018

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Gujarat Foils Limited
3436-3449, Chhatral GIDC Phase - IV,
Taluka Kalol, Gandhinagar,
Gujarat – 382 729

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gujarat Foils Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period)**
- (vi) The Export and Import Policy of India;
- (vii) Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974;
- (viii) Petroleum Act, 1934;
- (ix) Food Safety and Standards Act, 2006;



Directors' Report

- (x) Legal Metrology Act, 2009;
- (xi) Air (Prevention and Control of Pollution) Act, 1981;
- (xii) Water (Prevention and Control of Pollution) Act, 1974.
- (xiii) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further Report That,

There was a temporary non-compliance in the composition of the KMP in relation to appoint of Managing Director or Chief Executive officer or Manager and in their absence, a Whole Time Director for the interim period of approx more than 6 months under Section 203 of the Companies Act, 2013 as specified.

The composition of the Corporate Social Responsibility Committee of the Board is not in compliance of provisions of section 135 of the Companies Act, 2013 and rules made thereof.

The couple of forms required to be filed under the provisions of the Companies Act, 2013 were filed after the statutory period along with the additional filing fees.

The requisite Form MGT-14 is yet to be filed by the Company with the Registrar of Company as specified under the provisions of Section 179 under the Companies Act, 2013 in respect of Board's Report of Financial Year 2016-17.

Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 was strictly not complied in words and spirit.

During Course of the audit, we could not find the disclosure made pursuant to revocation of pledge shares made by the Lakshmi Vilas Bank.

We further report that:

The Board of Directors of the Company is duly constituted subject to our observations made herein above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions in the Board is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the year under report, Corporate Insolvency Resolution process has been initiated in respect of the company u/s 7 of the Insolvency and Bankruptcy Code (IBC) 2016. The National Company Law Tribunal (NCLT) in C.P. (I.B) No. 116/7/NCLT/AHM/2017 appointed Shri Alok Kailash Saksena as Interim Resolution Professional (IRP) vide its order dated 30th November, 2017. The Corporate Insolvency Resolution process has commenced from 30th November, 2017.

Place: Ahmedabad
Date: 2nd August, 2018

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924

To,
The Members,
Gujarat Foils Limited
3436-3449, Chhatral GIDC Phase - IV,
Taluka Kalol, Gandhinagar,
Gujarat – 382 729.

Our report of even date is to be read along with this letter.

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

We hope that the suggestions mentioned hereinabove are being taken into right perspective in future for compliance to be made.

Place: Ahmedabad
Date: 2nd August, 2018

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Corporate Social Responsibility is a management concept, whereby Company strive to integrate social and environmental concerns in our business operations The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013 to attain the goal of sustainable and overall development of the society wherein the Company is carrying out its business operations.
2.	The Composition of the CSR Committee	Mr. Viresh Shankar Mathur - Chairman Mr. Kamal Kishore Indoria-Member (upto 09.08.2017) Ms. Ankita Singh-Member
3.	Average net profit of the Company for last three financial years i.e 2014-15, 2015-16 & 2016-17	₹ 16,79,18,683
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 33,58,373/-
5.	Details of CSR spent during the financial year Total amount to be spent including last year's balance: Retained Amount spent during the financial year Amount unspent, if any; Manner in which the amount spent during the financial year.	₹ 75,55,055/- NIL ₹ 75,55,055/- Due to huge loss since past two Financial Years , Company has not spent any amount on CSR.
6.	Reasons for not spending the amount.	Due to huge loss on account of differences in stock valuation, Company has not spent any amount on CSR.
7.	A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.	The Company believes that no business can be done in isolation from society. Society permits business to exist and grow and it is on the basis of these social standards that business functioning is to be ultimately judged. We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Sd/-
Viresh Shankar Mathur
Chairman, CSR Committee
DIN 01382982

Sd/-
Ms. Ankita Singh
Member, CSR Committee
DIN 07038161

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the
Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L28999GJ1992PLC018570
ii	Registration Date	16 th November, 1992
iii	Name of the Company	Gujarat Foils Limited
iv	Category/Sub-category of the Company	Public Company Limited by shares / Indian Non-Government Company
v	Address of the Registered office & contact details	3436-3449, Chhatral G.I.D.C. Phase-IV, Taluka Kalol, Dist. Gandhinagar Gujarat -382729 Tel: 91-2764 233656 / 2764 233657 Fax: 91-2764 233657 www.gujaratfoils.com secretarial@topworthgroup.com
vi	Whether listed company	Yes on Bombay Stock Exchange Limited
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PRIVATE LIMITED 303, 3 rd Floor, Shoppers Plaza-V, Opp. Municipal Market, Off. C. G. Road, Navrangpura, Ahmedabad – 380 009 Tel: 91-79-26465179 Fax: 91-79-26465179 www.linkintime.co.in ahmedabad@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

Sr. No.	Name & description of main products/services	NIC Code of the product /service	% to total turnover of the Company
1	Aluminum Foil/Sheet/Strip	76071991	22.94%
2	Aluminum Coil/Sheet/Strip	76061200	11.15%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

The Company does not have any subsidiary company, holding, joint venture and associate company.



IV. (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	40,41,201	0	4,041,201	49.27	28,27,201	0	28,27,201	34.47	14.80
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	792,876	0	792,876	9.67	792,876	0	792,876	9.67	9.67
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A)(1)	4,834,077	0	4,834,077	58.94	36,20,077	0	36,20,077	44.14	14.80
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4,834,077	0	4,834,077	58.94	36,20,077	0	36,20,077	44.14	14.80
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	13,13,500	0	13,13,500	16.01	16.01
c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	0	0	0	0.00	13,13,500	0	13,13,500	16.01	16.01
(2) Non Institutions									
a) Bodies corporate									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	14,10,417	1,47,375	15,57,792	18.99	15,32,917	1,47,375	16,80,292	20.48	1.49
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	10,90,796	63900	11,54,696	14.07	1097600	63900	1161500	14.16	0.09
c) Others (specify)									
Clearing Member	37,205	0	37,205	0.45	19059	0	19,059	0.23	0.22
Non Resident Indians (Repat)	36,958	0	36,958	0.45	41,977	0	41,977	0.51	0.06
Non Resident Indians (Non Repat)	7,762	0	7,762	0.09	26,553	0	26,553	0.32	0.23
Hindu Undivided Family Trusts	231,627	2,000	233,627	2.85	1,89,449	2,000	1,91,449	2.33	0.52
Bodies Corporate	339,693	0	339,693	4.14	1,47,403	0	1,47,403	1.79	2.35
SUB TOTAL (B)(2):	31,54,458	213,275	3,367,733	41.05	30,54,958	-	32,68,233	39.82	1.23
Total Public Shareholding B)= (B)(1)+(B)(2)	3,154,458	213,275	3,367,733	41.06	43,68,458	-	3,367,733	41.06	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	7,988,535	2,13,275	8,201,810	100.00	79,88,535	2,13,275	8,201,810	100.00	0.00

(ii) SHAREHOLDING OF PROMOTERS

Sr. No.	Shareholders Name	Shareholding at the beginning of the year i.e 1 st April, 2017			Shareholding at the end of the year i.e 31 st March, 2018			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged to total shares	No. of shares	% of total shares of the Company	% of shares pledged to total shares	
1	Abhay Narendra Lodha	3,047,104	37.1516	12.6070	20,13,104	24.5446	0	12.6070
2	Akshata Realtors Pvt Ltd	7,92,876	9.6671	0	7,92,876	9.6671	0	0
3	Ashwin Narendra Lodha	7,03,959	8.5830	2.1947	5,23,959	6.3883	0	2.1947
4	Sheela Abhay Lodha	94,388	1.15	0	94,388	1.15	0	0.00
5	Rajesh Kumar Jain	65,263	0.7957	0	65,263	0.7957	0	0.00
6	Surendra Champalal Lodha	65,263	0.7957	0	65,263	0.7957	0	0.00
7	Prasanna Champalal Lodha	65,224	0.7952	0	65,224	0.7952	0	0.00
	Total	4,834,077	58.9383	14.8017	36,20,077	44.1366	0	14.8017

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

Sr. No.	Particulars	Shareholding at the beginning of the Year as on 1 st April, 2017		Cumulative Shareholding during the year 1 st April, 2017 to 31 st March, 2018	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	48,34,077	58.9383	-	-
2.	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	During the period under review there is no change in the total shareholding of the Promoters.			
3.	At the end of the year i.e as on 31 st March, 2018	-	-	36,20,077	44.1366



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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1 st April, 2017		Cumulative Shareholding at the end of the year 31 st March, 2018	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	The Lakshmi Vilas Bank Limited	0	0	12,14,000	14.8016
2	Parag Jain	3,34,045	4.0728	3,15,000	3.8406
3	Oriental Bank Of Commerce	0	0	99,500	1.2131
4	Atul Dinkerray Raval	97,800	1.1924	97,800	1.1924
5	Sumedha Sharma	36,180	0.4411	85,697	1.0449
6	Nilesh Shantilal Parekh	80,000	0.9754	80,000	0.9754
7	Dhaval Sudhirbhai Shah	44,750	0.5456	55,500	0.6767
8	Ranga Rao M	49,016	0.5976	49,016	0.5976
9	Ashok Appasaheb Sadalkar	44,506	0.5426	44,506	0.5426
10	Superways Investment And Finance Private Limited	38,600	0.4706	38,600	0.4706
11	Asuti Trading Pvt Ltd.	99,500	1.2131	0	0.14
12*	Avs Equinvest Llp	75,293	0.9180	0	0
13*	Arvindkumar J Sancheti	63,281	0.7715	0	0

Notes:

The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated.

* Top ten Shareholders as on 1st April, 2017, who cease to be among top ten shareholders as on 31st March, 2018.

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year i.e. 1 st April, 2017		Date and Reason for change in shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of the Company		No. of Shares	% of Total shares of the Company
1	Abhay Narendra Lodha	30,47,104	37.15	Pledge shares took by bank	20,13,104	24.54
2	Kamal Kishore Indoria** ** registered w.e.f.09.08.2017	100	0.00	No Movement during the year	100	0.00

V. INDEBTEDNESS

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29722.22	3077.01	-	32799.23
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	29722.22	3077.01	-	32799.23
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	(2058.87)	-	-	(2058.87)
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	27663.35	3077.01	-	30740.36
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	27663.35	3077.01	-	30740.36

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

(In ₹)

Sr. No.	Particulars of Remuneration	Name of the Whole Time Director	Total Amount
		Mr. Kamal Kishore Indoria (till 09.08.2017)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	9,87,371	9,87,371
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	9,87,371	9,87,371
	Ceiling as per the Act	5% of the Net Profit	



B. Remuneration to other directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	(a) Fee for attending board/ committee meetings	(b) Commission	(c) Others, please specify	Total Amount
1	Independent Directors				
	Mr. Satish Chandra Gupta	5.80	-	-	5.80
	Mr. Viresh Shankar Mathur	3.60	-	-	3.60
	Ms. Ankita Singh	0.90	-	-	0.90
	Mr. Jagannath Pandharinath Dange	5.80	-	-	5.80
	Total (1)	16.10	-	-	16.10
2	Other Non-Executive Directors				
	Abhay Narendra Lodha	1.10			1.10
	Total (2)	1.10	-	-	1.10
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	17.20	-	-	17.20
	Overall Ceiling as per the Act.	11% of Net Profit			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary (Mr. Rahul Singh)	CFO (Mr. Jitendra Jain)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	19.07	46.92	65.99
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-		-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	as % of profit	-		-
	others, specify	-		-
5	Others, please specify	-		-
	Total	19.07	46.92	65.99

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offence during the year ended 31st March, 2018.

ANNEXURE - D

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF THE ACT READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:

- a. The ratio of the remuneration of each director to the median remuneration of the employees, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year ended 31st March, 2018:

(₹ in Lakh)

Name of the KMP	Title	Remuneration in fiscal 2018	Remuneration in fiscal 2017	% increase of remuneration in fiscal 2018 as compared to fiscal 2017	Ratio of remuneration to MRE
Kamal Kishore Indoria (upto 09/08/2017)	Whole Time Director	9.87	3.27	66.86%	3.39
Jitendra Jain	Chief Financial Officer	46.92	51.56	(9.88%)	16.12
Rahul Singh	Company Secretary	19.07	13.45	29.47%	6.55

Note:

- a. During the year Mr. Kamal Kishore Indoria (DIN 07728233), Whole Time Director of the Company resigned with effect from 9th August, 2017 from his designation as Whole Time Director of the Company.
- b. There is 2.31 % decrease in the median remuneration of employees in the financial year under review.
- c. **The number of permanent employees on the roll of Company as on 31st March, 2018 was 78.**
- d. **The explanation on the relationship between average increase in remuneration and Company performance:**

On an average, employees received an annual increase of 10%. The individual increments varied from 8% to 10% based on individual performance.

The increase in remuneration is in the line with the market trend. In order to ensure that remuneration reflects Company's performance, the performance pay is also linked with organization performance, apart from individual's performance.



e. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY 2017-18 (Rs. inLakhs)	75.86
Revenue (₹ In Lakhs)	(38432.41)
Remuneration of KMPs (as % of revenue)	(0.20)
Profit before Tax (PBT) (Rs. inLakhs)	(38323.07)
Remuneration of KMP (as % of PBT)	(0.20)

f. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current Financial year and previous Financial year:

Particulars	31 st March 2018	31 st March 2017
Market Capitalization (₹)	7,67,68,942	18,86,41,630
Price Earnings Ratio	(0.02)	(0.45)

g. Average percentile increase already made in the salaries of 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 annual increase was around 9%. However, during the course of the year, total increase is approximately 10%, after accounting for promotion and other event based compensation revisions.

Increase in managerial Remuneration for the year was 10%.

h. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	WTD	CFO	CS
Remuneration in FY 2017-18 (₹ In Lakhs)	9.87	46.92	19.07
Revenue (₹ In Lakhs)	(38432.41)		
Remuneration (as % of revenue)	(0.00)	(0.012)	(0.05)
Profit before Tax (PBT) (₹ In Lakhs)	(38323.07)		
Remuneration of KMP (as % of PBT)	(0.03)	(0.012)	(0.05)

i. The key parameters for any variable component of remuneration availed by the directors:

During the year, no variable component of remuneration was availed by the directors.

j. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

None.

k. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as per section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended 31st March 2018.

A. CONSERVATION OF ENERGY

The Company has a strong commitment towards energy conservation for the benefit of the nation and itself. Efforts to optimize process parameters, modernize & upgrade technology as well as equipments, with the objective of increasing energy productivity are continuous and ongoing. Company ensures optimization of resources and is committed to control wastages and avoid air and water pollution.

It is a fact that conventional source of energy is limited in this universe. In the context it is prime responsibility of all of us to ensure optimum utilisation of energy. There are two fold benefits by ensuring the same:

- Every unit of power saved is equivalent to same quantity of power generated without any additional cost & without generating Green House Gases.
- Such savings helps us in reducing our cost of production.

Power and Fuel Consumption	UOM	2017-2018	2016-2017
1) Electricity			
a) Purchased			
Unit	(KWh)	4,221,480	5,150,612
Total Cost	(₹ in Lakhs)	360.24	356.54
Cost / Unit	(₹)	8.53	6.92
b) Own Generation			
i) Through Diesel Generator Unit			
Unit	(Ltr.)	1338	345
Total Cost	(₹ in Lakhs)	0.56	0.21
Cost/Unit	(₹)	41.97	60.20
ii) Through Steam Turbine Generation Units		NIL	NIL
iii) Through Wind Mill			
Unit	(KWh)	960,921	880,468
Total Cost	(₹ in Lakhs)	66.92	61.56
Cost / Unit	(₹)	6.96	6.99
2) Coal			
Quantity	Tonnes	NIL	NIL
Total Cost	(₹ in Lakhs)	NIL	NIL
Average Rate	(₹)	NIL	NIL
3) Furnace Oil			
Quantity	K. Ltrs	NIL	NIL
Total Cost	(₹ in Lakhs)	NIL	NIL
Average Rate	(₹)	NIL	NIL
4) Others/Internal Generation			
Quantity	K. Ltrs	NIL	NIL
Total Cost	(₹ in Lakhs)	NIL	NIL
Rate/ Unit	(₹)	NIL	NIL



B. Technology Absorption, Research & Development and resultant benefits

It is a fact that high speed foil rolling operations are very prone to fire hazards. However, the Company could stabilize the process parameters in such a way, that we did not encounter even a single instance of fire at our rolling operations

To achieve this milestone our Company had taken following corrective actions:

- Implementation of additional Heat Exchanger in rolling oil circulation system.
- Fundamental redesigning in the Achenbach Mill.
- Introduction of Low Voltage, High resolution Audio / Video Camera surveillance system.

As a result of various technological up-gradations, various direct Pharma customers have been added by the Company during the Financial Year 2017-18

C. Foreign Exchange Earnings & Outgo

(₹ In Lakhs)

Particulars	2017-2018	2016-2017
Foreign exchange earned	NIL	622.53
CIF value of imports	NIL	-
Expenditure in foreign currency	NIL	4.73

By order of Resolution Professional

For Gujarat Foils Limited

ABHAY NARENDRA LODHA
CHAIRMAN
DIN 00052194

Place : Mumbai
Date : 30th October, 2018

Management Discussion and Analysis

Management Discussion And Analysis

Industry Structure & Developments

Aluminium Industry in India is one of the leading Industries in the Indian economy. The growth of the Aluminium metal industry in India would be sustained by the diversification and exploration of new horizons for the Industry.

Indian Aluminium Foil Industry's growth was driven by the strong performance of end-user markets of Fast Moving Consumer Goods ('FMCG') and Pharmaceutical Industries, in which domestic consumption increased significantly and which resulted in greater demand for Aluminium Foil Packaging, one of the most preferred flexible packaging category.

Aluminium Foil Packaging recorded robust sales growth during the Financial Year 2017-18, supporting the overall growth of the sector.

India has a very low per capita consumption of aluminium with just 2.7 kg against the global average of 9.2 Kgs. Even if India reaches half the world average by 2020, it would imply aluminum consumption of 5.5 Million Ton / Annum, as against current estimated aluminum consumption of 2.2 Million Ton.

We are aware that Aluminium Rolled Products i.e. "SHEET & FOIL" are commonly used by Pharma Industry, Food & Beverage Industry, Liquor Industry for packaging. Further to that Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value, as per a report by Equity Master. India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume.

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same period. The market is expected to grow to US\$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size. India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 11.44 percent to US\$ 12.91 billion in FY 2015-16, according to data from the Ministry of Commerce and Industry. In addition, Indian pharmaceutical exports are poised to grow between 6 - 9.5% in FY 2018-19.

From the above reports it is evident that Indian pharma market will continue to register a strong double digit growth rate till 2020 & onwards. Based on above report, we assume that current foil requirement by Indian pharma industry is approximately around 80,000 MT / Annum & the same is expected to be 1,24,000 MT / Annum by 2020.

In addition to pharma sector, according to the Indian Institute of Packaging (IIP), the packaging industry is expected to grow at a CAGR of 12.3% during the forecast period, to become the fourth largest global market, with sales of USD 43.7 billion in 2016. India's per capita consumption of packaging is only 4.3 kgs whereas neighbouring Asian countries like China and Taiwan show about 6 kgs and 19 kgs, respectively.

The low per capita consumption offers a huge business opportunity for aluminum foil based packaging companies.

OPPORTUNITIES & THREATS

Opportunity

Aluminium Foil is most preferred packaging material for these Pharma & FMCG products due to its excellent barrier properties. Since Pharma & FMCG industry is growing at very fast pace, this is resulting in continuous increase in demand for aluminium foil industry. GFL strongly believes that availability of good quality foil in Indian market would also result in increase of demand further. Further to that with imposition of anti dumping duty by Govt. of India, imports from CHINA is going to be expensive, which will further leverage the demand & profitability of Indian Foil Industry.

GFL having State of Art Foil Rolling & Converting facility under one roof with strong technical team to provide after sales service gives GFL edge over their competitors in the market. With the quality of product, timely delivery & customer orientation backed up by after sales service, today GFL is perceived as one of the leading supplier of aluminium packaging material to the pharma industry in our country.



Threats

With the growth of Indian Health care industry, Pharma industry, Packaging Industry demand in Foil Industry started showing great signs of growth. This sign of growth & imposition of anti dumping duty on foil imports from China will lure new entrants to enter in the market. Availability of good quality foil stock & its pricing in local market is also a major area of concern. The Company has to cope-up with these threats through a combination of cost reduction, adopting technological innovations to improve productivity & continuous innovation from the technical team. The major threat is posing on possible ban on usage of our strip foil laminated with LDPE due to government focus to ban the usage of plastics.

Product wise performance

GFL is presently dealing in Manufacturing and supply of Aluminium Sheet, Aluminum Foil – Bare, Aluminum Foil – Coated (Plain & Printed), Aluminum Foil – Laminated (Plain & Printed), House Foil, Containers for Food, Pharmaceuticals & Packaging Applications.

Today, GFL sheet products are positioned as quality products in Indian Market & are comparable with international quality standards. With recent competition in domestic market for this product, there had been low order books of this product in your company during FY 2017 – 18. Your company had taken some measures in order to ensure better order book through services to its customers & improving the realisation from this product portfolio. The details of corrective measure are as under:

In our Aluminium Foil Business, during the F.Y. 2017 – 2018, the focus was to maximise the sales of value added products.

GFL are among very few companies in the country who have integrated state of art foil rolling & foil converting facility under one roof. Our technical team & after sales service makes GFL an established leader in the market. GFL had set a very stringent quality benchmarks which is complemented with continual improvement. Today GFL is considered as a preferred supplier of Light Gauge Foil, Coated & Laminated Foil. Our battery of Gravure Printing Machines are capable of printing up to 5 colours & are truly state of the art. These Printing Machines are equipped with advance turner bar for reverse printing & also equipped with auto registration system. These battery of printing machines are operated under positive pressure at work place to avoid injection of external contaminant at work place. Such an ideal manufacturing work environment had been provided with state of art Ventilation System installed at our Printing Section as well as Converting Section.

Today most of major Pharmaceutical companies are in our fold & our products are been used for supplies to regulatory markets. During the F.Y. 2017 – 2018 company had tried to consolidate it's position by retaining the existing customers with better realisation on one hand & phasing out the customers / products with low realisation. In order to improve the profitability from foil business, your Company is continuously monitoring every element of operational cost at micro level. Suitable measures to control the overall operating cost had been taken in various processes which has added to the bottom line of your Company.

ACTIONS BY GOVERNEMENT

1. Antidumping duty imposed on Aluminium foil imports.

The finance Ministry has imposed a definitive anti-dumping duty on "Aluminium foil" imports from China. The Indian market size is approximate 130 KTPA, out of which approximate 55% foil is being imported from countries like China, Korea, Japan etc. Import duty has given definite oxygen in foil industries by improving sales margins and horizon of expansion / increased capacity from the current base. So there is double digit growth in domestic demands apart from the gradual incremental in pharma and packaging industry. There is huge potential of growth for a quality supplier in current scenario and the speed of actions which includes execution of capacity expansion will further in hence the same.

2. Ban on Plastic usage:-

Shopkeepers, Restaurants and franchisees of big brands have come up with innovative alternatives to plastic. Grocery store owners have switched to paper bags for grains. Digital stores have decided to wrap electronic items in bubble wraps before putting it in a paper bag for delivery. Similarly restaurants have decided to use recyclable PP containers and aluminium foil bags for home delivery of liquid items such as soups and juices.

Vendors have decided to refuse to sell vegetables, fish and chicken unless customers bring their own bags, most have switched to aluminium foil bags for home delivery. These examples indicates that the growth of aluminium in packaging segments which is emerging section in beverage and food industry.

RISK AND CONCERNS

Your Company faces risk with similar to those faced by companies operating in the non-ferrous metal sector. The volatility of the primary metal LME linked price on account of fluctuation in \$ and LME continues to be a key issue and the success or failure is linked on how effectively companies are able to manage their purchase to tide over these critical periods. Profitability may also be affected on account of competition from existing and prospective manufactures of the same products and cheaper import from China.

Additionally with present focus of various state government to ban the use of plastic, might lead to ban of one of our key product namely strip foil. GFL is planning to explore the possibility of developing new product which could safely replace the strip foil laminated with LDPE.

QUALITY MANAGEMENT:

GFL had been accredited Certificates of Registration for following from renowned agencies:

Certification	System	Certifying Agency
INTEGRATED MANAGEMENT SYSTEM	Management System (ISO 9001)	BSCIC
	Environmental Management System (ISO 14001)	BSCIC
	Occupational Health & Safety Management System (OHSAS 18001)	BSCIC
D.M.F.Type – III	D.M.F.No. Assigned : 25725 for Strip Foil	U.S.F.D.A.
D.M.F.Type – III	D.M.F.No. Assigned : 25585 for blister Foil	U.S.F.D.A.
Good Manufacturing Practice (GMP)	GMP with reference to ISO 15378 : 2011	BSCIC

SAFETY, HEALTH & WORK ENVIRONMENT

- First of all your Company feels proud to announce again that there was not a single major accident reported in your company during the F.Y. 2017 – 2018. This became possible only because of our continuous focus on safety. Your Company conducts training & counselling sessions for its employees under the umbrella of Good Manufacturing practices & OHSAS 18001 on regular basis. GFL has also taken steps to arrange regular health check ups for employees as a measure to have a healthy environment at factory premises.

ENERGY

The Company has a strong commitment towards energy conservation for the benefit of the nation and itself. Efforts to optimize process parameters, modernize & upgrade technology as well as equipment's, with the objective of increasing energy productivity are continuous and ongoing. In addition, approx. 15% of our power consumption is generated using non-conventional source of energy i.e. our Wind Mill located at Shikarpur, Gujarat.

It is a fact that conventional source of energy is limited in this universe. In the context it is prime responsibility of all of us to ensure optimum utilisation of energy. There are two fold benefits by ensuring the same:

- Every unit of power saved is equivalent to same quantity of power generated without any additional cost & without generating Green House Gases.
- Such savings helps us in reducing our cost of production.

Following action had been initiated to have continuous mapping on consumptions during the F.Y. 2017 – 2018:

- Your Company is continuously monitoring machine wise power consumptions in all the processes. This type of monitoring is helping us to identify machine wise power consumption in form of KWH / MT or NM3 / MT processed from individual machine centres further enabling us to find out product wise energy consumption. Increased energy consumption / MT of processed material will clearly indicate us about the health of equipment at very beginning stage.



INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company views Internal Control as a tool for improving operational performance and ensuring reliability of reporting mechanism. The Company is equipped with adequate internal control systems for its business operations which determine the efficiency of its operational strengths in financial reporting and ensure compliance with applicable laws and regulations. The Company continuously monitors the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes. The Company also assesses opportunities for improvement in business processes, systems and controls; provides recommendations designed to add value to the organization and follows up on the implementation of corrective actions and improvements in business processes after review by the Audit Committee and the Senior Management. The internal control systems are supplemented by extensive audits conducted by internal auditors. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization, and ensuring compliance of corporate policies.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company understands that employees are vital and valuable assets. It believes in creating a favourable work environment which can lead to innovative ideas. The Company has optimum process of recruitment and awarding its human resource which leads to attraction and retention of highly qualified and productive individuals in the organization. This selection process is continually assessed and refined based on performance tracking of past recruits. The Company further trains the individuals through training programmers. The Company believes in promoting and nurturing work environment which is conducive to the development and growth of an individual employee, by employing the best HR practices such as performance management, reward and recognition policy, open work culture and effective employee communication.

The total number of employees in the Company stands at 78.

REPORT OF RESOLUTION PROFESSIONAL

The members are informed that pursuant to the order of the Hon'ble National Company Law Tribunal – Ahmedabad Bench dated 30th November, 2017 (“NCLT Order”), Corporate Insolvency Resolution Process (“CIR Process”) has been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued thereunder (“Code”) with effect from 30th November, 2017.

I, Alok Kailash Saksena, was appointed as Interim Resolution Professional in terms of the NCLT Order and, subsequently, I was appointed as Resolution Professional by the Committee of Creditors in its meeting held on 4th January, 2018 as per the provisions of the Code (“Resolution Professional”).

These consolidated audited financial results have been prepared by the management of the Company and certified by Mr. Abhay Narendra Lodha, Chairman & Director & Mr. Jagannath Dange, Director, Mr. Jitendra Jain, Chief Financial Officer and Mr. Rahul Singh, Company Secretary. The Resolution Professional has relied upon the certifications, representations and statements made by management while reviewing the consolidated financial results.

The Resolution Professional has, however, not authenticated the correctness of enclosed standalone annual financial statements comprising of Balance Sheet as at 31st March, 2018, the Profit & Loss Statements and the Cash Flow Statement of the Company for any purpose whatsoever including but not limited to the Companies Act, 2013 specially when they belong to the period before initiation of CIR Process.

It may be noted that under the CIR Process initiated on 30th November, 2017 pursuant to which the claims have been invited from creditors of the Company (financial and operational) and the same are currently in the process of being reviewed. Impact of admission of such claims has not been considered in these financial statements.

Date: 30th October, 2018
Place: Mumbai

Alok Kailash Saksena
Resolution Professional
Registration No. IBBI/IPA-001/IP-P00056/2017-18/10134



Corporate Governance Report for the Financial Year 2017-18

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Gujarat Foils Limited's (GFL) Corporate Governance objective is to create and adhere to a corporate culture of conscience and consciousness, integrity, transparency and accountability and ethical conduct of business for meeting obligation towards shareholders and other stakeholders such as Customers, Vendors, Employees and Financers and to the society at large. The Company believes in achieving its goals, which result in enhancement of Shareholders' value through transparency, professionalism and nurture these core values in all aspects of its operations.

The entire governance structure is actively supervised by Board of Directors and later by Resolution Professional (w.e.f 30th November 2017), who oversee management activities and ensures their effectiveness in delivering member value. To implement this, GFL has always strived to promote an informed Board that functions independently.

The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)") on 2nd September, 2015. The SEBI (LODR) have incorporated the principles for the Corporate Governance in line with the organization for Economic Co-operation and Development (OECD) principles and provide broad principles for periodic disclosure by listed entities.

2. BOARD OF DIRECTORS

Composition

The composition of the Board is in conformity with Regulation 17(1) of the SEBI (LODR), read with Section 149 of the Companies Act, 2013 (The Act), which stipulates that at least half of the Board should consist of Independent Directors, if the Chairman of the Board is a Promoter of the Company and shall have at least one Woman Director.

As on 31st March, 2018 the Board comprised of Five Directors and all the Directors are Non-Executive Directors out of which 4 (four) are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) read with Section 149 of the Companies Act, 2013. All the Directors possess experience in various fields that encompasses manufacturing, accounts, finance and law.

Independent Directors are non-executive directors as defined under Regulation 17 of SEBI (LODR) read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) read with Section 149(6) of the Act. Necessary disclosures as on 31st March, 2018 have been made by all the Directors. None of the Directors are related to each other.

Board Procedure

In advance of each meeting, the Board is provided with relevant information on various matters related to working of the Company. The agenda is prepared in consultation with the Chairman of the Board. The agenda for the meetings of the Board together with the appropriate supporting documents are circulated well in advance of the meeting. Among other matters Board discussions generally relate to Company's business, financial results, review of the reports of the Audit Committee and compliance with their recommendation(s), suggestion(s), compliance reports of all laws applicable to the Company, non-compliance of any regulation, statutory or Listing requirements etc.

Further, on 30th November, 2017 NCLT Ahmedabad Bench ordered for CIR Process and Mr Alok Kailash Saxena having IP Registration no. IBB/IPA-001/IP-P00056/2017-18/10134, appointed as the Insolvency Resolution Professional.

During the year 2017-18, information as mentioned in Schedule II Part A of the 16(1)(b) of the SEBI (LODR), has been placed before the Board and w.e.f 30th November, 2017 with Resolution Professional for its consideration.

Disclosure of orders passed by Regulators/Courts/Tribunal

Allahabad Bank had filed insolvency petition in National Company Law Tribunal ("NCLT"). The said petition was admitted in NCLT and CIRP has been initiated in respect of Gujarat Foils Limited under the provisions of Insolvency and Bankruptcy Code, 2016 ("Code") by an order of National Company Law Tribunal ("NCLT") with effect from 30th November, 2017.

As per section 17 of the Code, the powers of the Board of Directors of Gujarat Foils Limited stands suspended and such powers shall be vested with Mr. Alok K. Saksena, having IP Registration no. IBBI/IPA-001/IP-P00056/2017-18/10134, appointed as the Insolvency Resolution Professional.

The moratorium period of the Company pursuant to the IBC Code of 180 days was completed on 28th May, 2018 and application for extension of Moratorium period of 90 days was made on 11th May, 2018 which was granted by Hon'ble NCLT Ahmedabad Bench on 28th May, 2018 . Final Resolution Plan was placed before Committee of Creditors ("CoC") in CoC meeting for their approval in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder. On account of less than 66% of the votes being cast in favour, the aforementioned approval of the CoC could not be obtained and moratorium period ended on 27th August, 2018. Henceforth Resolution Professional filed Application for liquidation with NCLT Ahmedabad Bench on 11th September, 2018 .

Board Meetings

The Board of Directors met 4 (Four) times during the financial year 2017-2018 i.e on 29th May, 2017; 9th August, 2017; 26th September, 2017 and 13th November, 2017 . As stipulated, the gap between two Board Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.

The Board's composition, attendance and their directorship / committee membership, chairmanship in other Companies as on 31st March, 2018 is given below:

Name of Director	Category	Attendance at Board Meetings during the year 2017-18	Attendance at Last AGM held on 27.09.2017	Nos. of Directorships in other public companies ^(a)		Nos. of committee positions held in other public companies ^(b)	
				Member	Chairman	Member	Chairman
Mr. Abhay Narendra Lodha	Promoter, Chairman, Non-Executive Director	3	Yes	-	-	-	-
Mr. Kamal Kishore Indoria	Executive, Whole Time Director resigned on 09.08.2017	1	N.A.	N.A.		N.A.	
Mr. Satish Chandra Gupta	Non-Executive, Independent Director	4	No	5	1	4	1
Mr. Viresh Shankar Mathur	Non-Executive, Independent Director	4	No	2	-	1	-
Ms. Ankita Singh	Non-Executive, Independent Director	3	Yes	-	-	-	-
Mr. Jagannath Pandharinath Dange	Non-Executive, Independent Director	4	Yes	3	-	1	-

Notes:

- The Directorships, held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign companies, Companies registered under Section 8 of Companies Act, 2013 and Private Companies.
- Positions in Audit Committee and Stakeholders' Relationship Committee in other public limited companies are considered for the purpose.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company <http://www.gujaratfoils.com/investors> .

* Allahabad Bank had filed insolvency petition in National Company Law Tribunal ("NCLT"). The said petition was admitted in NCLT and CIRP has been initiated in respect of Gujarat Foils Limited under the provisions of Insolvency and Bankruptcy Code, 2016 ("Code") by an order of National Company Law Tribunal ("NCLT") with effect from 30th November 2017. As per section 17 of the Code, the powers of the Board of Directors of Gujarat Foils Limited stands suspended and such powers shall be vested with Mr. Alok K. Saksena, having IP Registration no. IBBI/IPA-001/IP-P00056/2017-18/10134, appointed as the Insolvency Resolution Professional.



On conclusion of the meeting, the Board shall not have any power to take decisions on behalf of the Company during the moratorium period under the Code.

3. AUDIT COMMITTEE

Composition and Attendance

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (LODR) Regulations 2015, read with Section 177 of the Companies Act, 2013. The Company Secretary acted as Secretary of the Audit Committee. The necessary quorum was present at all the meetings. During the Financial Year 2017-2018, three (3) Audit Committee meetings were held on 29th May, 2017; 9th August, 2017 and 13th November, 2017. As stipulated, the gap between two committee meetings did not exceed one hundred and twenty days.

The composition of the Audit Committee and the Attendance of Directors at its meeting is given hereunder:

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Satish Chandra Gupta	Chairman, Independent Director	3	3
Mr. Viresh Shankar Mathur	Member, Independent Director	3	3
Mr. Jagannath Pandharinath Dange	Member, Independent Director	3	3

Mr. Satish Chandra Gupta, Chairman of Audit Committee and Mr Viresh Shankar Mathur, Member of Audit Committee was not able to attend the last Annual General Meeting of the Company held on 27th September 2017 due to their pre-occupancy in other work.

Brief description of terms of reference

The terms of reference of Audit Committee includes the matters specified under section 177 of the Companies Act, 2013 and Part C of Schedule II of SEBI (LODR) Regulations, 2015 are broadly comprise as under:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's 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 management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Establish a Vigil Mechanism and reviewing the functioning of the Whistle Blower Mechanism, in case the same is existing;
19. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Powers of Audit Committee

The Audit Committee has the following powers:

- i. To investigate any activity within its terms of reference;
- ii. To seek any information from any employee;
- iii. To obtain outside legal or other professional advice;
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities, issue of duplicate share certificates and redressal of shareholders'/investors'/security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The Stakeholders Relationship Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013.



Terms of Reference of the Committee, inter alia, includes the following

- Oversee and review all matters connected with the transfer of the Company's securities;
- Approve issue of the Company's duplicate share /debenture certificates;
- Monitor redressal of investors' / shareholders' / security holder's grievances;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Recommend methods to upgrade the standard of services to investors;
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading;
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.
- During the financial year 2017-2018, three (3) meetings of the Stakeholders' Relationship Committee were held on 29th May, 2017; 9th August, 2017 and 13th November, 2017. The Company Secretary acted as the Secretary of the Stakeholders' Relationship Committee.

The composition of the Stakeholders' Relationship Committee is given hereunder:-

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Jagannath Pandharinath Dange	Chairman, Independent Director	3	3
Mr. Satish Chandra Gupta	Member, Independent Director	3	3
Mr. Viresh Shankar Mathur	Member, Independent Director	3	3

Status of Investors' Complaints for the financial year 2017-18 is as follows:

At the beginning of the year	Received during the year	Resolved during the year	Pending at the end of the year
Nil	Nil	Nil	Nil

Name, designation and address of Compliance Officer:

Mr. Rahul Singh
Company Secretary and Compliance Officer
Gujarat Foils Limited
Corporate Office
 Ceejay House, 3rd Floor, office no. 308,
 Dr. Annie Besant Road, Opp. Atria Mall,
 Worli, Mumbai – 400 018, Maharashtra.

Registered Office
 Plot no 3436-3439, Chhatral, G.I.D.C.,
 Phase IV, Taluka-Kalol,
 Dist – Gandhinagar, Gujarat-382729

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

Composition

The Corporate Social Responsibility (CSR) Committee was constituted by the Board on 19th May, 2014 considering requirements under Section 135 of the Companies Act, 2013. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of Corporate Social Responsibility Policy' and to suggest remedial measures wherever necessary. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The composition of the Corporate Social Responsibility Committee is given hereunder:-

Name of the Committee member	Designation
Mr. Viresh Shankar Mathur	Chairman, Independent Director
Mr. Kamal Kishore Indoria (upto 09.08.2017)	Member, Whole-Time Director
Ms. Ankita Singh	Member, Independent Director

During the financial year 2017-2018, Corporate Social Responsibility Committee meeting was held on 29th May, 2017.

Terms of Reference of the Committee, inter alia, includes the following

- Formulate and recommend to the Board a Corporate Social Responsibility Policy as required under the Companies Act, 2013 and rules made there under;
- Recommend the amount of expenditure to be incurred on the activities;
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

6. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted by the Board in accordance with the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee met once during the financial year 2017-2018 i.e on 9th August, 2017,

The composition of the Nomination and Remuneration Committee is given hereunder:-

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Satish Chandra Gupta	Chairman, Independent Director	1	1
Mr. Jagannath Pandharinath Dange	Member, Independent Director	1	1
Ms. Ankita Singh	Member, Independent Director	1	1

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

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

Remuneration Policy

The Remuneration Policy of the Company is to remain competitive in the industry to attract and retain talent and appropriately reward them. The Company, while deciding the remuneration package takes into consideration of Financial Position of the Company, Trend in the Industry, Appointee's qualification, experience, past performance, past remuneration etc. The Company's Remuneration policy on Directors' and Key Managerial Personnel has been disclosed in Directors' Report.



Corporate Governance Report

a. Details of remuneration paid to Executive Directors are as follows

(Rs. In figures)

Name	Salary & Perquisites	Commission	Sitting Fees	Total	Tenure
Mr. Kamal Kishore Indoria (From 01.04.2017 to 09.08.2017)	9,87,371	Nil	N.A	9,87,371	7 th February 2017 to 9 th August 2017

b. Details of Sitting Fees paid to Non-Executive Directors:

Sr. No.	Name of Director	Sitting Fees*(in lacs)
1.	Mr. Abhay Narendra Lodha	1.50
2.	Mr. Satish Chandra Gupta	5.50
3.	Mr. Viresh Shankar Mathur	5.50
4.	Ms. Ankita Singh	2.00
5.	Mr. Jagannath Pandharinath Dange	5.50

*Sitting fees includes fees for attending Board Meeting, Audit Committee Meeting, Stakeholders Relationship Committee Meeting, Nomination and Remuneration Committee Meeting, Corporate Social Responsibility Committee Meeting and Independent Directors Meeting.

c. Details of Equity Shares of the Company held by the Directors as on 31st March, 2018:

Name	Designation	No. of shares held as on 31.03.2018
Mr. Abhay Narendra Lodha	Chairman	20,13,104
Mr. Kamal Kishore Indoria Resigned on 09.08.2017	Whole Time Director	100

7. GENERAL BODY MEETINGS

a) The details of last three Annual General Meetings of the Company are as follows:

Year	Date	Time	Venue
2014-15	23 rd September, 2015	11.30 A.M	Plot no 3436-3439, Chhatral, G.I.D.C., Phase IV, Kalol, Dist. Gandhinagar, Gujarat 382729
2015-16	16 th September, 2016		
2016-17	27 th September, 2017		

b) Details of Special Resolutions passed at the previous Annual General Meetings (AGM) / Extra- Ordinary General Meetings (EGM) are as under:

Date	Purpose of Special Resolution
27 th September, 2017	<ol style="list-style-type: none"> To shift the Corporate Office from one place to another and keep Registers, Returns Etc. At Corporate Office. To approve the appointment of Mr. Kamal Kishore Indoria (DIN: 07728233) as Whole Time Director of the Company from 7th February, 2017 to 9th August, 2017
16 th September, 2016 (AGM)	<ol style="list-style-type: none"> To approve the revised remuneration of Mr. Prasenjit Promode Datta (DIN 00013414) as Whole Time Director of the Company.

Date	Purpose of Special Resolution
23 rd September, 2015 (AGM)	<ol style="list-style-type: none"> 1. Re-appointment Mr. Prasenjit Promode Datta (DIN 00013414) as Whole Time Director of the Company for the period of 5 years with effect March 1, 2016 to February 28, 2021 2. Keeping of Registers, returns etc., at a place other than the Registered Office. 3. Increase in the Authorised Share Capital and amendment to the Memorandum of Association of the Company. 4. Issue and Offer of Convertible/Non-Convertible Non-Cumulative Redeemable Preference Shares on a Private Placement basis
29 th September, 2014 (AGM)	<ol style="list-style-type: none"> 1. Revision in the terms of remuneration of Mr. Prasenjit Promode Datta (DIN 00013414), Whole-Time Director. 2. Adoption of new Articles of Association of the Company 3. Borrowing of monies exceeding aggregate of paid up capital and free reserves under section 180 of Companies Act, 2013. 4. Creation of mortgage/charge on the properties of the Company to secure term loans/working capital facilities, inter corporate deposits etc. availed from banks/financial institutions under section 180 of Companies Act, 2013.

All the Special Resolutions placed before the shareholders at the above meetings were approved with requisite majority.

The Company had arranged e-voting facility and voting through ballot, to vote on the resolutions proposed at 25th AGM of the Company.

During the year under review, No Extra Ordinary General meeting was held.

c) Postal Ballot conducted during the year:

During the period under review, no special resolution has been passed through the exercise of postal ballot.

None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

8. DISCLOSURES

- **Related Party Transaction**

During the year under review, besides the transactions reported in Notes to Accounts to the Balance Sheet as at 31st March, 2018, there were no other related party transactions with promoters, directors and management that had a potential conflict of interest of the Company at large. The Company has formulated a Policy on Related Party Transactions as defined under the Act and Regulation 23 of SEBI (LODR) Regulations, 2015, which is also available on Company's website at <http://www.gujaratfoils.com/investors>.

- **Disclosure of Accounting Treatment**

The Company has followed all relevant Accounting Standards while preparing the financial statements.

- **Familiarization Programme for Independent Director**

To provide insights into the Company to enable the Independent Director to understand the Company's business in depth Company through its Managing Director/Executive Director/Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. The programmes / presentations also familiarizes the Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programs. Familiarization programme of the Independent Directors was conducted "as needed" basis during the year.

- **Code of Conduct**

The Board of Directors has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the Company's website <http://www.gujaratfoils.com/investors>. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration by the Chairman of the Company affirming the compliance of the same in respect of the financial year ended on 31st March,



2018, by the members of the Board and senior management personnel, as applicable to them, is also annexed separately in this Annual Report.

- **Whistle Blower Policy/Vigil mechanism**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has Vigil Mechanism and Whistle Blower Policy as per the Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to Audit Committee. Employees may also report to the Chairman of Audit Committee. During the year under review, no employee was denied access to Audit Committee. The Company has posted the Vigil Mechanism/ Whistle Blower Policy on its website <http://www.gujaratfoils.com/investors>.

- **Reconciliation of Share Capital Audit**

Umesh Ved & Associates, Practicing Company Secretaries, Ahmedabad carried out Reconciliation of Capital Audit during the financial year 2017-18 on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and Listed capital. The Reconciliation of Share Capital Audit Report confirms that the total paid up Share Capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

- **Proceeds from Public Issues, Right Issues and Preferential Issues etc.**

During the financial year 2017-2018, the Company did not issue or allot any securities to its shareholders.

- **Disclosure of Risk Management**

The Company has the risk assessment and mitigation procedures in place and the same have been laid before the Board members from time to time.

- **Policy on Determination of Materiality of Events and Policy for Preservation of Documents**

The Company has adopted "Policy for Determination of Materiality of Events or Information" in accordance with the requirements of the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and policy on Preservation of Documents / records is also framed as per Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has posted the same on its website <http://www.gujaratfoils.com/investors>.

- **Details of Non-Compliance**

No penalties and strictures have been imposed by SEBI or the Stock Exchange or any Statutory Authorities on matters relating to capital markets during the financial years 2017-18.

- **CEO/CFO Certification**

A CEO/CFO certification in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from Mr. Abhay Narendra Lodha, Chairman, and Mr. Jitendra Jain, Chief Finance Officer of the Company heading finance function of the Company, in respect of financial year 2017-2018 was placed before the Board.

- **Details of Compliance with Mandatory Requirements and Adoption of the Non-Mandatory Requirements of this Clause**

The Company has complied with all the mandatory requirements of this clause. As regards the non-mandatory requirements the extent has been stated in this report against each such item.

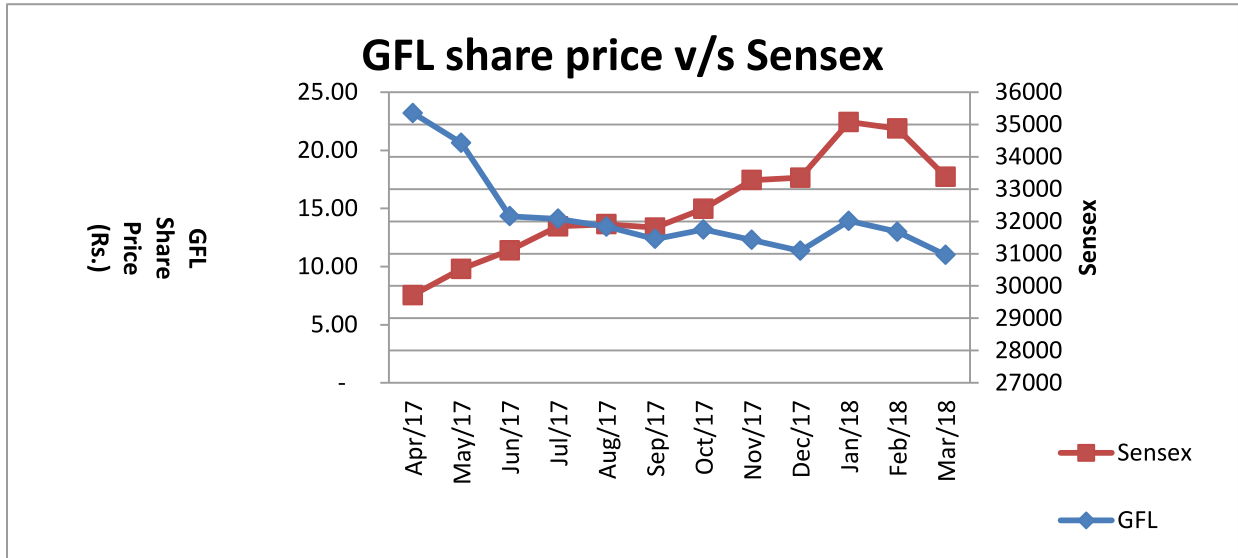
9. MEANS OF COMMUNICATION

The Company's quarterly/ half yearly results are published in newspapers viz. Business Standard in English language and in Western Times in Gujarati language. Half yearly reports are not being sent to each of the shareholders. These results are displayed on the Company's website www.gujaratfoils.com under Investor Section.

Management Discussion and Analysis is forming part of this Annual Report.



K. The chart herein depicts the comparison of the Company's share price movement viv-a-vis the movement of the BSE Sensex.



*Source: www.bseindia.com

L. Shareholding Pattern as on 31st March, 2018

a) Category of Equity Shareholders as on 31st March, 2018

S. No.	Category	No. of Shareholders	No. of Shares	% of Total Holding
1.	Indian Promoter & Promoter Group	7	3620077	44.13
2.	Bodies Corporate	48	147403	1.79
3.	Individuals	2,548	28,41,792	34.64
4.	Non Resident Indians	34	68,530	0.83
5.	Others	120	15,24,008	18.58
	Total	2,757	82,01,810	100.00

b) Distribution of Equity Shareholding as on 31st March, 2018.

No of Equity shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares
01-500	1977	70.2808	381806	4.6551
501-1000	389	13.8287	328718	4.0079
1001-2000	184	6.5411	288264	3.5146
2001-3000	82	2.9150	208506	2.5422
3001-4000	44	1.5642	154900	1.8886
4001-5000	32	1.1376	151336	1.8452
5001-10000	53	1.8841	383704	4.6783
10001 and above	52	1.8486	6304576	76.8681
Total	2,813	100.00	82,01,810	100.00

c) **Details of 10% Non-Convertible Non- Commutative Redeemable Preference Shareholders as on 31st March, 2018**

Sr. No.	Name of Preference Shareholders	No. of Shares	% of Total Holding
1.	Abhay Narendra Lodha	2,00,00,000	80.00
2.	Ashwin Narendra Lodha	50,00,000	20.00
	Total	2,50,00,000	100.00

M. Share Transfer System

All matters pertaining to transfer of shares are being handled by Link Intime India Private Limited, the Registrar and Share Transfer Agents of the Company. The share transfer requests received are processed by them and a Memorandum of Transfer is sent to the Company for approval by the Committee. The average time taken for processing share transfer requests including dispatch of share certificates is seven days, subject to documents being valid and complete in all respect. The Company regularly monitors and supervises the functioning of the systems so as to ensure that there are no delays or lapses in the systems. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with share transfer formalities as required under Regulation 40(9) of the SEBI (LODR) Regulations 2015 and files a copy of the said certificate with Stock Exchanges.

N. Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form and 97.40% shares are in dematerialized form as on 31st March, 2018.

O. Investor Correspondence

Share Transfer Agents	For General Queries
Link Intime India Private Limited 303 , 3 rd floor, Shoppers Plaza-V, Opp. Municipal Market, Off. C. G. Road, Navrangpura Ahmedabad- 380009 Tel: +91-79-26465179 Fax: +91-79-26465179 Email: ahmedabad@linkintime.co.in	Rahul Singh Company Secretary and Compliance Officer Gujarat Foils Limited Ceejay House, Office No. 308, 3rd Floor, Dr. A. B. Road, Worli, Mumbai-400 018 Tel: +91-22-4917 4500 Fax: +91-22-4917 4500 Email: secretarial@topworthgroup.com



Compliance Certificate

To
**The Members,
Gujarat Foils Limited**

We have examined the Compliance of the conditions of Corporate Governance by Gujarat Foils Limited for the year ended on 31st March, 2018 as stipulated in in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), of the said Company entered into with the BSE Limited.

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

In our opinion and based on the information and explanations given to us and the representations made by management and to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned SEBI(LODR), Regulations 2015.

We state that in respect of Investors' Grievances received, generally no Investors' Grievances are pending for a period exceeding one month against the Company as per records maintained by the Investors' Grievance Committee.

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

FOR H.R. AGARWAL & ASSOCIATES

Chartered Accountants
Firm Reg. No.:- 323029E

Shyam Sundar Agarwal
FCA
Partner
Membership No.060033

Place: Mumbai
Date: 29th May, 2018

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended 31st March, 2018 received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the Executive Vice President Cadre and the Company Secretary as on 31st March, 2018 .

**By order of Resolution Professional
For GUJARAT FOILS LIMITED**

Place: Mumbai
Date: 30th October, 2018

Jagannath Pandharinath Dange
Director
DIN 01569430

Abhay Narendra Lodha
Director
DIN 00052194

CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

**The Board of Directors
Gujarat Foils Limited**

Dear Sir(s),

We, the undersigned, to the best of our knowledge and belief certify that:

1. We have reviewed the Financial Statements and Cash Flow Statement of Gujarat Foils Limited for the year ended 31st March, 2018 and based on our knowledge and belief, we state that:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that may be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining Internal Controls over Financial Reporting for the Company and have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to Financial Reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a) Significant changes, if any, in the Internal Control over Financial Reporting during the year.
 - b) Significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's Internal Control System over Financial Reporting.

**By order of Resolution Professional
For GUJARAT FOILS LIMITED**

**Abhay Narendra Lodha
Director
DIN: 00052194**

Date: 29th May, 2018
Place: Mumbai

**Jitendra Jain
Chief Financial Officer**



Independent Auditor's Report to the Members of Gujarat Foils Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **GUJARAT FOILS LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including the statement of Other Comprehensive income, the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of the financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive income, cash flows and the statement of changes in Equity of the Company in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2018;
- ii. in the case of the statement of profit and loss including other comprehensive income, of the loss of the Company for the year ended on that date;
- iii. in the case of the cash flow statement, of the cash flows for the year ended on that date, and
- iv. statement of changes in Equity for the year ended on that date.

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 Act, we give in the **Annexure - A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. on the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure – B**;
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statement as stated in Note –24 to the Financial Statements.
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, as required on long term contracts including derivative contracts;
 - iii. No amount is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

For **H. R. Agarwal and Associates**
Chartered Accountants
Firm's registration number: 323029E

(Shyam Sundar Agarwal, FCA)
Partner
Membership number: 060033

Place: Mumbai
Date: 29th May 2018



The Annexure - A

To the Independent Auditors Report on the Financial Statements of Gujarat Foils Ltd. referred to in paragraph 1 under the heading "Report on other Legal and regulatory requirements" of our report of even date

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) Fixed Assets have been physically verified by the management in the phased periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its Assets. No material discrepancies were noticed on such verification.
- (c) The title deeds/ lease deeds of immovable properties included in Property, Plant and Equipment are held in the name of the company;
- ii) The Inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable and no material discrepancies were noticed on such verification.
- iii) The company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of grant of loans, making Investments and providing guarantees and securities, as applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in pursuance to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) Maintenance of Cost Records has been specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013. These accounts and records have been so made and maintained. However, we have not made a detailed examination of the Cost Records with a view to determine whether they are accurate or complete.
- vii) a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, employees state Insurance, Sales tax, Service Tax, Goods and Service Tax, custom duty, excise duty, value added tax, cess and other material statutory dues applicable to it, except income tax during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of service tax, Goods and Service Tax, sales tax, provident fund, employees state Insurance, custom duty, excise duty or value added tax and cess were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable, except Income tax which are due for more than six months amounting ₹ 2,90,00,000/- for the financial year 2013-14 and ₹ 3,04,80,090/- for the financial year 2014-15.

- b) According to the records of the company, the dues of Income Tax, Sales Tax, Service Tax and Central Sales Tax which have not been deposited on March,31, 2018 on account of dispute, are as follows:

Name of the statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Amount (in Rs)
Income Tax Act, 1961	Income Tax	A.Y.2009-10 to A.Y.- 2013-14	CIT(Appeals)	9,917,643
Central Sales Tax Act, 1956 and Sales Tax Act of various states	Sales Tax and CST	F.Y. 2011-12 to F.Y. 2012-13	Appeal Yet to be filed	2,008,470
		F.Y. 2012-13 to F.Y.2013-14	First Appeals	90,706,502
		F.Y. 2007-08 to F.Y.2011-12	Appellate Tribunal	105,354,885
Finance Act,1994	Service Tax	F.Y. 2015-16 to F.Y.2017-18	Appeal Yet to be filed	2,479,942
Total				2,10,467,442

- viii) According to records of the company and information & explanations provided by the management, the company has defaulted in repayment of loans or borrowings to the financial institutions and banks till 31st March, 2018, the details are as follows:

Name of the lenders	Amount of default as at 31.03.2018 (Rs in crores)	Period of default (no. of days)	Nature of Facility
Allahabad Bank	54.24	547	Cash Credit
Bank of India	19.84	639	Cash Credit
Dena Bank	14.00	424	Cash Credit
IDBI Bank	54.75	730	Cash Credit
State Bank of India	19.5	488	Cash Credit
Union Bank of India	9.24	730	Cash Credit
Oriental Bank of Commerce	10.72	234	Cash Credit
Bank of India	10.06	639	Term Loan
Dena Bank	1.06	424	Term Loan
IDBI Bank	12.44	730	Term Loan
State Bank of India	33.95	488	Term Loan
Dena Bank	4.88	523	Letter of Credit
State Bank of India	13.63	553	Letter of Credit
Union Bank of India	32.24	881	Letter of Credit

- ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the money raised by way of term loans were applied for the purposes for which those were raised.
- x) No any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) The Managerial Remuneration has been paid / provided in accordance with the provisions of section 197 read with schedule V to the Companies Act, 2013
- xii) The company is not a Nidhi Company. Accordingly, Clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) The Company has entered into transactions with the related parties in compliance with section 177 and 188 of the companies Act, 2013 and the details of such transaction have been disclosed in the Financial statements as required by the applicable accounting standards;
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) According to the information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with them;
- xvi) The Company is not required to be registered under section 45-IA of the RBI Act, 1934.

For **H. R. Agarwal and Associates**
Chartered Accountants
Firm's registration number: 323029E

(Shyam Sundar Agarwal, FCA)
Partner
Membership number: 060033

Place: Mumbai,
Date: 29th May, 2018



Annexure-B referred to in paragraph 2(f) under “Report on other legal and regulatory requirements” of our report of even date)

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 Control over financial reporting of Gujarat Foils Limited (“the Company”) as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the 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 the 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 Act.

Auditor’s 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 prescribed under Section 143(10) of the Act, 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 ICAI. 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 31st March, 2018, 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 ICAI.

For **H. R. Agarwal and Associates**
Chartered Accountants
Firm's registration number: 323029E

(Shyam Sundar Agarwal, FCA)
Partner
Membership number: 060033

Place: Mumbai
Date: 29th May 2018



Statement of Financial Position as at 31st March, 2018

(Amount in ₹)

	Particulars	Note No.	As at 31 st March, 2018	As at 31 st March, 2017
(I)	ASSETS			
(1)	Non-current assets			
	Property, plant and equipment	1	80,69,03,257	88,56,08,398
(2)	Current assets			
	Inventories	2	4,17,88,139	2,04,48,21,372
	Financial assets			
(i)	Investments	3	-	13,08,000
(ii)	Trade and other receivables	4	29,73,90,045	2,62,02,24,478
(iii)	Cash and cash equivalents	5	1,42,88,522	4,60,24,089
(iv)	Short term loans and advances	6	6,24,27,377	7,74,53,388
	Non-current assets classified as held for sale			
	Total Assets		1,22,27,97,339	5,67,54,39,725
(II)	EQUITY AND LIABILITIES			
(1)	Equity			
	Equity Share capital	7	8,20,18,100	8,20,18,100
	Other Equity		(3,87,61,24,626)	(3,33,65,266)
(2)	Liabilities			
(a)	Non-Current Liabilities			
	Financial liabilities			
i.)	Preference Shares	8	25,00,00,000	25,00,00,000
	Long term provisions	9	17,03,065	24,12,688
	Deferred tax liabilities	10	3,50,04,047	2,40,70,281
(b)	Current liabilities			
	Financial liabilities			
(i)	Short term borrowings	11	3,07,40,36,984	3,27,99,24,779
(ii)	Trade and other payables	12	1,53,90,80,303	1,97,02,73,589
	Other current liabilities	13	5,46,49,376	3,76,75,463
	Short-term provisions	14	6,24,30,090	6,24,30,090
	Liabilities associated with group(s) of assets held for disposal			
	Total Equity and Liabilities		1,22,27,97,339	5,67,54,39,725

The accompanying notes 1 to 33 are integral part of the financial statements

As per our report of even date annexed.

For H.R. Agarwal & Associates

Chartered Accountants
Firm Regn.No. 323029E

Sd/-

CA. Shyam Sundar Agarwal

Partner

M. No. FCA 060033

Place : Mumbai

Date : 29th May 2018

For and on behalf of Board of Directors

Sd/-

Abhay Narendra Lodha

Director

DIN 00052194

Sd/-

Jagannath Dange

Independent Director

DIN 01569430

Sd/-

Jitendra Jain

Chief Financial Officer

Sd/-

Rahul Singh

Company Secretary

Alok K Saxena

Resolution Professional

Reg. No.: IBBI/IPA-001/IP-P00056/2017-18/10134

Statement of Income for the year ended 31st March, 2018

(Amount in ₹)

	Particulars	Note	For the year ended 31-Mar-2018	For the year ended 31-Mar-2017
(I)	Revenue			
	Revenue from operations	15	2,19,04,06,857	3,01,02,81,389
	Other income	16	21,64,980	1,31,48,879
	Total revenue (I)		2,19,25,71,837	3,02,34,30,268
(II)	Expenses			
	Cost of materials consumed	17	1,43,07,36,542.79	2,61,02,82,012.31
	Changes in inventories of finished goods, work in progress and stock-in-trade	18	1,04,65,37,167.44	65,58,430.75
	Excise duty on Sale of Goods		2,90,57,764.00	16,97,03,216.50
	Employees benefit expenses	19	8,80,39,494.70	10,87,35,737.00
	Finance cost	20	1,79,67,555.90	27,93,86,364.16
	Depreciation and amortisation expense	21	7,94,86,801.98	8,15,00,039.19
	Other expenses	22	3,33,30,53,365.97	17,63,15,763.04
	Total expenses (II)		6,02,48,78,693	3,43,24,81,563
(III)	Profit/ (loss) before exceptional items and tax from continuing operation		(3,83,23,06,856)	(40,90,51,295)
(IV)	Exceptional Items		0.00	-
(V)	Profit/ (loss) before tax from continuing operation		(3,83,23,06,856)	(40,90,51,295)
(V)	Tax expense			
a)	Current tax			-
b)	Deferred tax		1,09,33,766	1,47,80,718
(VI)	Profit/ (loss) for the period from continuing operations		(3,84,32,40,622)	(42,38,32,013)
(VII)	Profit/ (loss) from discontinued operations			
	Tax expense of discontinued operations			
(VIII)	Profit/ (loss) from discounting operations (after tax)			
(IX)	Profit/ (loss) for the period		(3,84,32,40,622)	(42,38,32,013)
(X)	Other comprehensive income			
	- Items that will not be reclassified to profit or loss		4,81,261	(40,89,18,520)
	- Income tax relating to items that will not be reclassified to profit or loss			13,43,09,496
	- Items that will be reclassified to profit or loss			
	- Income tax relating to items that will be reclassified to profit or loss			
(XI)	Total comprehensive income for the period (Profit/ loss + other comprehensive income)		(3,84,27,59,360)	(69,84,41,037)
(XII)	Earnings per equity share (for continuing operations)			
a)	Basic		(468.58)	(51.68)
b)	Diluted		(468.58)	(51.68)

The accompanying notes 1 to 33 are integral part of the financial statements

As per our report of even date annexed.

For H.R. Agarwal & AssociatesChartered Accountants
Firm Regn.No. 323029E

Sd/-

CA. Shyam Sundar Agarwal

Partner

M. No. FCA 060033

Place : Mumbai

Date : 29th May 2018**For and on behalf of Board of Directors**

Sd/-

Abhay Narendra Lodha

Director

DIN 00052194

Sd/-

Jagannath Dange

Independent Director

DIN 01569430

Sd/-

Jitendra Jain

Chief Financial Officer

Alok K Saxena

Resolution Professional

Reg. No.: IBBI/IPA-001/IP-P00056/2017-18/10134

Sd/-

Rahul Singh

Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2018

(Amount in ₹)

Particulars	2017-18	2016-17
(A) Cash Flow From Operating Activities		
Net Profit Before Tax	(3,83,23,06,856)	(40,90,51,295)
Adjustment for		
(a) Depreciation / Amortisation	7,94,86,802	8,15,00,039
(b) Interest Expenses	1,79,67,556	27,93,86,364
(c) Interest Received	(9,46,826)	(1,03,91,978)
(d) Loss on sale of Fixed Assets	87,808	-
(e) Profit on redemption of mutual funds	(1,09,466)	-
(f) Provision for doubtful debts	3,58,85,05,417	-
(g) Creditors write back	(39,02,68,281)	-
Operating Profit Before Working Capital Changes	(53,75,83,846)	(5,85,56,870)
Working Capital Adjustments		
(a) Trade & Other Receivables	(1,26,56,70,983)	(94,01,22,781)
(b) Inventories	2,00,30,33,233	17,20,96,735
(c) Trade Payable / Provisions	(2,46,60,716)	41,04,20,370
(d) Other Current Assets	1,50,26,011	(50,14,620)
Cash Generated from Operation	72,77,27,545	(36,26,20,296)
Direct Tax Paid	-	-
Net Cash Flow from Operating Activities	19,01,43,699	(42,11,77,166)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	19,01,43,699	(42,11,77,166)
Extraordinary Items	-	-
NET CASH FROM OPERATING ACTIVITIES (A)	19,01,43,699	(42,11,77,166)
B. Cash Flow From Investing Activities		
(a) Purchase of Fixed Assets (including capital work-in-progress)	(9,19,469)	(23,13,035)
(b) Sale of Fixed Assets	50,000	-
(c) Sale of Investment	18,98,729	-
(d) Interest Received	9,46,826	1,03,91,978
Net Cash Flow from Investing Activities (B)	19,76,086	80,78,943
C. Cash Flow From Financing Activities		
(a) Interest Paid	(95,68,522)	(6,14,69,231)
(b) Increase / (Decrease) in Long Term Borrowing	-	2,25,37,378
(c) Increase / (Decrease) in Short Term Borrowing	(21,42,86,829)	27,94,58,979
Net Cash Flow from Financing Activities (C)	(22,38,55,351)	24,05,27,127
D. Net increase /decrease in cash and cash equivalents (A+B+C)	(3,17,35,567)	(17,25,71,097)
E. Cash and Cash Equivalents at the beginning of the year	4,60,24,089	21,85,95,186
F. Cash and Cash Equivalents at the end of the year	1,42,88,522	4,60,24,089

The accompanying notes 1 to 33 are integral part of the financial statements

As per our report of even date annexed.

For H.R. Agarwal & Associates

Chartered Accountants
Firm Regn.No. 323029E

Sd/-

CA. Shyam Sundar Agarwal

Partner

M. No. FCA 060033

Place : Mumbai

Date : 29th May 2018

For and on behalf of Board of Directors

Sd/-

Abhay Narendra Lodha

Director

DIN 00052194

Sd/-

Jagannath Dange

Independent Director

DIN 01569430

Sd/-

Jitendra Jain

Chief Financial Officer

Sd/-

Rahul Singh

Company Secretary

Alok K Saxena

Resolution Professional

Reg. No.: IBBI/IPA-001/IP-P00056/2017-18/10134

Notes forming part of Financial Statement
Statement of changes in equity for the period ended 31st March 2018

(in ₹)

(A) Equity share capital

Particulars	Opening balance as at April 1, 2017	Changes in equity share capital during the year	Closing balance as at March 31, 2018
82,01,810 Equity Shares of ₹10 each fully paidup	8,20,18,100	-	8,20,18,100
	8,20,18,100	-	8,20,18,100

(B) Other Equity

Particulars	Reserves and Surplus					
	Capital Reserve	Share Premium	Retained Earnings	Total reserves (other than OCI)	OCI	Total
Balance as on April 1, 2016	300	34,78,94,200	31,71,81,272	66,50,75,772		66,50,75,772
Add: Profit/ Loss for the year ended March 31, 2017			(42,38,32,013)	(42,38,32,013)		(42,38,32,013)
Add: OCI for the year ended March 31, 2017					(27,46,09,024)	(27,46,09,024)
Closing Balance as on March 31, 2017 (A)	300	34,78,94,200	(10,66,50,742)	24,12,43,758	(27,46,09,024)	(3,33,65,266)
Add: Profit/ Loss for the year (B)			(3,84,32,40,622)	(3,84,32,40,622)		(3,84,32,40,622)
Add: OCI for the year ended March 31, 2018 (C)					4,81,261	4,81,261
Closing Balance as on March 31, 2018 (A+B+C)	300	34,78,94,200	(3,94,98,91,363)	(3,60,19,96,863)	(27,41,27,762)	(3,87,61,24,626)

The accompanying notes 1 to 33 are integral part of the financial statements

As per our report of even date annexed.

For H.R. Agarwal & Associates

Chartered Accountants
Firm Regn.No. 323029E

Sd/-

CA. Shyam Sundar Agarwal

Partner

M. No. FCA 060033

Place : Mumbai

Date : 29th May 2018

For and on behalf of Board of Directors

Sd/-

Abhay Narendra Lodha

Director

DIN 00052194

Sd/-

Jagannath Dange

Independent Director

DIN 01569430

Sd/-

Jitendra Jain

Chief Financial Officer

Alok K Saksena

Resolution Professional

Reg. No.: IBBI/IPA-001/IP-P00056/2017-18/10134

Sd/-

Rahul Singh

Company Secretary



Notes forming part of the Financial Statements

Note 1

SIGNIFICANT ACCOUNTING POLICIES

I. Accounting Convention

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention using prudence.

II. Use of Estimates

The preparation of financial statements in conformity with generally Accepted Accounting principles requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/ materialize.

III. Inventories :

- Raw Materials are valued at cost on FIFO basis
- Stores and Spares are valued at cost on FIFO basis.
- Finished Goods and Work-in-Process are valued at cost which includes material cost; cost of conversion and other related costs or realizable value whichever is lower.
- Scrap is valued at estimated realisable value.

IV. Fixed Assets

Tangible Assets are stated at cost, net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

V. Depreciation

Depreciation on Fixed Assets is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation is provided on pro-rata basis from the date the asset is put to use.

VI. Revenue Recognition

(i) Sales

- a) Sales are recognized when the products leave the premises of the company.
- b) Sales are net of Excise Duty, VAT and CST.

(ii) Other operations

Time is essence when Interest Income is accounted for.

VII. Retirement benefits

Retirement benefits have been recognized as per actuarial valuation.

Notes forming part of the Financial Statements

VIII. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. The impairment loss as determined above is expensed off. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

IX. Income Tax

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

X. Foreign Currency Transaction

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary assets and liabilities are restated at the year end rates.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Statement.

XI. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to accounts.

Contingent assets are neither recognized nor disclosed in the financial statements.

XII. Segment Reporting

The Board of Directors of the company is of the opinion that there are no separate reportable segments as per AS-17 as the entire operations of the company is related to one reportable segment comprising of Aluminum Rolled Products and Foils.

XIII. INVESTMENTS

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

Notes forming part of the Financial Statements

Note:01 Property Plant & Equipments

(Amount in ₹)

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block			
	Balance as at 1 st April 2017	Additions during the Year	Disposals during the Year	Balance as at 31 st March 2018	Balance as at 1 st April 2017	Depreciation charge for the year	On disposals	Balance as at 31 st Mar 2018	Impairment/ Revaluation as at	Balance as at 31 st March 2017	Balance as at 31 st March 2018
Tangible Assets											
Land	97,77,511	-	-	97,77,511	-	-	-	-	(16,62,26,809)	17,60,04,320	17,60,04,320
Buildings	15,36,62,439	-	-	15,36,62,439	2,88,00,073	52,67,553	3,40,67,626	3,40,67,626	4,45,62,366	8,03,00,000	7,50,32,447
Plant and Equipment	1,80,26,60,043	8,48,606	-	1,80,35,08,649	65,11,41,477	7,19,86,747	72,31,28,224	72,31,28,224	52,97,14,487	62,18,04,078	55,06,65,937
Furniture & Fixtures	45,81,492	54,363	-	46,35,855	25,34,117	4,97,652	30,31,769	30,31,769	47,375	20,00,000	15,56,711
Vehicles	67,94,212	-	4,40,260	63,53,952	49,15,122	5,97,613	52,10,283	52,10,283	79,090	18,00,000	10,64,579
Office Equipment	74,24,921	-	-	74,24,921	67,01,317	1,37,234	68,38,551	68,38,551	23,604	7,00,000	5,62,766
Computers	2,75,58,307	16,500	-	2,75,74,807	2,44,96,690	10,00,003	2,54,96,693	2,54,96,693	61,618	30,00,000	20,16,497
Total	2,01,24,58,925	9,19,469	4,40,260	2,01,29,38,134	71,85,88,796	7,94,86,802	3,02,452	79,77,73,146	40,82,61,732	88,56,08,398	80,69,03,257



Notes forming part of the Financial Statements

Note 2

Inventories

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
In Hand		
- Raw Materials (at cost on FIFO)	30,66,934	98,22,35,776
- Work in Progress (at lower of cost and net realisable value)	1,34,64,856	22,54,27,549
- Finished Goods (at lower of cost and net realisable value)	25,83,574	83,71,58,048
In Transit		
- Raw Materials (at cost on FIFO)	2,26,72,775	-
Total	4,17,88,139	2,04,48,21,372

Note 3

Investments

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Investment in Mutual Fund (At lower of cost and fair value)		
Union KBC Trigger Fund Series 2 - Regular Plan (Cost of Acquisition: Rs. 10.00, NAV as on 31st Mar 2017- ₹10.90 & NAV as on 09th Jan 2018 ₹12.66)	-	13,08,000
Total	-	13,08,000

Note 4

Trade Receivables - Unsecured

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured, Considered Good	29,73,90,045	2,62,02,24,478
<u>Unsecured, considered doubtful</u>	3,58,85,05,417	
Less: Provision for doubtful debts	3,58,85,05,417	
	-	
Total	29,73,90,045	2,62,02,24,478

Note 5

Cash and Cash Equivalents

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
(i) Cash and cash equivalents		
a. Balances with Schedule Banks	60,81,623	51,19,608
b. Cash on hand	87,466	6,61,638
(ii) Other Balance with Banks		
c. Fixed Deposit with Banks (Pledged)		
Less Than 3 Months		3,62,65,158
More than 3 months but Less than 12 Months	2,29,092	39,77,685
More than 12 Months	78,90,341	
Total	1,42,88,522	4,60,24,089



Notes forming part of the Financial Statements

Note 6

Short Term Loans and Advances

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Advance Income Tax and TDS Receivable	1,76,76,945	1,61,67,668
Sub Total	1,76,76,945	1,61,67,668
Deposits	14,91,623	17,92,623
Balance with Sales Tax ,Excise ,Customs & Service Tax	2,14,16,323	4,27,52,466
Other advances - Including Advance to Vendors	2,18,42,486	1,67,40,631
Total	6,24,27,377	7,74,53,388

Note 7:- Equity Share Capital

(A) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Shares outstanding at the beginning of the year	82,01,810	82,01,810
Shares Issued during the year	-	-
Shares outstanding at the end of the year	82,01,810	82,01,810

(B) Equity Shares in the Company held by each shareholder holding more than 5 percent shares

(in ₹)

Name of Shareholder	As at 31 st March, 2018		As at 31 st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Abhay Narendra Lodha	20,13,104	25	30,47,104	37
Akshata Realtors Pvt Ltd	7,92,876	10	7,92,876	10
Ashwin Narendra Lodha	5,23,959	6	7,03,959	9

Note 8

Preference Shares

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
2,50,00,000 Redeemable , Non Cumulative, Non-convertible Shares of ₹10 each	25,00,00,000	25,00,00,000
Total	25,00,00,000	25,00,00,000

Note 9

Long Term Provisions

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Provision for Employee Benefits	17,03,065	24,12,688
Total	17,03,065	24,12,688

Notes forming part of the Financial Statements

Note 10

Deferred Tax Liabilities (Net)

The component of Deferred Tax Liabilities are as under.

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Opening Balance	2,40,70,281	14,35,99,059
WDV as per Income Tax Act. 1961	68,97,15,285	80,50,24,932
WDV as per Books	80,69,03,257	88,56,08,398
Difference	11,71,87,972	8,05,83,466
Income Tax on Difference	3,50,04,047	2,40,70,281
Net Deferred Tax Liability for the year	1,09,33,766	(11,95,28,778)
Total	3,50,04,047	2,40,70,281

Note 11

Short Term Borrowings

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Secured		
From banks		
Term Loans	57,50,78,821	59,58,66,708
Other Loans	2,19,12,56,304	2,37,63,56,212
Unsecured		
Related Party	8,02,50,000	8,02,50,000
Unrelated Party	13,28,26,389	13,28,26,389
Inter Corporate Deposit	9,46,25,470	9,46,25,470
Total	3,07,40,36,984	3,27,99,24,779

Note 12

Trade Payables

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Trade Payable		
Due of Micro Small & Medium Enterprises	-	-
Due to Others		
For Goods	64,16,58,915	1,07,37,49,898
For Capital Goods	86,12,71,055	83,50,47,641
For Others	3,61,50,333	6,14,76,050
Total	1,53,90,80,303	1,97,02,73,589



Notes forming part of the Financial Statements

Note 13 Other Current Liabilities

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Dues Payable to Employees	69,60,005	76,36,535
Dues Payable Statutory Authorities	3,73,30,788	2,22,54,090
Other Payable	1,03,58,583	77,84,838
Total	5,46,49,376	3,76,75,463

Note 14 Short Term Provisions

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Provision for Audit Fees	8,00,000	8,00,000
Provision for Income Tax	6,16,30,090	6,16,30,090
Total	6,24,30,090	6,24,30,090

Note 15 Revenue from operations

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Sale of products*	2,16,03,77,225.80	3,00,06,60,013
Sale of services	-	-
Other operating revenues	3,00,29,631.00	96,21,376
Total	2,19,04,06,857	3,01,02,81,389

Note 16 Other Income

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Long term Capital Gain on redemption of Mutual Fund	1,09,466.41	-
Duty DrawBack	58,955.00	10,60,101
Royalty Income	10,25,530.00	16,69,464
Other Income	24,203.00	-
Other Interest	38,359.00	27,336
Income from Fixed Deposit Interest	9,08,467.00	1,03,91,978
Total	21,64,980	1,31,48,879

Notes forming part of the Financial Statements

Note 17

Cost of materials consumed

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Raw Material		
Opening Stock	98,22,35,776	1,14,77,74,079
Purchase	45,15,67,701.27	2,44,47,43,709
Less : Closing Stock	30,66,934.25	98,22,35,776
Total	1,43,07,36,543	2,61,02,82,012

Note 18

Changes in inventories of finished goods work-in-progress and Stock-in-Trade

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Opening Stock :		
Work-in-Process	22,54,27,549	25,03,53,622
Finished Goods	83,71,58,049	81,87,90,406
Closing Stock :		
Work-in-Process	1,34,64,855.64	22,54,27,549
Finished Goods	25,83,574.17	83,71,58,049
Total	1,04,65,37,167	65,58,431

Note 19

Employee Benefits Expenses

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
- Salaries and incentives	8,29,39,024.70	10,19,27,031
- Contributions to Provident Fund	32,95,330.00	43,06,787
Gratuity fund contributions	2,78,749.00	88,215
- Staff welfare expenses	15,26,391.00	24,13,704
Total	8,80,39,495	10,87,35,737

Note 20

Finance costs

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Interest Expense	1,79,67,555.90	25,34,75,807
LC Charges	-	2,59,10,557
Total	1,79,67,556	27,93,86,364



Notes forming part of the Financial Statements

Note 21 Depreciation

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Depreciation	7,94,86,802	8,15,00,039
Total	7,94,86,802	8,15,00,039

Note 22 Other Expenses

(in ₹)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Consumption of stores and spare parts.	1,20,79,941.00	4,10,47,208
Power and fuel	4,18,82,813.47	5,47,06,123
Repairs to machinery	24,56,483.00	46,13,032
Selling & Marketing Expenses	3,61,75,123.83	1,37,34,934
Insurance	19,19,652.00	18,82,528
Job Work Charges	35,700.00	78,375
Packing Expenses	1,04,52,466.00	2,02,37,137
Rent Rates and taxes(excluding taxes on income)	35,02,390.00	41,44,198
VAT & CST Demand	17,72,511.50	86,49,104
Administrative Expenses	1,85,69,098.39	2,36,32,569
Other Interest & Bank Charges	27,65,436.63	-
Sundry balance W/off	(39,02,68,280.53)	-
Provision for Debtors	3,58,85,05,416.68	-
Foreign Exchange Loss	18,610.00	34,556
Director Sitting Fees	20,00,000.00	16,96,000
Internal Audit Expenses	2,86,004.00	8,40,000
Cost Audit Fees	1,00,000.00	2,20,000
Payment to Auditors		
a. As a auditor	5,50,000.00	5,50,000
b. for taxation matters	2,50,000.00	1,50,000
c. for reimbursement of expenses		1,00,000
Total	3,33,30,53,366	17,63,15,763

Notes forming part of the Financial Statements

23. Earnings per share

(in ₹)

Particulars	31-Mar-18	31-Mar-17
Net profit after tax	-3,84,32,40,622	-42,38,32,013
Weighted average number of shares outstanding during the year.	82,01,810	82,01,810
Face value per share	10	10
Basic and diluted earnings per share	-468.58	-51.68

24. Contingent Liability

a. Demands Raised against the company

Sr No.	Financial Year	VAT (Amount in ₹)	CST (Amount in ₹)	Service Tax Inc Interest and Penalty	Status	Location
1	2007-08	76,26,658	-		Appeal filed and final decision pending in Gujarat Vat tribunal	Ahmedabad
2	2008-09	59,13,351	12,37,950		Appeal filed and final decision pending in Gujarat Vat tribunal	Ahmedabad
3	2009-10	1,33,14,150	2,00,49,677		Appeal filed and final decision pending in Gujarat Vat tribunal	Ahmedabad
4	2010-11	1,84,90,500	1,48,25,337		Stay order received against demand from tribunal	Ahmedabad
5	2011-12	2,07,97,307	30,99,955		Stay order received against demand from tribunal	Ahmedabad
6	2012-13	3,48,76,808	51,60,361		Pending in First Appeal	Ahmedabad
7	2013-14	4,87,37,637	19,31,696		Pending in First Appeal	Ahmedabad
8	2015-16			11,14,372	Show cause notice received	Ahmedabad
9	2016-17			10,21,136	Show cause notice received	Ahmedabad
10	2017-18			3,44,434	Show cause notice received	Ahmedabad
11	2011-12	34,699	1,49,775		Assessment Order received	Delhi
12	2012-13	45,867	16,470		Assessment Order received	Delhi
13	2011-12		10,15,124		Order received	Manesar
14	2012-13		7,46,535		Order received	Manesar
15	2014-15		24,00,580		Order received	Manesar
	TOTAL	14,98,36,977	5,06,33,460	24,79,942		

b. Guarantees

Bank Gurantees issued is as follows:

BG NO.	DATE OF ISSUE	(Amount in ₹)	Issued to Party Name	Valid Upto	BANK
55030IGL0000514	21-02-14	20,00,000	Commissioner of Trade & taxes govt. of NCT New Delhi	31-03-15	UBI
0159316BG0000059	13-07-16	61,02,968	Uttar Gujarat Vij Co. Ltd. District -Gandhi Nagar, Gujarat	12-07-18	SBI
0159311BG0000257	02-12-11	50,000	Commissioner of Excise and Taxation Haryana	30-11-16	SBI
0156111IFG000146	09-12-11	17,64,675	Sabarmati Gas Ltd.	08-12-19	ALLAHABAD
		99,17,643	TOTAL		



Notes forming part of the Financial Statements

c. Income Tax has raised demand against the company. The details are as follows:

Assessment Year	Income Tax (in ₹)	Status
2009-10	1,30,63,180	Appeal under process with CIT(Appeals) Raipur
2010-11	3,07,35,910	Appeal under process with CIT(Appeals) Raipur
2011-12	41,34,270	Appeal under process with CIT(Appeals) Raipur
2012-13	17,36,450	Appeal under process with CIT(Appeals) Raipur
2013-14	36,94,790	Appeal under process with CIT(Appeals) Raipur
TOTAL	5,33,64,600	

Further the Income tax due for the F.Y. 2014-15 is ₹2,90,00,000/- and for F.Y. 2015-16 is ₹3,04,80,090/-. The Company hasn't filled Income Tax Return for said Assessment Year.

- d. The Company has obtained licences/authorizations under the Export Promotion Capital Goods Scheme for importing capital goods at a concessional rate of customs duty against submission of bonds. Under the term of the respective licences /authorizations, the Company is required to export goods of FOB value equivalent to or more than, six times the amount of duty saved in respect of such licences / authorizations, where export obligation has been refixed by the order of Director General Foreign Trade, Ministry of Commerce and Industry, Government of India, as applicable. Balance export obligations outstanding as on March 31, 2018 under the aforesaid licences/authorizations is ₹ 95,18,49,344/-.

25. Gratuity

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

Assumptions (Current Period)	
Expected Return on Plan Assets	7.57%
Rate of Discounting	7.57%
Rate of Salary Increase	7.00%
Rate of Employee Turnover	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.
Table Showing Change in the Present Value of Projected Benefit Obligation	
Present Value of Benefit Obligation at the Beginning of the Period	75,08,770
Interest Cost	5,68,414
Current Service Cost	14,38,718
Past Service Cost	-
Liability Transferred In/Acquisitions	-
(Liability Transferred Out/ Divestments)	-
(Gains)/ Losses on Curtailment	-
(Liabilities Extinguished on Settlement)	-
(Benefit Paid Directly by the Employer)	-
(Benefit Paid From the Fund)	(33,77,796)
The Effect Of Changes in Foreign Exchange Rates	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(2,59,336)
Actuarial (Gains)/Losses on Obligations - Due to Experience	2,05,070
Present Value of Benefit Obligation at the End of the Period	60,83,840

Notes forming part of the Financial Statements

Table Showing Change in the Fair Value of Plan Assets	
Fair Value of Plan Assets at the Beginning of the Period	86,35,503
Interest Income	6,53,708
Contributions by the Employer	88,215
Expected Contributions by the Employees	-
Assets Transferred In/Acquisitions	-
	-
(Benefit Paid from the Fund)	(33,77,796)
(Assets Distributed on Settlements)	-
Effects of Asset Ceiling	-
The Effect of Changes In Foreign Exchange Rates	-
Return on Plan Assets, Excluding Interest Income	(2,22,175)
Fair Value of Plan Assets at the End of the Period	57,77,455

Amount Recognized in the Balance Sheet	
(Present Value of Benefit Obligation at the end of the Period)	(60,83,840)
Fair Value of Plan Assets at the end of the Period	57,77,455
Funded Status (Surplus/ (Deficit))	(3,06,385)
Net (Liability)/Asset Recognized in the Balance Sheet	(3,06,385)

Net Interest Cost for Current Period	
Present Value of Benefit Obligation at the Beginning of the Period	75,08,770
(Fair Value of Plan Assets at the Beginning of the Period)	(86,35,503)
Net Liability/(Asset) at the Beginning	(11,26,733)
Interest Cost	5,68,414
(Interest Income)	(6,53,708)
Net Interest Cost for Current Period	(85,294)

Expenses Recognized in the Statement of Profit or Loss for Current Period	
Current Service Cost	14,38,718
Net Interest Cost	(85,294)
Past Service Cost	-
(Expected Contributions by the Employees)	-
(Gains)/Losses on Curtailments And Settlements	-
Net Effect of Changes in Foreign Exchange Rates	-
Expenses Recognized	13,53,424



Notes forming part of the Financial Statements

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period	
Actuarial (Gains)/Losses on Obligation For the Period	(54,266)
Return on Plan Assets, Excluding Interest Income	2,22,175
Change in Asset Ceiling	-
Net (Income)/Expense For the Period Recognized in OCI	1,67,909
Balance Sheet Reconciliation	
Opening Net Liability	(11,26,733)
Expenses Recognized in Statement of Profit or Loss	13,53,424
Expenses Recognized in OCI	1,67,909
Net Liability/(Asset) Transfer In	-
Net (Liability)/Asset Transfer Out	-
(Benefit Paid Directly by the Employer)	-
(Employer's Contribution)	(88,215)
Net Liability/(Asset) Recognized in the Balance Sheet	3,06,385
Category of Assets	
Government of India Assets	-
State Government Securities	-
Special Deposits Scheme	-
Debt Instruments	-
Corporate Bonds	-
Cash And Cash Equivalents	-
Insurance fund	57,77,455
Asset-Backed Securities	-
Structured Debt	-
Other	-
Total	57,77,455

26. Related Parties Disclosure

Related parties disclosures, as stipulated by Accounting Standards – 18 are given below:

a) List of Related Parties:

- i) **Key Management Personnel:**
 Abhay Lodha – Chairman
 Kamal Indoria- Whole Time Director (upto 9th Aug, 2017)
 Rahul Singh- Company Secretary (w.e.f 14th July, 2016)
 Jitendra Jain- CFO (w.e.f. 28th April, 2016)
- ii) **Relatives of key Management Personnel**
 Ashwin Lodha
 Mona Lodha
 Sheela Lodha

b) Enterprises over which KMP have significant influence: NIL

Notes forming part of the Financial Statements

c) Transactions with related parties

Aggregate Related Party Transactions as at and for the year ended on 31st March, 2018

Name	Nature of Transaction	2017-18		2016-17	
		Transaction Value (In Rs)	Outstanding amount carried in the Balance sheet (In Rs)	Transaction Value (In Rs)	Outstanding amount carried in the Balance sheet (In Rs)
Mr. Abhay Narendra Lodha	Unsecured Loan		33,00,000		33,00,000
Mr. Ashwin Narendra Lodha	Unsecured Loan		2,29,00,000		2,29,00,000
Mrs. Mona Ashwin Lodha	Unsecured Loan		2,50,000		2,50,000
Mrs. Sheela Abhay Lodha	Unsecured Loan		5,38,00,000		5,38,00,000
Mr. Abhay Narendra Lodha	Sundry Creditors		52,72,176		
Mr. Kamal Indoria	Salary (Including Perquisites)	9,87,371		3,26,764	
Mr. Prasenjit Promode Datta	Salary (Including Perquisites)			56,44,419	
Mr. Abhay Narendra Lodha	Sitting fees	1,50,000		1,10,000	
Mr. Satish Chandra Gupta	Sitting Fees	5,50,000		5,80,000	
Mr. Viresh Shankar Mathur	Sitting Fees	5,50,000		3,60,000	
Ms. Ankita Singh	Sitting Fees	2,00,000		90,000	
Mr. Jagannath Pandharinath Dange	Sitting Fees	5,50,000		5,80,000	

27. Particular of unhedged foreign currency exposure at reporting date 31.03.2018

	Particulars	(Amount in USD & EURO)	(Amount in INR)
a)	Import Creditors	\$ 73,51,903	₹47,81,97,956
b)	Import Creditors (Capital goods)	\$ 7,94,756	₹5,16,94,188
b)	Import Creditors (Capital goods)	£ 40,00,000	₹32,24,88,800
c)	Export Debtors	\$ 45,06,347	₹29,31,11,326
d)	Advance for Raw Material	\$ 57,125	₹37,17,400

28. Expenditure & Earning in Foreign currency.

	Particulars	(Amount In ₹)
a)	Foreign exchange earned:	₹14677
b)	Foreign Travelling Expenses:	₹56776

29. Previous year's figures re-classified/re-arranged/regrouped, wherever necessary, to correspond with the current period's classification/disclosure.

30. Amount is rounded off to the nearest rupee.

31. The company had written back a sum of ₹ 38,34,57,071.73 in the FY 2017-18 assuming that the same would not be payable to the creditors. The creditors are however pressing for payment and to ensure that no litigation ensues, the company has written back a sum of ₹ 38,34,57,071.73

32. Out of the total debtors of ₹ 3,88,58,95,461.47 as at March 31, 2018, management is in discussion with the debtors for expediting the recovery of outstanding amount. However the management expects the some amount may not be recovered from the debtors and hence amount of ₹ 3,58,85,05,416.68 has been provided for bad and doubtful debts



Notes forming part of the Financial Statements

33. The company has incurred substantial losses and its networth has been eroded. An insolvency professional has been appointed for initiation of corporate Insolvency Resolution Process (IRP) has been appointed as on 30th November 2017. The IRP has invited all prospective investors and other interested parties to put forward a resolution plan. Since the company is confident of resolution, the financial statements have been prepared on a going concern basis and no adjustments are required to the going concern assumption.

As per our report of even date annexed.

The accompanying notes 1 to 33 are integral part of the financial statements

As per our report of even date annexed.

For H.R. Agarwal & Associates

Chartered Accountants
Firm Regn.No. 323029E

Sd/-

CA. Shyam Sundar Agarwal

Partner
M. No. FCA 060033
Place : Mumbai
Date : 29th May 2018

For and on behalf of Board of Directors

Sd/-

Abhay Narendra Lodha
Director
DIN 00052194

Sd/-

Jagannath Dange
Independent Director
DIN 01569430

Sd/-

Jitendra Jain
Chief Financial Officer

Alok K Saxena

Resolution Professional
Reg. No.: IBBI/IPA-001/IP-P00056/2017-18/10134

Sd/-

Rahul Singh
Company Secretary

Notice

NOTICE is hereby given that the 26th Annual General Meeting of the members of **GUJARAT FOILS LIMITED** a company under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016, will be held at 3436-3439, Chhatral G.I.D.C Phase- IV, Taluka Kalol, Dist. Gandhinagar, Gujarat- 382729 on 29th day, of November, 2018 at 11.30 A.M. to transact the following businesses:

BACKGROUND:

The members are hereby informed that pursuant to the Order passed by Hon'ble National Company Law Tribunal - Ahmedabad Bench, at Ahmedabad ("NCLT Order"), dated 30th November, 2017, Corporate Insolvency Resolution Process ("CIR Process") has been initiated for the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code") and the related rules and regulations issued thereunder with effect from 30th November, 2017 (CIRP Commencement Date).

Mr. Alok Kailash Saxena was appointed as an Interim Resolution Professional in terms of the NCLT Order and subsequently he was appointed as Resolution Professional by the Committee of Creditors in its meeting held on 4th January, 2018 as per the provisions of the Code ("Resolution Professional"). Members are further informed that pursuant to Section 17 of the Code, during the continuation of CIR Process the powers of the Board of Directors of the Company ("Board of Directors") stand suspended effective from the CIRP Commencement Date and the powers of the Board of Directors and the management of affairs of the Company are vested in the Resolution Professional, viz., Mr. Alok Kailash Saxena ("Resolution Professional"). In view thereof, this Meeting is being called and convened by the Resolution Professional and just a compliance of Section 96 of Companies Act, 2013.

Further the moratorium period of the Company pursuant to the IBC Code of 180 days was completed on 28th May, 2018 and application for extension of Moratorium period of 90 days was made on 11th May, 2018 which was granted by Hon'ble NCLT Ahmedabad Bench on 28th May, 2018. Final Resolution Plan was placed before Committee of Creditors ("CoC") in CoC meeting dated 9th August, 2018 for their approval in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder. On account of less than 66% of the votes were being cast in favour of final resolution plan placed before CoC, moratorium period ended on 27th August, 2018. Henceforth Resolution Professional filed Application for liquidation with NCLT Ahmedabad Bench on 11th September, 2018.

ORDINARY BUSINESSES:

1. To receive, consider and adopt Audited Financial Statements of the Company for the financial year ended 31st March, 2018 together with the Report of the Board of Directors and the Auditors thereon;
2. To appoint a Director in place of Mr. Abhay Narendra Lodha (DIN:00052194), who retires by rotation and, being, eligible offers himself for re-appointment.

(His re-appointment on the Board is being part of compliance with section 152(6) of the Companies Act, 2013. However, the Board shall continue to remain suspended during the continuance of CIR Process.)

3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit to pass with or without modification, the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Resolution Professional, **M/s. J JAIN & Company.**, Chartered Accountants, Kolkata (having Firm Registration No 310064E), in place of outgoing Statutory Auditors viz., M/s. H.R. Agarwal & Associates, Chartered Accountants, (having Firm Registration No. 323029E), who holds office upto the conclusion of this Annual General Meeting, be and are hereby appointed as Statutory Auditors of the Company for a term of five (5) consecutive financial years commencing from the conclusion of this Annual General Meeting till the conclusion of Thirty One (31) Annual General Meeting at such remuneration and out- of -pocket expense, as may be mutually agreed between the Resolution Professional and the Statutory Auditors."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Resolution Professional and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may think necessary for the purpose of making this resolution effective."



SPECIAL BUSINESSES:

4. To approve the remuneration of the Cost Auditor for the Financial year ending 31st March, 2019 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or amendments thereof, for the time being in force), the remuneration of Rs. 1,00,000 (Rupees One Lakh only) plus applicable Taxes thereon and reimbursement of out of pocket expenses, if any, payable to M/s. S. K. Agarwal & Associates, Cost Accountants (Firm Registration No. 100322), as recommended by Resolution Professional be and are hereby approved by the Company for conducting Audit of the Cost Accounting Records of the Company for the financial year from April 01, 2018, till March 31, 2019, in terms of the Companies Act, 2013 and Rules framed thereunder, be and is hereby ratified.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Resolution Professional and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may think necessary for the purpose of making this resolution effective.”

5. To re-appoint Mr. Jagannath Pandhrinath Dange (DIN: 01569430) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other provisions of the Act, consent of the Company be and is hereby accorded to re-appoint Mr. Jagannath Pandhrinath Dange (DIN: 01569430) as an Independent Director of the Company with effect from 2nd August, 2018, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, who is not liable to retire by rotation who shall hold office for a one year term upto September 2019.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Resolution Professional and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may think necessary for the purpose of making this resolution effective.”

6. To re-appoint Ms. Ankita Singh (DIN: 07038161) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other provisions of the act, consent of the Company be and is hereby accorded to reappoint Ms. Ankita Singh (DIN: 07038161) as an Independent Director of the Company with effect from 2nd August, 2018, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, who is not liable to retire by rotation who shall hold office for a one year term upto September 2019.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Resolution Professional and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may think necessary for the purpose of making this resolution effective.”

7. To re-appoint Mr. Viresh Shankar Mathur (DIN: 01382982) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other provisions of the act, consent of the Company be and is hereby accorded to reappoint Mr. Viresh Shankar Mathur (DIN: 01382982) as an Independent Director of the Company with effect from 2nd August, 2018, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, who is not liable to retire by rotation who shall hold office for a one year term upto September 2019.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Resolution Professional and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may think necessary for the purpose of making this resolution effective.”

By Order of the Resolution Professional

Rahul Singh
Company Secretary
Membership No: F6469

Place: Mumbai

Date: 30th October, 2018

Registered Office:

Plot no 3436-3439, Chhatral, G.I.D.C.,
Phase IV, Taluka-Kalol, Dist-Gandhinagar,
Gujarat – 382729
CIN- L28999GJ1992PLC018570
Tel- +91-2764-233657
Fax- +91-2794-233657
Email- secretarial@topworthgroup.com
Website- <http://www.gujaratfoils.com>

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THEN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS / AUTHORITY, AS APPLICABLE. **A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.**
2. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
3. Corporate Members intending to send their authorized representative to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company a certified true copy of Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated, are provided in the Corporate Governance Report forming part of the Annual Report.
5. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 21st November, 2018 to 29th November, 2018 (both days inclusive) in the terms of the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations 2015 for the purpose of the Annual General Meeting.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.



9. The Annual Reports will also be available on the website of the Company <http://www.gujaratfoils.com> in the investor section.
10. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company Secretary of the Company at least seven days in advance of the meeting so that the information required may be made readily available at the meeting.
11. Shareholders who are holding shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address or updation thereof to the Company's Registrar and Share Transfer Agent. Shareholders whose shareholding is in electronic format are requested to direct change of address notifications, registration of e-mail address and updation of bank account details to their respective depository participant.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, 506 To 508, 5th Floor, Amarnath Business Centre 1, H L College Road, Navrangpura, Near St Xaviers College Corner, Beside Gala Business Centre, Ahmedabad - 380009, for consolidation into a single folio.
13. Statutory registers and documents referred to in the notice and explanatory statement are open for inspection at the Corporate office of the Company on all working days (except Sunday and Public Holiday) between 11.00 a.m. and 1.00 p.m. and will also be available for inspection at the meeting.
14. Physical copies of the Notice of 26th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members in the permitted mode.
15. Non-resident Indian members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately.
16. The change in the residential status on return to India for permanent settlement.
17. The particulars of the NRE Account with a Bank in India, if not furnished earlier.
18. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime (India) Private Limited (LIPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to LIPL.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Private Limited (Registrar and Transfer Agent).
20. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the Regulation 31(1)(b) of the SEBI (LODR) Regulation, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, Resolution(s) passed by Members through e-voting is deemed to have been passed as if they have been passed at the AGM.

21. Voting through electronic means

The Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. If a member has opted for e-voting, then he/she should not vote physically and vice-a-versa.

Instructions for members for e-voting are as under:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobile. The m-voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.



- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to <mailto:helpdesk.evoting@cdslindia.com> marking Mr Mehboob Lakhwani as the concerned person. In case any query faced by shareholders than they may contact on 022 23058542.
1. The e-voting period commences on 26th November, 2018 (9:00 am) and ends on 28th November, 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th November, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 2. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 20th November, 2018.
 3. Mr. Umesh Ved, Company Secretary (Membership No. 4411) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 4. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 5. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.gujaratfoils.com within two days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.
 6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m (except Sunday and Public Holiday) up to the date of the Annual General Meeting of the Company.

By Order of the Resolution Professional

Rahul Singh
Company Secretary
Membership No: F6469

Place: Mumbai

Date: 30th October, 2018

Registered Office:

Plot no 3436-3439, Chhatral, G.I.D.C.,
Phase IV, Taluka-Kalol, Dist-Gandhinagar,
Gujarat – 382729

CIN- L28999GJ1992PLC018570

Tel- +91-2764-233657

Fax- +91-2794-233657

Email- secretarial@topworthgroup.com

Website- <http://www.gujaratfoils.com>

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Name of Director	Mr. Abhay Narendra Lodha (DIN 00052194)	Mr. Jagannath Pandhrinath Dange (DIN: 01569430)	Ms. Ankita Singh (DIN: 07038161)	Mr. Viresh Shankar Mathur (DIN 01382982)
Date of Birth	01/06/1971	01/06/1951	28/02/1991	09/03/1946
Date of initial Appointment	14/07/2008	05/03/2015	23/09/2015	14/08/2012
Expertise in specific functional areas	Entrepreneur, wide 18 years of experience in technical, operational & manufacturing on any Industry	40 years of experience at different positions of Government of Maharashtra	Expert in practice of Corporate Law, Intellectual Property Law, Media & Civil Litigation	Mr. Viresh Shankar Mathur is an expert in the field of Income Tax. He has served Indian Revenue Service for about 36 years and worked in practically all areas in the Income Tax Department. His last assignment was as Director General (Systems), Income Tax Department. He was also deputed as Under Secretary, CBDT, Ministry of Finance for about 3 Years and deputed as Director and Controller of Aluminium, Ministry of Steel and Mines, New Delhi for about 6 years.
Qualifications	B.Com, LL.B	IAS, LL.B, M.Sc (Diploma).	LL.B, Masters in Intellectual Property Rights	M.A.,Fiscal Studies (Diploma) from University of Bath (U.K.)
Directorships held in other Public Companies (excluding Foreign Companies, Private Companies and Section 8 Companies).	NIL	1. Lloyds Metals and Energy Limited 2. Mitcon Consultancy & Engineering Services Limited	NIL	1. Mashobra Resort Limited 2. Emmsons International Limited 3. Prudent Arc Limited (w.e.f 18.06.2018)
Memberships/ Chairmanships of committees (Audit Committee and Stakeholders' Relationship Committee) across other Public Companies.	NIL	1. Chairman of Audit Committee in Mitcon Consultancy & Engineering Services Limited 2. Member of nomination & Remuneration Committee in Mitcon Consultancy & Engineering Services Limited	NIL	1. Member of Audit Committee and member of Nomination and Remuneration Committee of Mashobra Resort Limited. 2. Member of Audit Committee and Chairman of Nomination and Remuneration Committee in Emmsons International Limited
Shareholdings in the Company	20,13,104	NIL	NIL	NIL

Note:

For other details in respect of Mr. Abhay Narendra Lodha, Mr. Jagannath Dange, Ms. Ankita Singh and Mr. Viresh Shankar Mathur please refer to Corporate Governance Report.



Annexure to Notice

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

Pursuant to Section 148 of the Companies Act, 2013 (“the Act”) read along with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company is required to have the audit of its cost records for specified products conducted by a Cost Accountant in Practice. Based on the recommendation the Resolution Professional, had on 30th July, 2018, approved the appointment and remuneration of M/s. S. K. Agarwal & Associates, the Cost Auditors (Firm Registration No. 100322) to conduct the audit of the Cost records maintained by the Company, pertaining to the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year ending 31st March, 2019 at a remuneration of ₹ 1,00,000/- (Rupees One Lakhs).

Based on the recommendations, the Resolution Professional has also approved the Appointment of M/s. S. K. Agarwal & Associates for submission of reports to the Company on cost records pertaining to these activities for a remuneration of ₹ 1,00,000/- (Rupees One Lakh) for the said financial year.

In accordance with the provisions of Section 148 of the Act read along with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the said financial year by way of an Ordinary Resolution is being sought from the Members as set out at Item No. 4 of the Notice.

M/s. S. K. Agarwal & Associates have furnished a certificate dated 5th April, 2018 regarding their eligibility for appointment as Cost Auditors of the Company.

The Resolution Professional commends the Appointment set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

ITEM NO. 5

Pursuant to Section 149(10), 152 of the new Companies Act, 2013 (the ‘Act’) read with Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director shall be appointed pursuant to the provisions of new Companies Act, 2013.

Mr. Jagannath Pandhrinath Dange (DIN:01569430) has given his consent to act as Independent Director and also not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013. Further, the Company has received a notice from members proposing the candidature of Jagannath Pandhrinath Dange (DIN: 01569430) for the Office of the Director of the Company.

The Company has received the declaration from the aforesaid Director that he meets the criteria of Independence as prescribed in Section 149 (6) of the Companies Act, 2013 and the Resolution Professional is of the opinion that the aforesaid Director fulfills the conditions for his appointment as Independent Director.

In view of same, Mr. Jagannath Pandhrinath Dange (DIN:01569430), Independent Director of the Company is proposed to be re-appointed as Independent Director not liable to retire by rotation for a term of one year.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 except Mr. Jagannath Pandhrinath Dange (DIN:01569430), Independent Director, The Resolution Professional commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholder.

ITEM NO. 6

Pursuant to Section 149(10), 152 of the new Companies Act, 2013 (the ‘Act’) read with Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director shall be appointed pursuant to the provisions of new Companies Act, 2013.

Ms. Ankita Singh (DIN: 07038161) has given her consent to act as Independent Director and also not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013. Further, the Company has received a notice from members proposing the candidature of Ms. Ankita Singh (DIN: 07038161) for the Office of the Director of the Company.

The Company has received the declaration from the aforesaid Director that she meets the criteria of Independence as prescribed in Section 149 (6) of the Companies Act, 2013 and the Resolution Professional is of the opinion that the aforesaid Director fulfills the conditions for her appointment as Independent Director.

In view of same, Ms. Ankita Singh (DIN: 07038161), Independent Director of the Company is proposed to be re-appointed as Independent Director not liable to retire by rotation for a term of one year.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 except Ms. Ankita Singh (DIN: 07038161), Independent Director, The Resolution Professional commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholder.

ITEM NO. 7

Pursuant to Section 149(10), 152 of the new Companies Act, 2013 (the 'Act') read with Companies (Appointment and Qualification of Directors), Rules 2014, an Independent Director shall be appointed pursuant to the provisions of new Companies Act, 2013.

Mr. Viresh Shankar Mathur (DIN: 01382982) has given his consent to act as Independent Director and also not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013. Further, the Company has received a notice from members proposing the candidature of Mr. Viresh Shankar Mathur (DIN: 01382982) for the Office of the Director of the Company.

The Company has received the declaration from the aforesaid Director that he meets the criteria of Independence as prescribed in Section 149 (6) of the Companies Act, 2013 and the Resolution Professional is of the opinion that the aforesaid Director fulfills the conditions for his appointment as Independent Director.

In view of same Mr. Viresh Shankar Mathur (DIN: 01382982), Independent Director of the Company is proposed to be re-appointed as Independent Director not liable to retire by rotation for a term of one year.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 except Mr. Viresh Shankar Mathur (DIN: 01382982), Independent Director, The Resolution Professional commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholder.

By Order of the Resolution Professional

Rahul Singh
Company Secretary
Membership No: F6469

Place: Mumbai

Date: 30th October, 2018

Registered Office:

Plot no 3436-3439, Chhatral, G.I.D.C.,
Phase IV, Taluka-Kalol, Dist-Gandhinagar,
Gujarat – 382729
CIN- L28999GJ1992PLC018570
Tel- +91-2764-233657
Fax- +91-2794-233657
Email- secretarial@topworthgroup.com
Website- <http://www.gujaratfoils.com>



GUJARAT FOILS LIMITED

Regd. Office: 3436-3439, Chhatral, G.I.D.C., Phase-IV, Taluka: Kalol, District: Gandhinagar, Gujarat-382729.
CIN:L28999GJ1992PLC018570

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP ID*	
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Folio No.	
-----------	--

Client ID*	
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No. of shares	
---------------	--

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **26th ANNUAL GENERAL MEETING** of the Company held on **Thursday, 29th November, 2018** at 11:30 a.m. at **3436-3439, Chhatral G.I.D.C. Phase – IV, Taluka-Kalol, Dist. Gandhinagar, Gujarat – 382729.**

Signature of Shareholder / proxy

* Applicable for investors holding shares in electronic form.



GUJARAT FOILS LIMITED

Regd. Office: 3436-3439, Chhatral, G.I.D.C., Phase-IV, Taluka: Kalol, District: Gandhinagar, Gujarat-382729.
CIN:L28999GJ1992PLC018570

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:	
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I/We, being the member(s) of shares of Gujarat Foils Limited, hereby appoint:

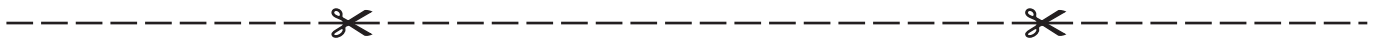
- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **26th Annual General Meeting** of the Company, to be held on **Thursday, 29th November, 2018 at 3436-3439, Chhatral G.I.D.C. Phase – IV, Taluka-Kalol, Dist. Gandhinagar, Gujarat – 382729** and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Item No.	Resolutions	For	Against
1	To receive, consider and adopt Audited Financial Statements of the Company for the Financial Year ended March 31, 2018, together with the Report of the Board of Directors and the Auditors thereon		
2	To appoint a Director in place of Mr. Abhay Narendra Lodha, (DIN:00052194) who retires by rotation and, being, eligible offers himself for re-appointment.		
3	To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit to pass with or without modification, the following resolution, as an Ordinary Resolution		
4	To approve the remuneration of Cost Auditor for the financial year ending March 31, 2019		
5	To reappoint Mr. Jagannath Dange (DIN: 01569430) as an Independent Director.		
6	To reappoint Ms. Ankita Singh (DIN 07038161:) as an Independent Director.		
7	To reappoint Mr. Viresh Shankar Mathur (DIN: 01382982) as an Independent Director.		

* Applicable for investors holding shares in electronic form.



Affix a
1 rupee
Revenue
Stamp

Signed this..... day of.....2018

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (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) **A Proxy need not be a member of the Company.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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.
- ** (4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



GUJARAT FOILS LIMITED

Regd. Office: 3436-3439, Chhatral, G.I.D.C., Phase-IV, Taluka: Kalol, District: Gandhinagar, Gujarat - 382729.

Corporate Office Address: Ceejay House, 3rd Floor, Dr. Annie Besant Road, Opp. Atria Mall,
Worli, Mumbai- 400018 India

Tel.: +91 2764 233656, **Website:** www.gujaratfoils.com

CIN: L28999GJ1992PLC018570

BALLOT FORM

1.	Name and Registered Address of the sole/first named Member				
2.	Name[s] of the Joint Holder[s] [if any]				
3.	Registered folio No / DP ID No and Client ID No				
4.	Number of Shares held				
5.	EVSN[e-voting Number]				
6.	I /We hereby exercise my /our vote[s] in respect of the Resolutions set out in the Notice of the 26 th Annual General Meeting of the Company to be held on Thursday, 29 th November, 2018 and at any adjournment thereof by my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below :				
Item No.	Description of Resolution	Type of Resolution	Number of share	For	Against
1.	To receive, consider and adopt Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Board of Directors and the Auditors thereon	ORDINARY			
2.	To appoint a Director in place of Mr. Abhay Narendra Lodha,(DIN:00052194) who retires by rotation and, being, eligible offers himself for re-appointment.	ORDINARY			
3.	To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit to pass with or without modification, the following resolution, as an Ordinary Resolution	ORDINARY			
4.	To approve the remuneration of Cost Auditor for the financial year ending March 31, 2019	ORDINARY			
5.	To reappoint Mr. Jagannath Dange (DIN: 01569430) as an Independent Director	ORDINARY			
6.	To reappoint Ms. Ankita Singh(DIN: 07038161) as an Independent Director	ORDINARY			
7.	To reappoint Mr. Viresh Shankar Mathur (DIN: 01382982) as an Independent Director.	ORDINARY			

Place : _____

Date : _____

(Signature of Member)

INSTRUCTIONS:

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A member desirous of exercising his/her vote at Poll should complete this Ballot Form in all respects and drop the same in the designated ballot box within the time designated, if any, for voting. Any Ballot Forms received/deposited after the designated time will be treated as 'invalid' as if the same has not been received /deposited.
3. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. In the event a member casts votes by both modes i.e. E-voting and ballot form, then voting done through e-voting shall prevail and Ballot will be ignored.
4. The Form should be signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by such joint holder who is higher in the order of names and he or she will be entitled to vote. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the Registration Number of the POA registered or enclosing an attested copy of the POA. (Exercise of vote by Ballot is not permitted through proxy).
5. In case the shares are held by companies, trusts, societies, etc the duly completed Ballot form should be accompanied by a certified true copy of the relevant Board Resolution /Authorisation.
6. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 20th September, 2018 as per the Register of Members of the Company.
7. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the Ballot.
8. The Board of Directors of the Company has appointed Mr Umesh Ved, Practicing Company Secretary, (C P No. 2924) as the Scrutinizer.
9. Ballot Form incomplete in any respect is liable to be treated as invalid.
10. The decision of the Scrutinizer of the validity of the Ballot Form and any other related matter shall be final. The Chairman's decision on the regulation and validity of a poll process will be final.
11. The results declared along with the scrutinizer's Report shall be placed on the company's website www.gujaratfoils.com within two days of the passing of the Resolutions at the AGM of the Company on 29th November, 2018 and also communicated to the BSE Limited where the shares of the company are listed.





If undelivered please return to:

Gujarat Foils Ltd.

(Secretarial Department)

Corporatate Off.: Ceejay House, 3rd Floor, office no. 308, Dr. A.B. Road, Opp. Atria Mall,
Worli, Mumbai – 400 018, Maharashtra • Website: www.gujaratfoils.com

CIN No.: L28999GJ1992PLC018570