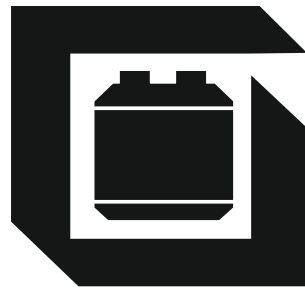


24th Annual Report 2015-16



Gujarat Containers Limited

An ISO 9001 : 2008 Certified Company

TWENTY FOURTH ANNUAL REPORT 2015-2016**Corporate Information****Board of Directors:**

Kiran Arvindlal Shah	:	Chairman & Managing Director
Pravin Hiralal Shah	:	Whole Time Director
Abji Vishram Patel	:	Whole Time Director (up to 08/08/2015)
Dinesh Kamdar	:	Independent Director
Udaybhai Premjibhai Madhwani	:	Independent Director
Nitin Jamnadas Thakkar	:	Independent Director (up to 08/08/2015)
Neha Vivek Vora	:	Executive Director (w.e.f . 08/08/2015)
Divyakant R. Zaveri	:	Independent Director (w.e.f. 08/08/2015)

Key Managerial Personnel

Neil Kiran Shah	:	Chief Finance Officer (CFO)
Kapil Dighe	:	Company Secretary (up to 30/11/2015)
Nitin Mistry	:	Company Secretary (w.e.f.13/08/2016)

Bankers	:	State Bank of India Specialized Commercial Branch, 2nd Floor, Trident Complex, Race Course, Vadodara – 390 023.
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Auditors	:	M/s. V K Shashtri & Co. Chartered Accountants
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Registered Office	:	Plot no. 488-489, Baroda – Savli Highway, Vill. Tundav, Tal. Savli Dist. Vadodara – 391 775 Phone : +91(2667) 262084, 262220.
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Corporate Office	:	201-202, Alkapuri Arcade “B” Wing, R.C. Dutt Road, Opp. Welcome Hotel, Vadodara – 390 007 Phone : 91-(0265) 2341265 , 2331965 Fax : +91(0265) 2341264 Email : info@gujaratcontainers.com
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Company Website	:	<u>www.gujaratcontainers.com</u>
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Registrar & Share Transfer Agent	:	M/s. MCS Share Transfer Agent Ltd Neelam Apartment, 88, Sampatrao Colony Behind Standard Chartered Bank Alkapuri, Vadodara - 390 007 Phone : (0265) 2339397 Fax : (0265) 2341639 Email : mcltdbaroda@yahoo.com
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NOTICE

Notice is hereby given that the 24th Annual General Meeting of **Gujarat Containers Limited** will be held on Friday, the 30th September, 2016 at 11.00 a.m. at its Registered Office at Plot No.488/489, Savli Highway, Village: Tundav, Taluka: Savli, Dist. Vadodara (Gujarat) to transact the following business.

Ordinary Business :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the reports of the Board of Director and Auditors thereon.
2. Ratification of Appointment of Auditors

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 139 , 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 including any amendment, modification, or variation thereof, the Company hereby ratifies the appointment of M/s. V.K Shastri & Co., Chartered Accountants (Firm Registration No. 113325W) as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 25th Annual General Meeting of the Company to be held in the year 2017, to examine and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Special Business :

3. **To appoint Mr. Dinesh Kamdar (DIN: 01657591) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Special Resolution :**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mr. Dinesh Kamdar (DIN: 01657591), who meets the criteria for independence as provided in Section 149(6) of the Act as an Independent Director, be and is hereby appointed for second term as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to September 30, 2021.”

4. **To appoint Mr. Udaybhai Premjibhai Madhwani (DIN: 01842773) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Special Resolution :**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mr. Udaybhai Premjibhai Madhwani (DIN: 01842773), who meets the criteria for independence as provided in Section 149(6) of the Act as an Independent Director, be and is hereby appointed for second term as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to September 30, 2021.”

5. **To appoint Mr. Divyakant Ramniklal Zaveri (DIN: 01382184) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Special Resolution :**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Divyakant Ramniklal Zaveri (DIN: 01382184), who meets the criteria for independence as provided in Section 149(6) of the Act as an Independent Director, be and is hereby appointed for First term

as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to September 30, 2021.”

6. To re-appoint Mr. Pravin Hiralal Shah (DIN: 01881862) as a Whole Time Director and payment of remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Article 79 of the Article of Association of the Company and any other applicable provision of Article of Association of the Company, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Pravin Hiralal Shah (DIN: 01881862), as Whole Time Director of the Company for a period of three years commencing from April 1, 2016, liable to retire by rotation, on the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the Explanatory Statement annexed to the Notice.”

“RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mr. Pravin Hiralal Shah, the remuneration mentioned in the above referred Explanatory Statement, shall be paid to Mr. Pravin Hiralal Shah as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013, for the payment of remuneration as minimum remuneration to Mr. Pravin Hiralal Shah.”

“RESOLVED FURTHER that the Board of Directors, be and is hereby authorized to alter or vary the scope of remuneration of Mr. Pravin Hiralal Shah, Whole Time Director, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.”

Date: 13-08-2016

Place: Vadodara

By Order of the Board of Directors,

**Nitin Mistry
Company Secretary**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
A person can act as a proxy on behalf of members, not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company, carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution together with Specimen signatures of those representative(s) authorised under said resolution to attend and vote on their behalf at the Meeting.
3. 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 under Regulation 36(3) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015 with the Stock Exchange, are provided in the Corporate Governance Report forming part of the Annual Report.
4. Explanatory statement under Section 102 of the Companies Act, 2013 in respect of Special Business is annexed hereto.
5. Members are requested to:
 - (a) bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
 - (b) quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.

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. Annual Report and AGM Notice is available at the website of the Company at www.gujaratcontainers.com in the Investor Desk.
8. **The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 24th September, 2016 to Friday, the 30th September, 2016 (both days inclusive) for the purpose of Annual General Meeting.**
9. Relevant documents referred to in the accompanying Notice and the Statement is kept open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
10. Members desirous of obtaining any information in respect of Accounts of the Company are requested to send their queries in writing to the company at its Registered Office so as to reach at least seven days before the date of the meeting.
11. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
12. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
13. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2015-16 will also be available on the Company's website viz. www.gujaratcontainers.com.
14. The route map showing directions to reach the venue of the 24th AGM is annexed.
15. Members, desiring any information relating to the accounts, are requested to write to the Company 10 days prior to the date of meeting so as to enable the management to keep the information ready.
16. **Voting through electronic means:**
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 24th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting through ballot/polling paper shall be made available at the venue of the 24th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mr. Jayesh Vyas of M/s. Jayesh Vyas & Associates, Practicing Company Secretary, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The instructions to members for voting electronically are as under :-

- (i) The voting period begins on **Tuesday, 27th September, 2016 at 9.00 a.m. and ends on Thursday, 29th September, 2016 at 5.00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **24th September, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on **Thursday, 29th September, 2016**.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID;
 - a. For CDSL : 16 digits beneficiary ID;
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID;

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

	For Members holding shares in demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number 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 member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Gujarat Containers Ltd.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If demat account holder has forgotten the 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.
- (xviii) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate,s.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details

Company	:	Gujarat Containers Limited Regd. Office: Plot No 488/489 Savli Highway, Village: Tundav, Tal: Savli Dist : Vadodara Telephone : (0265) 2280180/81, Tel. Fax : (0265) 2280027 E-mail : deepak.patel@gujaratcontainers.com Website : www.gujaratcontainers.com
CIN	:	L28120GJ1992PLC017081
Registrar of Share Transfer Agent	:	MCS Share Transfer Agent Ltd. 10, Aaram Apratment, 12, Sampatrao colony, Vadodara – 390 007 Tel (0265) 2314757, Fax (0265) 2341639 mcsltdbaroda@yahoo.com
E-Voting Agency	:	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com
Scrutinizer	:	CS Jayesh Vyas Practicing Company Secretary E-mail ID: cs.jayeshvyas@hotmail.com Phone: 09376212649

Important Communication to Members.

Pursuant to Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, and under regulation 36 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015, Annual Report of the Company has been sent through email to those members whose email ID is registered with the Company / Depository. In case any member wants a physical copy of the Annual Report he may write to the Company Secretary / RTA.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESS ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESS EITHER WITH THE DEPOSITORIES OR WITH THE COMPANY.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act") :**Item No. 3:**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Dinesh Kamdar (DIN: 01657591), be appointed as an Independent Director of the Company for Second Term. The appointment of Mr. Dinesh Kamdar shall be effective upon approval by the members in the Meeting.

Mr. Dinesh Kamdar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Dinesh Kamdar that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 25 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015. In the opinion of the Board, Mr. Dinesh Kamdar, fulfills the conditions for his appointment as an Independent Director as specified in the Act and under Regulation 25 (2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015. Mr. Dinesh Kamdar is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Mr. Dinesh Kamdar

Mr. Dinesh Kamdar is B.Com; B.A. (Hons.) and C.A.IIB. having 35 Years of rich experience in Banking and 10 Years of Experience in Manufacturing Sector. He does not hold any shares of the Company in his name. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Dinesh Kamdar is appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Dinesh Kamdar as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. This Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015. Save and except Mr. Dinesh Kamdar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other 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. 3 of the Notice.

Item No. 4:

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Udaybhai Premjibhai Madhwani (DIN: 01842773), be appointed as an Independent Director of the Company for Second Term. The appointment of Mr. Udaybhai Premjibhai Madhwani shall be effective upon approval by the members in the Meeting.

Mr. Udaybhai Premjibhai Madhwani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Udaybhai Premjibhai Madhwani that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 25 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015. In the opinion of the Board, Mr. Udaybhai Premjibhai Madhwani, fulfills the conditions for his appointment as an Independent Director as specified in the Act and under clause 25 (2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015. Mr. Udaybhai Premjibhai Madhwani is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Mr. Udaybhai Premjibhai Madhwani

Mr. Udaybhai Premjibhai Madhwani is Diploma Electrical Engineers having 28 years Experience in running of the Industries. He does not hold any shares of the Company in his name. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Udaybhai Premjibhai Madhwani is appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Udaybhai Premjibhai Madhwani as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. This Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015. Save and except Mr. Udaybhai Premjibhai Madhwani and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other 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. 4 of the Notice.

Item No. 5 :

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Divyakant Ramniklal Zaveri (DIN: 01382184), be appointed as an Independent Director of the Company. The appointment of Mr. Divyakant Ramniklal Zaveri is effective from 8th August, 2015.

Mr. Divyakant Ramniklal Zaveri is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Divyakant Ramniklal Zaveri that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under under Clause 25 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015. In the opinion of the Board, Mr. Divyakant Ramniklal Zaveri fulfills the conditions for his appointment as an Independent Director as specified in the Act and under clause 25 (2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015, Mr. Divyakant Ramniklal Zaveri is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Mr. Divyakant Ramniklal Zaveri

Mr. Divyakant Ramniklal Zaveri is Bachelor of Commerce and Chartered Accountant having 37 years of in depth experience in the field of Accounts, Finance, Taxation and Corporate Management. He does not hold any shares of the Company in his name. Keeping in view his vast expertise and knowledge in corporate Affairs, it will be in the interest of the Company that Mr. Divyakant Ramniklal Zaveri is appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Divyakant Ramniklal Zaveri as an Independent Director setting out the terms and conditions is available for inspection by members at

the Registered Office of the Company. This Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015. Save and except Mr. Divyakant Ramniklal Zaveri and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other 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 of the Notice.

Item No. 6 :

The Nomination & Remuneration Committee and the Board at its respective meetings held on February 13, 2016, after taking into consideration the vast and valuable experience of Mr. Pravin Hiralal Shah and progress made by the Company under his leadership approved his reappointment as the Whole Time Director of the Company for a further period of 3 years with effect from April 1, 2016, on the terms and conditions stated in the draft agreement as approved by the Nomination and Remuneration Committee in terms of provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, subject to the approval of the Shareholders and such other approval as may be required.

Mr. Pravin Hiralal Shah is a Graduate in Commerce from Graduate from M. S University. He has Expertise in specific functional areas of Manufacturing (Galvanising) and Purchase and Material Management. He has an overall experience of 37 years in Technical & Commercial activities in the Company. He possesses good Managing abilities and competence therein.

In compliance with the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the appointment and payment of remuneration to Mr. Pravin Hiralal Shah are now being placed before the members for their approval. The abstract of the terms and conditions contained in the agreement is as under:

(A) Salary : Rs.43,250 per month

(B) Perquisites :

- Medical Reimbursement: As per the policy applicable to the Senior Manager of the Company , as amended from time to time.
- Leave: As per the leave policy applicable to the Senior Manager of the Company, as amended from time to time.
- Leave Travel Allowance: As per the policy applicable to the Senior Manager of the Company, as amended from time to time.
- Medical Insurance: As per the policy applicable to the Senior Manager of the Company as amended from time to time.
- Provident Fund, Superannuation and Gratuity: As per the scheme applicable to the Senior Manager of the Company as amended from time to time.
- Such other perquisites, benefits and allowances in accordance with the scheme applicable to the Senior Manager of the Company as amended from time to time or as may be agreed by the Board.
- Reimbursement of entertainment expenses : He shall be reimbursed all entertainment expenses that he may incur for the business and in the course of business of the Company.
- Sitting fees : He shall not be entitled to sitting fees for Meetings of the Board/ Committees of the Board attended by him.
- Agreement is terminable by either party giving , (1) month advance notice in writing to the other party or by making a payment of equivalent salary in lieu thereof.
- However, the Company may terminate this Agreement forthwith by notice in writing to Mr. Pravin Hiralal Shah, if he shall become bankrupt or make any composition or arrangement with his creditors or if he shall cease to be a Director or shall commit a breach of any of the terms, conditions and stipulations herein contained and on his part to be observed and performed.

- During his term, Mr. Pravin Hiralal Shah shall abide by the provisions of the Company Code of Conduct and the core policies in spirit and in letter and commit to assure its implementation.
- This agreement is subject to the jurisdiction of the Courts of Vadodara.
- During the tenure of his appointment as a Whole time Director, he shall be liable to retire by rotation.

Considering his educational qualification, wide and varied experience and business acumen, long service with the Company the Board considers that his association with the Company in the capacity of the Whole Time Director, will immensely benefit the Company.

The agreement between the Company and Mr. Pravin Hiralal Shah is available for inspection by the members of the Company at its Registered Office between 3.00 p.m. and 5.00 p.m. on any working day of the Company.

None of the Directors / Key Managerial Personnel / their relatives, except himself, is concerned or interested in any way in passing of the resolution as set out at Item No. 6 of the Notice.

The Board recommends the resolution at Item No.6 of the accompanying Notice for approval and adoption.

Date: 13-08-2016

Place: Vadodara

By Order of the Board of Directors,

Nitin Mistry
Company Secretary

**Details Of Directors Seeking Appointment / Re-Appointment at the Annual General Meeting
(Pursuant to SEBI (LODR) Regulation, 2015)**

Name	Mr. Dinesh Kamdar	Mr. Udaybhai Premjibhai Madhwani	Mr. Divyakant Zaveri	Mr. Pravin Shah
DIN	01657591	01842773	01382184	01881862
Date of Birth	06/11/1943	19/03/1964	28/06/1948	02/06/1952
Date of Appointment	17/01/2011	17/01/2011	08/08/2015	02/11/1992
Qualifications	B.Com. B.A. CA, IIB	Diplome Electrical Engineer	B.Com. (Hons.) Chartered Accountant	B.Com.
Expertise in specific functional areas	In all 45 Years of Experience; 35 Years experience in Banking Finance & 10 Years in Manufacturing Sector.	Manufacturing & Technical areas of Operation	Accounts, Finance, Taxation & Corporate Management	Technical & Commercial
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1	None	2	None
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.	None	None	02	None
Number of shares held in the Company	0	0	0	49,900

BOARD'S REPORT

To,
The Members,
Gujarat Containers Limited.

Your Board of Director's are pleased to present the 24th Annual Report and the Company's audited financial statement for the financial year ended March 31, 2016.

1. Financial Statements : (Rs. in Lacs)

Particulars	Year ended 31 st March, 2016	Year ended 31 st March, 2015
Revenue from Operations	5,039.09	5507.89
Other Incomes	5.27	10.72
Total Revenue	5,044.36	5518.61
Profit before Interest, Depreciation & Tax	403.81	449.16
Less: Finance Cost	259.94	291.32
Less: Depreciation & Amortization Expense	73.76	91.99
Add: Exceptional / Prior period adjustment	13.90	(2.26)
Less : Provision for Taxation	20.29	24.87
Add: Provision for Deferred Tax	1.59	4.13
Net Profit	65.31	42.85

2. Dividend :

During the year under review, the Company has decided to plough back the profit for the ongoing expansion and modernization activities of the Company. The Board therefore, does not recommend payment of any dividend for the year under review.

3. Transfer to Reserve :

The Company does not propose to transfer any sum to the General Reserve of the Company.

4. Financial Performance and Operational Review :

During the financial year 2015- 2016,

- Net Sales (excluding Excise Duty) of the Company for the year under review, is Rs. 5,039.09/- Lacs as compared to Rs. 5,507.89/- Lacs in the previous year, which show decrease by 8.51%, compared to previous year.
- Net Profit after Tax, increased to Rs. 65.31 Lacs as against Net Profit of Rs. 42.86 Lacs of the previous year showing an increase of 52.38%.

The Company has been, putting its best endeavors to continue to stabilize its quality of the products manufactured and to bring efficiency, at all the level of operations, by minimizing operational cost, to the extent possible.

5. Change in the nature of business :

During the year under review, there was no change in the nature of the business of the Company.

6. Significant and Material Orders Passed by the Regulators or Courts:

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

7. Subsidiary Companies:

During the year under review, the Company does not have any subsidiary company.

8. Adequacy of internal financial controls :

The Company has in placed adequate and effective Internal Financial Controls with reference to financial statements. During the year, such controls were tested and upgraded and no reportable material weaknesses in the design or operation were observed.

9. Particulars of Loans, Guarantees or Investments :

During the year under review, your Company has not directly or indirectly -

- given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials, if any;
- given any guarantee or provided security in connection with a loan to any other body corporate or person; and
- acquired by way of subscription, purchase or otherwise, the securities of any other body corporate.

10. Particulars of Contracts or Arrangements with Related Parties :

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (www.gujaratcontainers.com).

All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee and the Board on an annual basis for repetitive transactions.

Related party transactions under Accounting Standard – AS 18 are disclosed in the notes to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as **Annexure – B** to this report.

11. 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 annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- 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 March 31, 2016 and of the Profit of the Company for the year ended on that date;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the this 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 that such internal financial controls are adequate and are operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. Directors and Key Managerial Personnel :

During the year under review, following changes occurred in the position of Directors & KMPs of the Company :

- Mr. Nitin Thakkar and Mr. Abji Vishram Patel ceased to be Directors of the Company on resignation, due to their pre-occupation from 8th August, 2015.
- Mr. Divyakant Ramniklal Zaveri was appointed as an Independent Director of the Company on 8th August, 2015 in the causal vacancy caused by resignation of Mr. Nitin Thakkar, in terms of the provisions of Section 149 of the Act.
- Mrs. Neha Vivek Vora was appointed as a Whole Time Director designated as Executive Director of the Company from 8th August, 2015 in the causal vacancy caused by resignation of Mr. Abji Vishram Patel.
- Mr. Dinesh Kamdar and Mr. Udaybhai Premjibhai Madhwani are being re-appointed as Independent Directors at the ensuing Annual General Meeting for Second Term of further period of 5 years with effect from 1st October, 2016, whose first terms expire at the ensuing AGM. Necessary resolutions in this regard, are being proposed at the ensuing Annual General Meeting for consideration and approval of the Members. They have submitted declarations that both they meet the criteria of independence as provided in Section 149(6) of the Act and that there has been no change in the circumstances which may affect their status as Independent Director of the Company.

During the year, none of the Non-Executive Directors of the Company, had any pecuniary relationship or transactions with the Company.

Key Managerial Personnel:

During the year under report, following persons were the Key Managerial Personnel of the Company :

- | | |
|----------------|--------------------------------|
| Mr. Kiran Shah | - Chairman & Managing Director |
| Mr. Neil Shah | - Chief Finance Officer |

Mr. Kapil K. Dighe - Company Secretary & Compliance Officer

Mr. Kapil Dighe was appointed as a Company Secretary and Compliance Officer of the Company on August 8, 2015 and resigned on November 30, 2015. However, despite of best efforts, the Company could not appoint suitable qualified person was appointed as a Company Secretary, as per the requirements of the Companies Act, 2013, till August 13, 2016.

Events occurring after close of Financial Year :

Mr. Nitin Mistry has been appointed as a Company Secretary and Compliance Officer of the Company effective from August 13, 2016, in compliance of the provisions of the Companies Act, 2013.

13. Declaration by Independent Directors :

The Company has received necessary declarations from all Independent Directors of the Company confirming that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013, as well as under Regulation 25 of SEBI (LODR) Regulations. There has been no change in the circumstances which may affect their status as independent director during the year.

14. Board Evaluation :

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, attendance, prior study of materials given, participation at the meetings, level and effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the Independent Director being evaluated.

15. Familiarization Program for the Independent Directors :

In Compliance with the requirements of SEBI Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in Corporate Governance Report.

16. Policy on Directors' Appointment and Remuneration and other details :

The Company's policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Board's report.

17. Number of Meetings of the Board :

During the year under review, Four (4) Meetings of the Board of Directors, were held on May 29, 2015, August 8, 2015, October 31, 2015 and February 13, 2016. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

18. Extract of Annual Return :

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

19. Audit Committee :

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

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Regulation 18 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 in the terms of reference to the Audit Committee.

20. Material Changes and Commitments, if any, affecting the Financial position of the Company which have occurred between the end of Financial Year of the Company to which the Financial Statement relate and the date of the Report :

There were no material changes and commitments that have affected the financial position of the Company which have occurred between the financial year ended on March 31, 2016 and the report dated August 13, 2016.

21. Management Discussion and Analysis :

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations And Disclosures Requirements) Regulation 2015, the Management Discussion and Analysis has been given hereunder.

a. Industry Scenario/India key market trends

Economic activity in Asia picked up speed, as exports to advanced economies deteriorated. Domestic demand has been consistent, and retail sales across much of Asia have been brisk. Exports, particularly to the United States, Middle East and the euro area, have relatively gained momentum. India is an emerging economy with sizeable untapped potential for rigid industrial packaging, especially in its main industrial centre's near the coast. Industrial packaging in India is expected to grow with 10% p. a. and will remain largely dominated by metal and plastic drums. India's industrial maturity is still relatively low and low-value; low-quality packaging will increasingly be replaced by rigid industrial packaging products. Thus, industrial packaging demand growth exceeds GDP and underlying industry forecasts. The need for rollable package products such as drums is partly influenced by the country's lack of a sufficient infrastructure network and easy ways for transportation.

As explained in the inception, the Indian packing industry as a whole, is expected to fare well with the encouraging support of the Government.

b. Opportunities and Threats :

Your Company operates in such an area where a large market exists with huge competition. Your Company's products are well-received in the market. However, the Company has been through different marketing initiatives carving its way with moderate success.

c. Outlook :

Your Directors are well aware of the competition by manufacturers and prevailing scenario and have created a strategy to overcome this difficulties.

In view of inflationary trend and keen competitions prevailing in the market, your Directors feel the performance of the Company has been reasonably good. Your Directors are also aware of the fact that Indian Packing industry is highly potential to growth but competitive and fragmented.

The management is conscious about the changing scenario in industry and review take place regularly.

d. Risks and concerns:

i. Macro-economic risks: Risks emanating from changes in the global markets such as the recent financial meltdown, regulatory or political changes, and alterations in the competitive landscape could affect the Company's operations and outlook. Any adverse movements in economic cycles in the Company's target markets could have a negative impact on the Company's performance. This risk is mitigated to some extent due to the Company's presence in multiple, diverse markets.

ii. Risk related of Raw Materials: Risks associated with key procurement relationships include:

- a. the availability of raw materials, more particularly iron & Steel ;
- b. the price of raw materials may be subject to material changes in worldwide pricing levels;
- c. input costs such as freight and electricity may be inconsistent or prices may increase; and
- d. key supplier relationships may be lost or impaired, contracts renewed on less favorable terms or key suppliers may cease or reduce their operations.

However, the Company plans well in advance to procure the raw materials and purchases its Raw Materials from the domestic reputed supplier located in different parts of the country to mitigate risk relating to availability of raw materials.

e. Internal Control System and their Adequacy :

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorisation and approval procedures. The Company has an internal audit department which carries out audits throughout the year. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

The Company's internal control systems are supplemented by an Internal Audit Program and periodic reviews by the Management. The Company has Independent Audit Firm as its Internal Auditors and the Audit Committee

reviews its findings and recommendations at periodic intervals. Company's internal control system is adequate considering the nature, size and complexity of its business.

f. Discussion on financial performance with respect to operational performance:

During the financial year 2015-16, the net sale of the Company for the year under review, is Rs.5,039.09/- Lacs as compared to Rs.5,507.89/- Lacs of the previous year, a decrease of 8.51%, however, the Company registered increased Net Profit of Rs. 65.31/- Lacs as against Net Profit of Rs. 42.86/- Lacs in the previous year increase by 52.38%.

g. Human Resources/Industrial Relations:

Employees are our greatest strength and the foundation of our Company. They play a pivotal role in offering better product quality, design and services to our customer. We ensure that employees gain ample opportunities for personal and professional growth. High quality recruitment supports the talent management practices of the Company. To augment the journey of internationalization of the Company and create a multicultural work force, strengthening leadership cadre with appropriate domain competencies has been done. The Company continues to foster a high performance culture by recognizing good performers and providing them with career enhancing opportunities. Several HR initiatives have been taken for the strategic alignment of the HR function with the business objectives. These initiatives encompass employee engagement, learning & development besides improved internal communication mechanism with employees.

h. Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include financial position of the company, economic conditions affecting demand / supply, price conditions in the domestic and overseas market in which the company operates, changes in the government regulations, tax laws and other statutes.

22. Risk Management :

The Company has in place a Risk Management Policy pursuant to Section 134 of the Companies Act and Regulation 21 of SEBI (LODR) Regulations. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. Through this program, each Function carried on project sites, addresses opportunities and risks through a comprehensive approach aligned to the Company's objectives. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

This risk management process, which is facilitated by internal audit, covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlights risks associated with chosen strategies. The major risks forming part Risk Management process are linked to the audit.

The Audit Committee of the Board of the Company has been entrusted with the task to frame, implement and monitor the risk management plan for the Company and it is responsible for reviewing the risk management plan and ensuring its effectiveness with an additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

23. Control Systems and their Adequacy :

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorization and approval procedures. The Company has M/s. Bhavindip Seth & Co., the Firm of Chartered Accountants as an Internal Auditor which carries out audits throughout the year. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

24. Corporate Social Responsibility (CSR) :

The Company has already constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013.

For the Company, Social Responsibility is a key element of accountability and it will continue to strive in its behavior and actions to surpass the levels of minimum statutory compliance. The Company believes in the sustainable growth and prosperity of its stake holders and views its responsibilities not only as business responsibilities but as Ethical and Social as well.

The CSR policy of the Company is placed on the website of the Company (www.gujaratcontainers.com). Ongoing expansion cum modernization program undertaken by the Company, however, in view of merger profit and the Company has not pursued any initiative on CSR activities.

25. Safety, Environment and Health :

The Company's commitment to excellence in Health and Safety is embedded in the Company's core values. The Company has a stringent policy which drives all employees to continuously break new ground in safety management for the benefit of people, property, environment and the communities where we operate.

The Company respects human rights, values its employees and their communities. The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are in place throughout the Company on Safety, Environment and Health and has well identified and widely covered safety management system in place for ensuring , not only the safety of employees but surrounding population across its operations.

26. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace :

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has constituted an Internal Committee headed by the Woman Director with other women employees, to redress complaints received which are monitored by the Committee which is fully aware of the Policy and redressal mechanism. All employees of the Company, those of contractors as well as trainees are also covered under this Policy.

No complaint was received from any employee during the financial year 2015-2016 and hence no complaint is outstanding as on 31.03.2016 for redressal.

27. Vigil Mechanism/ Whistle Blower Policy :

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blower Policy is posted on the website of the Company. (www.gujaratcontainers.com).

28. Corporate Governance

As per SEBI Listing Regulations, Report on Corporate Governance with Statutory Auditor's Certificate thereon, forms part of this report.

29. Human Resources :

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees across various locations.

Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

30. Deposits from Public :

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.

31. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo:

The Company is serious in conserving energy by reducing consumption of power by implementing closed monitoring over plan running and adequate maintenance of electric components of plants and other machinery. The Company has not made any capital investment but continued earlier/same actions for conservation of energy.

Technology absorption: Your Company has not taken new technology for absorption, It has neither imported any technology nor made any expenditure on research and developments and it does not carry out any research and development activities.

Foreign Exchange earnings and outgo : There was no inflow or outflow of foreign exchanges, during the year under review.

32. Particulars of Employees and Remuneration :

Pursuant to the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, no employee of the Company was paid remuneration exceeding the prescribed limits, during the financial year 2015-2016.

The information required under Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the **Annexure - C** forming part of the Report.

33. Insurance:

All the properties and insurable interests of the Company including Buildings, Plants & Machineries and Stocks, have been adequately insured.

34. Share Capital :

The paid-up equity share capital of the Company as at 31st March, 2016 is Rs. 5,65,00,000. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

35. Auditors :

(i) Statutory Auditors:

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, M/s. V. K. Shastri & Co, Chartered Accountants, was appointed as statutory auditors of the Company from the conclusion of the 22nd Annual General Meeting (AGM) of the Company held on 30th September, 2014 till the conclusion of the 25th AGM to be held in the calendar year 2017, subject to ratification of their appointment at every AGM. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment.

The Company has placed the matter of ratification of their appointment as Statutory Auditors of the Company for the financial year 2016-2017 for the approval of the members at this Annual General Meeting.

The Auditors' Report for the financial year ended March 31, 2016 does not contain any qualification, reservation, adverse remark or disclaimer.

(ii) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. Jayesh Vyas of M/s. Jayesh Vyas and Associates, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the year ended March 31, 2016. The Secretarial Audit Report is annexed as **Annexure D** which contains two adverse remarks / qualifications.

The response of your Directors on the observation made by the Secretarial Auditor is :-

Response to Point No.1 :

Despite of best efforts, the Company could not recruit and select suitable qualified person as a Company Secretary, as per the requirements of the Companies Act, 2013, till August 13, 2016.

Mr. Nitin Mistry has been appointed as a Company Secretary and Compliance Officer of the Company effective from August 13, 2016, in compliance of the provisions of the Companies Act, 2013.

Response to Point No. 2

60,200 Shares of the Company are held in physical form by the relatives of promoters which could not be demated due to pending compliance of opening of their demat accounts, the same are now under process.

(iii) Internal Auditor :

Your Company has appointed M/s. Bhavindip Seth & Co, Chartered Accountants, Vadodara as the Internal Auditors to carry out the Internal Audit function of various operational areas of the Company and accounting.

(iv) Cost Auditors :

Your Company does not require to get its cost records audited by the qualified Cost Auditors, in view of non applicability. No appointment of Cost Auditors has been made therefore.

36. Stock Exchange :

The Company's equity shares are listed on the BSE Limited and the Listing Fees of the Company for the Financial Year 2015-2016 have been paid. The address of the said Exchange is as under:

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.
Scrip ID: 'GUJCONT'; Scrip Code: 513507; Group : 'P'; ISIN: INE276I01011

37. Acknowledgement :

The Board places on record its deep appreciation for the continued support received from various clients, vendors and suppliers and Bankers, Government Authorities, Employees at all levels and Stakeholders, in furthering the interest of the Company.

Date: 13-08-2016
Place: Vadodara

For and on behalf of the Board of Directors,

Kiran Arvindlal Shah
Chairman & Managing Director

ANNEXURE- A TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31st March, 2016**

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

I. Registration and other Details:

CIN	L28120GJ1992PLC017081
Registration date	11/02/1992
Name of the Company	Gujarat Containers Ltd
Category / Sub-Category of the Company	Company having Share Capital
Address of the registered office and contact details	Plot No 488/489 Baroda-Savli Highway Village:Tundav, Taluka: Savli, Dist: Vadodara Telephone : (0265) 2280180/81 Tel. Fax (0265) 2280027 Email : deepak.patel@gujaratcontainers.com Website : www.gujaratcontainers.com
Whether listed company (Yes/No)	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Ltd 10, Aaram Apartment, 12, Sampatrao Colony, Vadodara – 390 007 Tel (0265) 2314757, Fax (0265) 2341639 e-mail id : mcsitdbaroda@yahoo.com

II. Principle Business Activities of the Company

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Manufacture of Drums, Containers	28129	100

III. Particulars of holding, subsidiary and Associate Companies:

There is no Holding and/or Subsidiary nor any Associate Company.

IV. Shareholding Pattern (Equity share capital breakup as percentage of Total Equity):**(i) Category-wise Shareholding :**

Category of Share holder	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 Share	
A. PROMOTERS									
(1) INDIAN									
a) Individual/ HUF	23,63,530	2,24,000	25,87,530	45.80	25,97,830	60,200	26,58,030	47.04	1.24
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corporate	--	--	--	--	--	--	--	--	--
e) Banks/FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub total (A)(1)	23,63,530	2,24,000	25,87,530	45.80	25,97,830	60,200	26,58,030	47.04	1.24

(2) FOREIGN									
a) NRI-individuals	--	--	--	--	--	--	--	--	--
b) Other Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A)(2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	23,63,530	2,24,000	25,87,530	45.80	25,97,830	60,200	26,58,030	47.04	1.24
B) Public Shareholding									
1) Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt (s)	--	--	--	--	--	--	--	--	--
e) Venture Cap.Fund	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub- total (B) (1)	--	--	--	--	--	--	--	--	--
2) Non Institutions									
a) Bodies Corporate									
i) Indian	45,200	6,000	51,200	0.91	43,200	6,000	49,200	0.87	(0.04)
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	40,100	22,28,670	22,68,770	40.16	54,600	21,98,370	22,52,970	39.88	(0.28)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	--	7,05,300	7,05,300	12.48	--	6,50,000	6,50,000	11.50	(0.98)
c) Others (specify) NRI & HUF	2,900	34,300	37,200	0.65	5,700	34,100	39,800	0.70	0.05
Sub Total (B)(2)	88,200	29,74,270	30,62,470	54.20	1,03,500	28,88,470	29,91,970	52.95	(1.25)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	88,200	29,74,270	30,62,470	54.20	1,03,500	28,88,470	29,91,970	52.95	(1.25)
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	24,51,730	31,98,270	56,50,000	100.00	27,01,330	29,48,670	56,50,000	100.00	

(ii) Shareholding of Promoters :

Sr. No.	Name of Share Holder	Share Holding at the Beginning of the year			Share Holding at the end of the Year			% Change During the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encum-bered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encum-bered to total shares	
1	Kiran Shah	10,37,330	18.36	-	11,21,130	19.84	-	1.21
2	Kiran Shah	14,100	0.24	-	--	--	-	-
3	Geeta K Shah	1,47,100	2.60	-	4,34,500	7.69	-	0.04
4	Pravin H Shah	43,300	0.76	-	43,300	0.76	-	-
5	Geeta Kiran Shah	2,84,000	5.03	-	--	--	-	-
6	Neha Vivek Vora	5,16,500	9.14	-	5,16,500	9.14	-	-
7	Neil Kiran Shah	5,25,700	9.30	-	5,25,700	9.30	-	-
8	Neha Vora	2,900	0.05	-	2900	0.05	-	-
9	Pravin Hiralal Shah	5,000	0.09	-	5,000	0.09	-	-
10	Pradip M Shah	4,500	0.08	-	4,500	0.08	-	-
11	Geeta K Shah	1,100	0.02	-	--	--	--	--
12	Kiran Shah	1,100	0.02	-	--	--	--	--
13	Pravin Shah	1,100	0.02	-	1,100	0.02	-	-
14	Minaxiben Shah	900	0.02	-	900	0.02	-	-
15	Arvindbhai Shah	800	0.01	-	800	0.01	-	-
16	Pradipbhai Shah	500	--	-	500	--	-	-
17	Pravin Hiral Shah	500	--	-	500	--	-	-
18	Geetaben Shah	100	--	-	--	--	-	-
19	Pradipkumar shah	100	--	-	100	--	-	-
20	Shah Geeta Devi Kiran	100	--	-	--	--	-	-
21	Shah Kiranray A	100	--	-	--	--	-	-
22	Kiranray A Shah	-	--	-	--	--	-	-
23	Pradipbhai Shah	100	--	-	100	--	-	-
24	Pradipray Shah	100	--	-	100	--	-	-
25	Pradip Shah	100	--	-	100	--	-	-
26	Pradipchandra Shah	100	--	-	100	--	-	-
27	Pradip Shah	100	--	-	100	--	-	-
28	Geetaben Shah	100	--	-	--	--	-	-
29	Kiran Shah	100	--	-	100	--	-	-
		25,87,530	45.80	--	26,58,030	47.04		1.24

(iii) Change in Promoter's Shareholding :

Sr. No.	Name of Share Holder	Date	Share Holding at the Beginning of the Year		Cumulative Shareholding during the year	
			No. of Equity Shares	% of total Shares of the Company	No. of Equity Shares	% of Total Shares of the Company
1	Kiran Arvindlal Shah					
	At the beginning of the year	01.04.2015	*10,52,730	18.63	--	--
	Purchase of shares	08.10.2015	68,500	1.21	11,21,230	19.84
	At the end of the year	31.03.2016	--	--	11,21,230	19.84
2	Geeta Kiran Shah					
	At the beginning of the year	01.04.2015	*4,32,500	7.65	--	--
	Purchase of shares	08.10.2015	2,000	0.04	4,34,500	7.69
	At the end of the year	31.03.2016	--	--	4,34,500	7.69

* shares demoted in single folio

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

Sr. No.	For Each of the top 10 shareholders	Date	Share Holding at the Beginning of the Year		Cumulative Shareholding during the year	
			No. of Equity Shares	% of total Shares of the Company	No. of Equity Shares	% of Total Shares of the Company
1.	Gajanand K. Malpani					
	At the beginning of the year	01.04.2015	4,80,000	8.50	--	--
	At the end of the year	31.03.2016	--	--	4,80,000	8.50
2.	Laxminarayan G. Malpani					
	At the beginning of the year	01.04.2015	1,70,000	3.01	--	--
	At the end of the year	31.03.2016	--	--	1,70,000	3.01
3.	Green Panchwati Hous.& Gene. Finance Ltd					
	At the beginning of the year	01.04.2015	42,100	0.74	--	--
	At the end of the year	31.03.2016	--	--	42,100	0.74
4.	Shashank B Singwala					
	At the beginning of the year	01.04.2015	--	--	--	--
	Purchase during the year	15.07.2015	6,400	0.11	6,400	0.11
5.	Vasantiben B Singwala					
	At the beginning of the year	01.04.2015	--	--	--	--
	Purchase of shares	15.07.2015	5,900	0.10	5,900	0.10
6.	Rohit C Parikh					
	At the beginning of the year	01.04.2015	5,000	0.09	--	--
	At the end of the year	31.03.2016	5,000	0.09	5,000	0.09
7.	Shah Kesari Sobhagchand					
	At the beginning of the year	01.04.2015	--	--	--	--
	Purchase of shares	30.10.2015	4,600	0.08	4,600	0.08
8.	Jigisha S Singwala					
	At the beginning of the year	01.04.2015	--	--	--	--
	Purchase of shares	30.10.2015	4,600	0.08	4,600	0.08
9.	Bipinchandra Bhukhandas Singwala					
	At the beginning of the year	01.04.2015	--	--	--	--
	Purchase of shares	15.07.2015	4,300	0.07	4,300	0.07
10.	Bhavesh Dhirajlal Tanna					
	At the beginning of the year	01.04.2015	2,900	0.05	--	--
	At the end of the year	31.03.2016	--	--	2,900	0.05

(iv) Shareholding of Directors and Key managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Date	Share Holding at the Beginning of the Year		Cumulative Shareholding during the year	
			No. of Equity Shares	% of total Shares of the Company	No. of Equity Shares	% of Total Shares of the Company
1.	Kiran Arvindlal Shah					
	At the beginning of the year	01.04.2015	10,52,730	18.63	--	--
	Purchase of Shares	08.10.2015	68,500	1.21	11,21,230	19.84
	At the end of the year	31.03.2016	--	--	11,21,230	19.84
2.	Pravin Hirala Shah					
	At the beginning of the year	01.04.2015	49,900	0.88	--	--
	At the end of the year	31.03.2016	--	--	49,900	0.88
3.	Neil Kiran Shah					
	At the beginning of the year	01.04.2015	5,25,700	9.30	--	--
	At the end of the year	31.03.2016	--	--	5,25,700	9.30
4.	Neha Vivek Vora					
	At the beginning of the year	01.04.2015	5,19,400	9.19	--	--
	At the end of the year	31.03.2016	--	--	5,19,400	9.19

V. Indebtedness:

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

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	135,954,955	56,26,111	Nil	141,581,066
ii) Interest Due but Not Paid	Nil	Nil	Nil	Nil
iii) Interest Accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	135,954,955	56,26,111	Nil	141,581,066
Change in indebtedness during the financial year				
i) Addition	618,652,478	99,77,000	Nil	628,629,478
ii) Reduction	60,329,703	73,13,850	Nil	610,607,553
Net Change	15,358,775	26,63,150	Nil	18,021,925
Indebtedness at the end of the financial year				
i) Principal Amount	151,313,730	82,89,261	Nil	159,602,991
ii) Interest Due but Not Paid	Nil	Nil	Nil	Nil
iii) Interest Accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	151,313,730	82,89,261	Nil	159,602,991

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whole-time Directors and /or Manager :

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Pravin Shah, Whole Time Director	Kiran Shah, Managing Director	Neha Vora, Executive Director (w.e.f. 08-08-2015)	Total Amount (In Rs.)
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,19,024	24,00,000	8,00,000	37,19,024
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13,424	1,42,949	Nil	1,56,373
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---	--
2	Stock Option	---	---	---	--
3	Sweat Equity	---	---	---	--
4	Commission - as % of profit - others, specify...	---	---	---	--
5	Others	---	---	---	--
	Total (A)	5,32,448	25,42,949	8,00,000	38,75,397
	Ceiling as per the Act	As per Schedule V of Companies Act 2013			

B. Remuneration to other directors:

Sr. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Uday Madhvani	Divyakant Zaveri	Dinesh Kamdar	
1.	Independent Directors				
	Fee for attending board / committee meetings	--	25,000	--	25,000
	Commission	--	--	--	--
	Others, please specify	--	--	--	--
	Total (1)				
2.	Other Non-Executive Directors	There was no Non-executive Director			

Note: Mr.Dinesh Kamdar and Mr. Udaybhai Madhwani did not receive any sitting fees for the meeting attended by them, during the year under review.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO & Managing Director	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---	12,00,000	12,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---	---
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
	Total	--	--	12,00,000	12,00,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences during the year ended March 31, 2016.

ANNEXURE – B TO THE BOARD'S REPORT**Form No. AOC-2**

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

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

(i) Details of contracts or arrangements or transactions NOT at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the Contracts / arrangements/ transactions	Salient terms of the contracts or Arrangements or Transactions including value, if any	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188.
Not Applicable						

(II) Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of Contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance s, if any	Date on which the special resolution was passed in General Meeting as required under First proviso to Section 188.
G.K Roadlines & Geetaben Shah(Proprietorship) Relative of Director	Transport Services (Freight Charges)	5 Years	1,44,79,510	29.05.2015	None	Not Applicable
Management Aids & Geetaben Shah Relative of Director	Office Rent 201 & 202	5 Years	10,80,000	29.05.2015	None	Not Applicable
Kiran Shah Director & KMP	Salary	3 Years	25,42,949	29.05.2015	None	Not Applicable
Neha Vora Executive Director & Relative of Director	Salary	3 Years	8,00,000	08.08.2015	None	Not Applicable
Neil Shah CFO & Relative of Director	Salary	5 Years	12,00,000	29.05.2015	None	Not Applicable
Pravin Shah Director & Relative of Director	Salary	5 Years	5,32,448	29.05.2015	None	Not Applicable

Date: 13-08-2016
Place: Vadodara

For and on behalf of the Board of Director,

Kiran Arvindlal Shah
Chairman & Managing Director

ANNEXURE – C TO THE BOARD'S REPORT**DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- a. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year :

Directors	Ratio to median Remuneration
Kiran Shah	19.95:1
Pravin Shah	4.61:1
Neha Vora*	6.65:1

* Since this information is for part of the year, the same is not comparable.

- b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Kiran Shah	0%
Pravin Shah	15.63%
Neil Shah*	0%

* Since this information is for part of the year, the same is not comparable.

- c. The percentage increase in the median remuneration of employees in the financial year: 21.25 %
- d. The number of permanent employees on the rolls of Company: 133
- e. Average percentile increase / decrease 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 in the salaries of employees in the last financial year was 15.16% and increase in the managerial remuneration was 38.23%.

- f. The key parameters for any variable component of remuneration availed by the directors :
None of the Directors of the Company were paid any variable component of commission during the year under review.
- g. 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.

ANNEXURE - D TO THE BOARD'S REPORT**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

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

To,
The Members,
Gujarat Containers Limited
Village – Tundav, Tal - Savli,
Dist. – Vadodara – 391 775.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gujarat Containers 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 Gujarat Containers Limited'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 authorised representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 generally 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 made available to us and maintained by **Gujarat Containers Limited** for the financial year ended on 31st March, 2016 according to the applicable provisions of :

- i. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :
 - 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 and 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 as the Company has not issued further capital during the financial year under review;) and
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 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 ;
(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(Not applicable to the Company during the audit period)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(Not applicable to the Company during the audit period)
 - i. The SEBI Circular No. Cir/ISD/ 3/2011 dated June 17, 2011 regarding Shareholding of promoter / promoter group to be in dematerialized mode.
(and as 60,200 Equity Shares of the said Company held by promoters group of Shareholders are still held in physical form.)

vi. Other laws specifically applicable to the Company namely –

Sector specific Laws:

- i. The Air (Prevention and Control of Pollution) Act, 1981 & Rules made there under.
- ii. The Water (Prevention and Control of Pollution) Act 1974 Rules made there under.
- iii. Environment Protection Act, 1986
- iv. E-waste (Management & Handling) Rules, 2011
- v. Information Technology Act 2000
- vi. The Central Excise Act, 1944
- vii. The Customs Act, 1962
- viii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

General Labour Laws

- xi. Contract Labour (Regulation and Abolition) Act 1970
- x. Payment of Wages Act, 1972
- xi. Minimum wages Act, 1948
- xii. Factories Act, 1948.
- xiii. Payment of Bonus Act, 1965
- xiv. Employees Provident Fund & Miscellaneous Provisions Acts, 1952
- xv. Workmen's Compensation Act, 1923
- xvi. Payment of Gratuity Act, 1972
- xvii. Equal Remuneration Act, 1976
- xviii. Employees State Insurance Act, 1948
- xix. Professional Tax Acts of respective States
- xx. Industrial Dispute Act, 1947
- xxi. Employer's Liability Act, 1938

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board and general meetings and made effective 1st July 2015;
- ii. The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 made effective 1st December 2015.
- iii. The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.
- iv. 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.
- v. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- vi. The Company has obtained all necessary approvals under the various provisions of the Act; and
- vii. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement, Rules, Regulations and Guidelines framed under these Acts against/ on the company, its Directors and Officers.
- viii. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. except that following :-

1. The Company has not appointed Company Secretary in compliance of Section 203 of the Companies Act, 2013, Listing Agreement and SEBI (LODR) Regulations within prescribed time, after cessation / resignation of Mr. Kapil Dighe as the Company Secretary from November 30, 2015 during the year under review.
2. The Company has not complied with SEBI Circular no Cir/ISD/ 3/2011 dated June 17, 2011 regarding demat of the total Promoter's Shareholding in the Company.

We further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Chairman & Managing Director and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We have relieved on the representation made by the Company and its Managing Director in respect of the Systems and Processes and Mechanism formed for compliances under the laws at (i) to (xxiii) above and other applicable laws. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company. We have relied on the report of internal as well as statutory Auditors of the Company for compliance system relating to direct tax, indirect tax and other tax laws.

We further report that during the audit period of 2015-16 ;

- i. At its 23rd Annual General Meeting held on 30th September, 2015 , the Shareholders of the Company has passed Special Resolutions for Alteration of Memorandum of Association of the Company and Adoption of New set of Articles of Association.
- iii. We further report that during the audit period there were no instances of
 - a. Public / Rights / Preferential Issue of Shares / Debentures / Sweat Equity
 - b. Redemption / Buy Back of Securities
 - c. Merger / Amalgamation / Re-construction etc.
 - d. Foreign Technical Collaboration / Equity Participation
 - e. The Company has entered into Tripartite Agreement for demat of its shares with Central Depository Services Ltd. (CDSL) only.

For Jayesh Vyas & Associates
Practicing Company Secretaries
Sd/-
Jayesh Vyas
Proprietor
F.C.S. : 5072 C.P. : 1790

Date : 13-08-2016

Place : Vadodara

This Report is to be read with our letter of even date which is annexed as Annexure -1 and forms an integral part of this report.

‘Annexure -1’

To,
 The Members,
 Gujarat Containers Limited
 Village – Tundav, Tal - Savli,
 Dist. – Vadodara - 391775

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 process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jayesh Vyas & Associates
Practicing Company Secretaries

Sd/-
Jayesh Vyas
Proprietor
F.C.S. : 5072 C.P. : 1790

Date : 13-08-2016

Place : Vadodara

Report on Corporate Governance

1. Company's philosophy on Code of Governance.

Gujarat Containers Limited's philosophy on Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation, across all facets of its operations leading to sharply focused and operationally efficient growth.

The Company emphasizes the need for highest level of transparency and accountability in all its transactions in order to protect the interests of all its stakeholders. The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth on sustainable basis.

The Management promotes honest and ethical conduct of the business along with complying with applicable laws, rules and regulations.

2. Board of Directors

- i. As on March 31, 2016, the Board consists of 6 members, out of which 3 Members, are Executive or Whole time Directors and 3 Members are Independent directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2016 have been made by the Directors. None of the Directors are related to each other.
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations 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 Listing Regulations read with Section 149(6) of the Act.
- iv. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2016 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

Name of Directors	Category of Directors	No. of Board Meeting		Attendance at the last AGM (30-09-2015)	No. of Directorship in other public companies		No. of Committee positions held in other Public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Kiran Arvindlal Shah (Chairman) DIN 01862236	Promoter Executive	4	4	Yes	--	--	--	--
Pravin Hiralal Shah DIN 01881862	Promoter Executive	4	4	Yes	--	--	--	--
Neha Vivek Vora* DIN 07150139	Promoter Executive	4	3	Yes	--	--	--	--
Dinesh Kamdar DIN 01657591	Non Executive Independent	4	4	Yes	--	1	--	--
Udaybhai Premjibhai Madhwani DIN 01842773	Non Executive Independent	4	4	Yes	--	--	--	--
Divyakant Ramniklal Zaveri * DIN 01382184	Non Executive Independent	4	3	Yes	--	2	2	3
Abji Patel* (Wholetime Director) DIN 01881883	Non-Independent, Executive	4	1	No	--	--	--	---
Nitin J Thakkar* DIN 00808748	Non Executive Independent	4	1	No	--	1	---	---

* Abji Vishram Patel was resigned as Whole Time Director w.e.f. 8th August, 2015

* Nitin Jamnadas Thakkar was resigned as an Independent Director w.e.f. 8th August, 2015

* Neha Vivek Vora was appointed as Whole Time Director w.e.f. 8th August, 2015

* Divyakant R. Zaveri was appointed as an Independent Director w.e.f. 8th August, 2015

- v. Four Board Meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held:
May 29, 2015, August 8, 2015, (adjourned Board Meeting held on August 8, 2015), October 31, 2015 and February 13, 2016.
The necessary quorum was present for all the meetings.
- vi. During the year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- vii. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.
- viii. During the year, one meeting of the Independent Directors was held on 31st March, 2016. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.
- ix. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.
- x. The Company has conducted familiarisation programmes for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors and provided updation from time to time. The Independent Directors are also regularly briefed on the nature of the Packaging industry as a whole, nature and scope of the activities of the Company, Competition prevailing therein and the Company's future forward looking plans with briefing on future prospect of the Company. The familiarisation programs have been uploaded on the website of the Company at www.gujaratcontainers.com.
- xi. As on March 31, 2016 none of the Independent Directors of the Company hold any equity shares of the Company. The Company has not issued any convertible instruments.

3. Committees of the Board

A. Audit committee:

- i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.
- ii. The terms of reference of the audit committee are broadly as under:
 - 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;
 - Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
 - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - Reviewing, with the management, the annual financial statements and auditors' 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 Act.
 - 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.
 - Qualifications in the draft audit report.
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - Review and monitor the auditors' independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the Company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
 - The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to

the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;

- The audit committee shall review the information required as per SEBI Listing Regulations.
- iii. The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the Audit Committee.
- iv. In terms of the Insider Trading Code adopted by the Company in FY 2015-16, the Committee considers the following matters :
- To approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the Insider Trading Code.
 - To note and take on record the status reports detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer on a quarterly basis.
 - To provide directions on any penal action to be initiated, in case of any violation of the Regulations by any person.
 - Mr. Nitin Mistry, Company Secretary was appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.
 - The previous Annual General Meeting (AGM) of the Company was held on September 30, 2015 and was attended by Mr. Divyakant Zaveri, Chairman of the audit committee.
- v. The composition of the audit committee and the details of meetings attended by its members are given below:

Name	Category of Director	Number of Meetings during the year 2015-16	
		Held	Attended
Mr.Divyakant Zaveri*	Chairman, Independent, Non-Executive	4	3
Mr. Dinesh S. Kamdar	Independent, Non-Executive	4	4
Mr.Udaybhai Madhwani	Independent, Non-Executive	4	4
Mr. Nitin J Thakkar*	Independent, Non-Executive	4	1

* Nitin Jamnadas Thakkar was resigned as an Independent Director w.e.f 8th August, 2015

* Divyakant R. Zaveri was appointed as an Independent Director w.e.f 8th August, 2015

- vi. Four audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

29th May, 2015, 8th August, 2015, 31st October, 2015 and 13th February, 2016.

The necessary quorum was present for all the meetings.

B. Nomination and Remuneration Committee

- i. The Company has constituted Nomination and Remuneration Committee in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.
- ii. The broad terms of reference of the nomination and Remuneration Committee are as under :
- Recommend to the board the set up and composition of the board and its committees including the “*formulation of the criteria for determining qualifications, positive attributes and independence of a director*”. The committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
 - Recommend to the board the appointment or reappointment of directors.
 - Devise a policy on board diversity.
 - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
 - Carry out evaluation of every director’s performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors. This shall include “*formulation of criteria for evaluation of independent directors and the board*”.

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.
 - Oversee familiarization programs for directors.
 - On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
 - Oversee the human resource philosophy, human resource and people strategy and human resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the board, key managerial personnel and executive team).
 - Provide guidelines for remuneration of directors on material subsidiaries.
 - Recommend to the board on voting pattern for appointment and remuneration of directors on the boards of its material subsidiary companies.
 - Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- iii. The composition of the nomination and remuneration committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2015-16	
		Held	Attended
Mr. Udaybhai Madhwani	Chairman, Independent, Non-Executive	2	2
Mr. Nitin J Thakkar*	Independent, Non-Executive	2	--
Mr. Dinesh S Kamdar	Independent, Non-Executive	2	2
Mr. Divyakant Zaveri*	Independent, Non-Executive	2	2

* Nitin Jamnadas Thakkar was resigned as an Independent Director w.e.f. 8th August, 2015

* Divyakant R. Zaveri was appointed as an Independent Director w.e.f. 8th August, 2015

During the year, two meeting of the nomination and remuneration committee were held on 8th August, 2015 and 13th February, 2016.

- iv. The Company does not have any employee stock option scheme.
- v. Performance Evaluation Criteria for Independent Directors :

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement. Performance Evaluation Criteria of Independent Directors and the Board is displayed on the Company's website www.gujaratcontainers.com.

- v. Remuneration policy :

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the packaging industry. The Remuneration Policy is placed on the Company's website www.gujaratcontainer.com

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) to its Whole Time Director. Annual increments are decided by the nomination and remuneration committee (NRC) within the salary scale approved by the members of the Company and are effective April 1 each year.

During the year 2015-16, the Company paid sitting fees of Rs. 5,000/- per meeting to its non-executive directors for attending meetings of the Board and Rs. 2,500/- per meetings of committees of the Board. The Company also reimburses the out-of-pocket expenses incurred by the directors for attending the meetings.

- vi. Details of Remuneration paid as sitting fees for the year ended March 31, 2016 :

a. **Non-Executive Directors :**

Names of Non-Executive Directors	Sitting Fees paid (Rs.)
Mr. Divyakant Zaveri, Independent Director	25,000/-

D

During the financial year under report, the non-executive Directors had no pecuniary relationship or transactions with the Company.

b. **Whole Time Directors :**

Name of director and period of appointment	Salary (Rs. lakh)	Benefits perquisites and allowances (Rs. lakh)	Stock Options
Mr. Pravin H Shah Whole Time Director (w.e.f. 1 st April, 2011 for a period of 5 years)	5.19	0.13	Nil
Mrs. Neha Vora, Whole Time Director, designated as Executive Director, (w.e.f. 8 th August, 2016 for a period of 3 years)	8.00	0	Nil

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available for the Whole Time Director.

Services of the Whole Time Director may be terminated by either party, giving the other party One months' notice or the Company paying One months' salary in lieu thereof.

C. Stakeholder's Relationship Committee

- The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.
- The broad terms of reference of the stakeholders' relationship committee are as under :
 - Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of Shares, non-receipt of notice / annual reports / dividend etc. and all other shareholders related matters.
 - Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
 - Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of services to the investors.
- Two meetings of the Stakeholders' Relationship Committee were held during the year on 8th August, 2015, and 13th February, 2016.
- The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2015-16	
		Held	Attended
Mr. Divyakant Zaveri	Chairman, Independent, Non-Executive	2	2
Mr. Udayi Premjibhai Madhwani	Independent, Non-Executive	2	2
Mr. Dinesh S Kamdar	Independent, Non-Executive	2	2

- Name, designation and address of Compliance Officer:
Mr. Nitin Mistry
Company Secretary
201-202, Alkapuri Arcade, "B" Wing, R.C. Dutt Road, Opp. Welcome Hotel, Vadodara – 390 007
Phone : 91-(0265) 2341265 , 2331965, Fax : +91 (0265) 2341264
Email: cs@gujaratcontainers.com

vi. Details of investor complaints received and redressed during the year 2015-16 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
NIL	Nil	NIL	NIL

* The complaints were received during the last week of March 2015 and addressed subsequently. No request for transfer or dematerialization of shares was pending as on March 31, 2016.

D. Other Committees

i. Corporate Social Responsibility (CSR) Committee

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act, comprising of Mr. Kiran Shah Chairman & Managing Director, is the Chairman of the Committee, Mr. Udayan Madhwani & Mr. Dinesh Kamdar.

The broad terms of reference of CSR committee is as follows:

- Formulate and recommend to the board, a corporate social responsibility (CSR) policy;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR policy of the Company from time to time;

No meeting of the CSR Committee was held during the financial year 2015-16.

The CSR policy of the Company is placed on the website of the Company www.gujaratcontainers.com

4. General body meetings

a) Particulars of AGM / EGM for the last three years:

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

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions Passed
2014-15	Wednesday, the 30 th September, 2015 at 11.00 a.m.	At the Registered Office	Approval for Mrs. Neha Vivek Vora Designated as Executive Director, as Whole Time Director. Approval to adopt Memorandum of Association and New Set Of Articles Of Association.
2013-14	Tuesday, 30 th September, 2014 at 11:00 a.m.	At the Registered Office	Approval for entering into contracts with related parties by the Company with effect from 1 st April, 2014. Approval to borrow monies in excess of the aggregate of the paid up share capital and free reserves of the Company, upto Rs.45 Crores availing pursuant to section 180(1)(a) & to charge assets etc in favor of lenders availing pursuant to section 180(1)(c) of the Act
2012-13	Friday, 20 th September, 2013 at 11:30 a.m.	At the Registered Office	Re-appointment of Mr. Kiran Shah as a Managing Director of the Company effective from 10 th August, 2013 for a period of 5 (Five) years. Appointment & Payment of remuneration to Mr. Neil Shah, as CFO & Ms. Neha Vora, CEO in Marketing, as a place of profit in terms of section 314 of the Companies Act,

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

No Extra-ordinary General Meeting of the shareholders was held during the year

b) Postal Ballot :

During the year under report, the Company had not conducted postal ballot for any special resolution

5. Disclosures

- i. **Related Party transactions :**
There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at www.gujaratcontainers.com
Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.
- iii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years 2013-14, 2014-15 and 2015-16 respectively : NIL
- iii. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at www.gujaratcontainers.com.
- iv. The Company has also adopted Policy for determining 'material' subsidiaries for Disclosures and Policy for Preservation of Documents. The said policies has been also put up on the website of the Company at www.gujaratcontainers.com.
- v. **Reconciliation of Share Capital Audit:**
A qualified practicing Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with CDSL.

6. Subsidiary Companies

The Company does not have any subsidiary material non-listed Indian subsidiary companies.
The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at www.gujaratcontainers.com

7. Means of Communication :

The quarterly, half-yearly and annual results of the Company are normally published in Western Times in English and in Western Times Gujarati newspapers, having wide circulation. The financial results are also displayed on the Company's website viz. www.gujaratcontainers.com and posted on the BSE Corporate Compliance & Listing Centre (the Listing Centre). Official news releases and presentations made to Institutional Investors and Analysts are posted on the Company's website.

8. General shareholder information

- i. **Annual General Meeting date, time and venue:**
Friday, 30th September, 2016 at 11.00 a.m at its Registered Office Plot No: 488/489 , Savli Highway, Village: Tundav, Ta. Savli, Dist: Baroda

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of directors seeking appointment / re-appointment at the forthcoming AGM are given in the Annexure to the notice of the AGM to be held on September 28, 2016.
- ii. **Financial Calendar** : April to March
- iii. **Date of book closure** : Saturday 24th September, 2016 to 30th September, 2016
(both days inclusive)
- iv. **Dividend payment date** : Not applicable
- v. **Listing on Stock Exchange** : BSE Limited
25th Floor, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai-400 001
- vi. **Stock Code on BSE Ltd.** : 513507.
- vii. **ISIN Code in NSDL and CDSL for Equity Shares:** INE276I01011
- viii. **Corporate identity number (CIN) of the Company:** L28120GJ1992PLC017081

ix. Market price data:

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2015-16 on BSE:

Months	High Price (INR)	Low Price (INR)	No. of Shares traded
April, 2015	7.95	7.95	300
May, 2015	8.75	8.34	300
June, 2015	10.23	8.75	1900
July, 2015	10.25	9.75	1300
August, 2015	10.00	10	400
September, 2015	10.50	10.25	500
October, 2015	10.50	10.50	2700
November, 2015	10.50	10.50	600
December, 2015	11.02	10.50	1000
January, 2016	11.57	10.50	800
February, 2016	---	---	---
March, 2016	13.23	12	500

x. Registrar and Share Transfer Agent :

MCS Share Transfer Agent Ltd

10, Aaram Apartment, 12, Sampatrao Colony, Vadodara – 390 007

Tel (0265) 2314757, Fax (0265) 2341639, E-mail : mcsitdbaroda@yahoo.com

xi. Share transfer system :

47.81 % of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with MCS Share Transfer Agent Ltd at the above mentioned address.

Transfer of shares in physical form is normally processed within fifteen days from the date of receipt, if the documents are complete in all respects.

xii. Shareholding as on March 31, 2016:

a. Distribution of equity shareholding as on March 31, 2016 :

Range of shares	No. of Shares	Members	% Shares	Percent Holders
1 - 500	20,15,070	9,982	35.6650	97.2146
501 - 1000	1,87,200	226	3.3133	2.2010
1001 - 2000	61,300	39	1.0850	0.3798
2001 - 3000	12,900	5	0.2283	0.0487
3001 - 4000	4,300	1	0.0761	0.0097
4001 - 5000	23,700	5	0.4195	0.0487
5001 - 10000	12,300	2	0.2177	0.0195
10001 - 50000	85,400	2	1.5115	0.0195
50001 - 100000	1,70,000	1	3.0088	0.0097
And Above	30,77,830	5	54.4749	0.0487
	56,50,000	10,268	100.0000	100.0000

b. Categories of equity shareholders as on March 31, 2016:

Category	No. of Shares	% of Total Capital
A. Promoters Holding		
a. Indian Promoters	26,58,030	47.04
b. Foreign Promoter	-----	-----
B. Non Promoters Holding		
a. Foreign Institutional Investors	-----	-----
b. Bodies Corporate	49,200	0.87
c. Indian Public	29,05,670	51.43
d. Clearing Members		
e. Non Residents Indians	37,100	0.66
Total	56,50,000	100.00

c. Dematerialization of shares and Liquidity:

The Company's shares are traded in dematerialized form and are available for trading on both the depositories Central Depository Services (India) Ltd. (CDSL).

Percentage of shares held in physical and dematerialized form as on March 31, 2016 :

Sr.No.	Electronic / Physical	No of Shares	Mode of Holding %
1.	NSDL	0	0
2.	CDSL	27,01,330	47.81
3.	Physical	29,48,670	52.19
Total		56,50,000	100.00

Note: The Company has not entered into Tripartite Agreement for dematerialisation of Shares with NSDL

d. The Company has not issued any GDRs / ADRs or any convertible instrument.

- e. Plant locations:
1. **Savli Plant:** Plot No: 488-489, Baroda-Savli Highway, Village:Tundav, Tal: Savli, Dist: Vadodara – 391 775 Gujarat.
 2. **Bharuch Plant:** Plot 2/5, GIDC, Narmada Nagar, Opp. GNFC Corporate Office, Bharuch – 392015. Gujarat

f. Address for Correspondence for settlement of Shares related Grievances:

Corporate Office	Registrar & Share Transfer Agent
Company Secretary, Gujarat Containers Ltd. 201-202, Alkapuri Arcade "B" Wing, R.C. Dutt Road, Opp. Welcome Hotel, Vadodara – 390 007 Ph.No. : 91-(0265) 2341265, 2331965 Fax : +91(0265) 2341264 Email : info@gujaratcontainers.com	MCS Share Transfer Agent Ltd. 10, Aaram Apratment, 12, Sampatrao colony, Vadodara – 390 007, Gujarat Tel (0265) 2314757, Fax (0265)2341639 e-mail id : mcsitdbaroda@yahoo.com

**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 its employees including the Whole Time Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2016, 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.

**Vadodara,
August 13, 2016**

**Kiran Arvindlal Shah
Chairman and Managing Director**

CEO/CFO CERTIFICATION

The Board of Directors,
Gujarat Containers Limited,
Vadodara,

We hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief;
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Gujarat Containers Ltd.

Vadodara
August 13, 2016

Kiran Shah	Neil Shah
Managing Director / CEO	CFO

CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members,
Gujarat Containers Limited**

We have examined the compliance of the conditions of Corporate Governance by Gujarat Containers Limited (the Company) for the year ended on March 31, 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges ("Listing Agreement") for the period April 1, 2015 to November 30, 2015 and Regulations 17 to 27 clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period December 1, 2015 to March 31, 2016.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and the Listing Regulations applicable for the respective periods as mentioned above.

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

**For V. K. SHASTRI & CO.,
Chartered Accountants
Firm number: 113325W**

**Vadodara
August 13, 2016**

**(V. K. SHASTRI.)
Sole Proprietor**

INDEPENDENT AUDITOR'S REPORT

To the members of
GUJARAT CONTAINERS LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of GUJARAT CONTAINERS Limited (the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement 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 of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit and its Cash Flow for the year ended on that date.

Emphasis of Matters

We draw attention to Note No. (30)(J) under Other notes of Accounts in which it is stated that the Company has subscribe LIC policy for Group Gratuity Scheme to cover the liability of Gratuity Payable for its employees. However the company has not paid any premium for LIC policy for current year 2015-16, since in view of the management there was diminution in this liability in this year on reduction of number of persons employed.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For V. K. Shashtri & Co.
Chartered Accountants
FRN: 113325W

CA. V. K. SHASTRI
(Sole- Proprietor)
Membership No.: 042774

Place: Vadodara
Date: 28/05/2016

Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the company as there are no transactions entered by the company in respect of loans, investments, guarantees, and security to which the provisions of section 185 and 186 of the Companies Act, 2013 apply.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under- sub-section (1) of Section 148 of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute. According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of Fringe Benefit Tax as at 31st March 2016 which have been deposited under protest as it is disputed, details of which is as follows:
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
 - 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. However, in respect of the term Loans availed, in opinion, these terms loans have been applied for the purpose for which they were obtained. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
 - 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
 - 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals and resolutions mandated by the provisions of section 197 read with Schedule V to the Companies Act;
 - 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
 - 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
 - 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
 - 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
 - 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For V. K. Shashtri & Co.
Chartered Accountants
FRN: 113325W

CA. V. K. SHASTRI
(Sole- Proprietor)
Membership No.: 042774

Place: Vadodara
Date: 28/05/2016

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Gujarat Containers Limited

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

We have audited the internal financial controls over financial reporting of Gujarat Containers Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company as per Institute of Chartered Accountants of India and formulated by the committee of Board of Directors. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its asset, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company as per Institute of Chartered Accountants of India and formulated by the committee of Board of Directors.

For V. K. Shashtri & Co.
Chartered Accountants
FRN: 113325W

CA. V. K. SHASTRI
(Sole- Proprietor)
Membership No.: 042774

Place: Vadodara
Date: 28/05/2016

BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note No.	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	5,93,00,000	5,93,00,000
(b) Reserves and Surplus	2	3,68,82,965	3,18,07,585
(c) Money received against share warrants	3	-	-
		9,61,82,965	9,11,07,585
(2) Share application money pending allotment		-	-
(3) Non - current liabilities			
(a) Long term borrowings	4	1,62,30,881	49,62,786
(b) Other long term liabilities	6	-	-
(c) Long term provisions		-	-
		1,62,30,881	49,62,786
(4) Current Liabilities			
(a) Short term borrowings	7	14,33,72,110	14,11,42,696
(b) Trade payables	8	2,59,43,689	2,38,20,264
(c) Other current liabilities	9	59,08,018	31,06,909
(d) Short term provisions	10	89,84,234	74,15,652
		18,42,08,050	17,54,85,521
TOTAL		<u>29,66,21,896</u>	<u>27,15,55,893</u>
II. ASSETS			
(1) Non - current assets			
(a) Fixed Assets			
(i) Tangible assets	11	6,26,72,462	6,26,92,091
(ii) Intangible assets		4,69,728	6,57,619
(iii) Capital work in progress		-	-
(iv) Intangible assets under development		-	-
		6,31,42,190	6,33,49,710
(b) Non - current investments		-	-
(c) Deferred tax assets (Net)	5	17,45,979	15,86,964
(d) Long term loans and advances		-	-
(e) Other non current assets	12	42,89,168	27,06,325
		6,91,77,337	6,76,42,999
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	13	7,00,88,644	5,16,53,985
(c) Trade receivables	14	11,86,25,500	12,88,74,029
(d) Cash and cash equivalents	15	12,10,861	42,34,580
(e) Short term loans and advances	16	3,75,19,555	1,91,50,300
(f) Other current assets		-	-
		22,74,44,559	20,39,12,894
TOTAL		<u>29,66,21,896</u>	<u>27,15,55,893</u>

Significant accounting Policies

Notes on Financial Statements

1 to 30

In Accordance with our Report of even date**For V.K. Shastri & Co.,**

Chartered Accountants

Firm Number: 113325W

(V. K. Shastri)

Sole Proprietor

Date: 28.05.2016

(Neil Shah)

Chief Financial Officer

(Kiran Shah)Chairman &
Managing Director**(Nitin Mistry)**

Company Secretary

(Pravin Shah)

Whole-Time Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Particulars		Note No.	2015-16		2014-15	
			Rs.	Rs.	Rs.	Rs.
I.	Revenue from Operations	17		50,39,09,571		55,07,89,044
II	Other Income	18		5,27,850		10,72,316
III	Total revenue (I + II)			50,44,37,421		55,18,61,360
IV	Expenses					
a	Cost of materials consumed	19	35,02,57,624		40,32,17,490	
b	Purchases of stock in trade		-		-	
c	Changes in inventories of finished goods, work in progress and stock in trade	20	(57,36,472)	34,45,21,152	84,92,859	41,17,10,349
d	Employee benefits expense	21		3,72,44,579		3,11,38,965
e	Finance costs	22		2,59,94,693		2,91,32,468
f	Depreciation and amortization expense	23		73,76,474		91,99,581
g	Other expenses	24		8,22,89,596		6,40,94,303
	Total Expenses			49,74,26,495		54,52,75,666
V	Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			70,10,926		65,85,694
VI	Exceptional Items					-
VII	Profit/(Loss) before extraordinary items and tax (V-VI)			70,10,926		65,85,694
VIII	Extraordinary Items	25		13,90,288		(2,26,181)
IX	Profit before tax (VII-VIII)			84,01,214		63,59,513
X	Tax expense:	26				
	(1) Current tax		20,29,000		24,87,170	
	(2) Deferred tax		(1,59,015)	-	(4,13,327)	
				18,69,985		20,73,843
XI	Profit/(Loss) for the period from continuing operations (VII-VIII)			65,31,229		42,85,670
XII	Profit/(loss) from discontinuing operations			-		-
XIII	Tax expense of discontinuing operations			-		-
XIV	Profit/(loss) from discontinuing operations (after tax) (XII-XIII)			-		-
XV	Profit/(Loss) for the period (XI + XIV)			65,31,229		42,85,670
XVI	Earning per equity share:	28				
	(1) Basic			1.20		0.79
	(2) Diluted			1.20		0.79
	Significant accounting Policies					
	Notes on Financial Statements		1 to 30			

In Accordance with our Report of even date**For V.K. Shastri & Co.,**Chartered Accountants
Firm Number: 113325W**(Neil Shah)**
Chief Financial Officer**(Nitin Mistry)**
Company Secretary**(V. K. Shastri)**
Sole Proprietor
Date: 28.05.2016**(Kiran Shah)**
Chairman &
Managing Director**(Pravin Shah)**
Whole-Time Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	2015-16		2014-15	
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities				
Profit before taxation		84,01,214		63,59,513
Adjustments for:				
Depreciation and amortization expense	73,76,474		91,99,581	
Arrears of Depreciation	-		2,26,181	
Interest received	(17,41,800)		(17,41,800)	
Loss/(gain) on sale of Assets/Investments	2,26,181		2,26,181	
Deferred Depreciation	-		-	
Interest expenses	2,33,76,519		2,52,17,195	
		2,92,37,374		3,31,27,338
		3,76,38,588		3,94,86,851
(Increase)/ decrease in trade and other receivables	(98,62,584)		(1,87,15,122)	
(Increase)/ decrease in inventories	(1,84,34,659)		(12,04,953)	
Increase/ (decrease) in trade payables & others	64,93,115		(3,66,53,451)	
		(2,18,04,127)		(5,65,73,526)
		1,58,34,461		(1,70,86,675)
Income taxes paid		18,69,985	20,73,843	20,73,843
Net cash from operating activities		1,39,64,476		(1,91,60,518)
Cash flows from investing activities				
Purchase of property, plant and equipment	(87,56,040)		(33,32,391)	
Proceeds from sale of property, plant and equipment	4,02,545		4,02,545	
Proceeds from sale of investments	-		-	
Interest received	17,41,800		17,41,800	
Net cash from investing activities		(66,11,695)		(11,88,046)
Cash flows from financing activities				
Proceeds from issue of share capital	-		56,80,000	
Proceeds from issue of share Warrants	-		(14,20,000)	
Proceeds from short term borrowings	22,29,414		4,14,83,863	
Repayment of long term borrowings	1,12,68,095		(71,11,042)	
Interest paid	(2,33,76,519)		(2,52,17,195)	
Dividend paid				
Net cash from financing activities		(98,79,010)		1,34,15,626
Net increase/(decrease) in cash and cash equivalents		(25,26,229)		(69,32,938)
Cash and cash equivalents at beginning of reporting period		42,34,580		1,13,93,698
Cash and cash equivalents at end of reporting period		17,08,351		44,60,760

Cash & Cash equivalents:

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:

Cash on hand and bank balances	12,10,861	42,34,580
Short term investments	-	-
Cash and cash equivalents as reported	12,10,861	42,34,580
Effect on exchange rate changes	-	-
Cash and cash equivalents as restated	12,10,861	42,34,580

In Accordance with our Report of even date**For V.K. Shastri & Co.,**

Chartered Accountants

Firm Number: 113325W

(V. K. Shastri)

Sole Proprietor

Date: 28.05.2016

(Neil Shah)

Chief Financial Officer

(Kiran Shah)Chairman &
Managing Director**(Nitin Mistry)**

Company Secretary

(Pravin Shah)

Whole-Time Director

NOTES TO FINANCIAL STATEMENTS

1 Share Capital:

Particulars	As at 31st March,2016		As at 31st March,2015	
		₹		₹
Authorized:				
Equity shares of Rs.10 /- each	6,00,00,000	6,00,00,000	6,00,00,000	6,00,00,000
		<u>6,00,00,000</u>		<u>6,00,00,000</u>
Issued, subscribed and fully paid up:				
Equity shares of Rs.10 /- each	56,50,000	<u>5,65,00,000</u>	56,50,000	<u>5,65,00,000</u>

Other Information:

I Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March,2016		As at 31st March,2015	
	Number	₹	Number	₹
At the beginning of the reporting period	56,50,000	5,65,00,000	52,50,000	5,25,00,000
Issued during the reporting period	-	-	4,00,000	40,00,000
Bought back during the reporting period	-	-	-	-
At the close of the reporting period	56,50,000	<u>5,65,00,000</u>	56,50,000	<u>5,65,00,000</u>
		5,65,00,000		5,65,00,000
Add: Amount originally paid up on forfeited shares		28,00,000		28,00,000
Total		<u>5,93,00,000</u>		<u>5,93,00,000</u>

II Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Particulars	As at March31,2016		As at March31,2015	
	No. of shares	% held	No. of shares	% held
a. Kiran Shah	11,21,230	19.84%	10,49,230	18.57%
b. Geeta Kiran Shah	4,32,500	7.65%	4,32,500	7.65%
c. Neil Shah	5,25,700	9.30%	5,25,700	9.30%
d. Neha Vora	5,19,400	9.19%	5,19,400	9.19%
e. Gajanand K Malpani	4,80,000	8.50%	4,80,000	8.50%

2 Reserves and Surplus:

Particulars	As at 31st March,2016		As at 31st March,2015	
Capital Reserve				
<u>State Subsidy</u>				
As per last Balance Sheet	<u>25,00,000</u>	25,00,000	<u>25,00,000</u>	25,00,000
Securities Premium Reserve				
<u>Share Premium Account</u>				
As per last Balance Sheet	54,00,000		37,20,000	
Add:Received this year	<u>-</u>		<u>16,80,000</u>	
		54,00,000		54,00,000
Profit and Loss Account				
As per last Balance Sheet	2,39,07,585		1,96,21,915	
Less : Arrears Depreciation	14,55,849			
Add: Profit for the year	<u>65,31,229</u>	2,89,82,965	<u>42,85,670</u>	2,39,07,585
TOTAL		<u>3,68,82,965</u>		<u>3,18,07,585</u>

3 Share Warrants:

Particulars	As at 31st March, 2016	₹	As at 31st March, 2015	₹
Issued, subscribed and fully paid up:				
Share Warrants of @ Rs14.20 each	-	-	4,00,000	56,80,000
Less: Converted Into Shares	-	-	4,00,000	56,80,000
Balance - Share Warrants outstanding	-	-	-	-

4 Long term Borrowings

Particulars	As at 31.03.2016	As at 31.03.2015
1) Secured Loans:		
a. Term Loans		
- from Banks	71,53,550	1,52,561
- from finance institutional	7,88,070	-
Sub-Total	79,41,620	1,52,561
2) Unsecured Loans:		
a. Term Loans		
- from Others	82,89,261	-
b. Loans and advances from related parties	-	48,10,225
Sub-Total	82,89,261	48,10,225
3) Total long term borrowings (1+2)	1,62,30,881	49,62,786

Additional Information:**a Details of security for secured loans**

1 Rs. 788070/- secured loan from bank and financial institutions Secured by Hypothecation of vehicles

2 Terms of repayment of secured term loans

All the Secured loans which are hypothecated by vehicles are repayable at average interest rate of 10.15 %

3 Terms of repayment of secured term loans

All the Secured loans which are hypothecated by plant machinery are repayable at average interest rate of 13.25 %

b Terms of repayment of term loans and others

The term loans from financial institute bearing interest @ 16%.

5 Deferred Tax Assets/Liabilities.

Particulars	As at 31.03.2016	As at 31.03.2015
i) Deferred tax liability:		
a) On account of depreciation on fixed assets	-	-
b) On account of timing differences in recognition of expenditure	-	-
Total	-	-
ii) Deferred tax asset:		
a) On account of Unabsorbed losses and depreciation under the Income Tax Act, 1961	17,45,979	15,86,964
	17,45,979	15,86,964
Net Deferred tax (liability)/asset	17,45,979	15,86,964

6 Other Long term liabilities

Particulars	As at 31.03.2016	As at 31.03.2015
a) Trade Payables	-	-
Total	-	-

7 Short term Borrowings

Particulars	As at 31.03.2016	As at 31.03.2015
1) Secured Loans:		
a) Loans repayable on demand		
- from banks (Bank O/d)	14,33,72,110	13,53,73,938
- from others (finance companies)	-	49,52,872
- from banks (Bank SLC)	-	-
Sub-Total	14,33,72,110	14,03,26,810
2) Unsecured Loans:		
a) Loans repayable on demand		
- from others (ICD)	-	8,15,886
Sub-Total	-	8,15,886
Total	14,33,72,110	14,11,42,696

Additional Information:**a Details of security for secured loans**

1 Rs. 143,372,110/- (P.Y. Rs.135,373,938/-) from Bank

Secured by first charge by way of Hypothecation of Plant & Machinery & other movable fixed assets of the company and further secured by first charge immovable properties of the company by way of Equitable Mortgage by deposit of Title Deeds and personally guaranteed by the Directors of the Company

b Loans have been guaranteed by directors or others

a) Loans repayable on demand		
- from banks	14,33,72,110	13,53,73,938
- from others	-	49,52,872

8 Trade Payables

Particulars	As at 31.03.2016	As at 31.03.2015
i) To Micro, Small and Medium Enterprises	-	-
ii) Others	2,59,43,689	2,38,20,264
Total	2,59,43,689	2,38,20,264

Additional Information:

The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

(NOTE : Refer Note No.'L' in Other Notes on Accounts)

9 Other current liabilities:

Particulars	As at 31.03.2016	As at 31.03.2015
a) Current Maturities of Long Term debts	38,20,395	1,40,933
b) Interest accrued and due on borrowings	-	1,17,272
c) Other payables (Specify nature)		
Advances from customers	11,53,580	7,00,124
O/s liability for expenses	6,12,594	5,20,898
Statutory liabilities	3,21,449	16,27,682
Total	59,08,018	31,06,909

10 Short term provisions:

Particulars	As at 31.03.2016	As at 31.03.2015
a) Provision for employee benefits	43,54,782	33,69,611
b) Others		
Provision for taxation	45,16,170	39,67,270
Provision for Expenses	1,13,282	78,771
Total	89,84,234	74,15,652

11. Fixed Assets:

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION/AMORTISATION					NET BLOCK	
	As at 01.04.2015	Additions for the year	Deductions during the year	As at 31.03.2016	As at 01.04.2015	Depreciation on Revaluation charged to Revaluation Reserve	Arrears Depreciation as per remaining useful life of assets	Deductions	As at 31.03.2016	As at 31.03.2015
Tangible Assets										
Own assets										
Land	10,54,394	-	-	10,54,394	-				10,54,394	10,54,394
Buildings (Factory)	1,83,51,618	18,48,774	-	2,02,00,392	88,87,285	6,56,198	-	-	95,43,483	94,64,333
Plant & Machinery	9,28,29,610	42,34,095	25,91,090	9,44,72,615	4,57,26,341	49,03,712	10,40,704	24,59,853	4,92,10,904	4,71,03,269
Furniture & Fixtures	2,31,628	4,500	-	2,36,128	2,27,634	727	-	-	2,28,361	3,994
Vehicles	97,64,909	26,25,041	-	1,23,89,950	68,31,994	12,28,032	1,75,323	-	82,35,349	29,32,915
Office equipment	16,68,970	15,385	-	16,84,355	14,29,547	22,961	-	-	14,52,508	2,39,423
Computers	11,50,400	28,245	-	11,78,645	10,72,913	17,156	44,661	-	11,34,730	77,487
Buildings (office)	2,73,550	-	-	2,73,550	99,418	17,828	-	-	1,17,246	1,74,132
Electrification	51,60,030	-	-	51,60,030	45,20,348	62,540	1,66,174	-	47,49,062	6,39,682
Tools, Dies & equipments	6,60,763	-	-	6,60,763	6,11,512	1,126	28,987	-	6,41,625	49,251
Intangible Assets										
Deferred VRS Payments	12,31,514			12,31,514	2,78,303	2,78,303			5,56,606	9,53,211
Bank Charges & Others	9,39,455		-	9,39,455	2,81,836	1,87,891			4,69,727	6,57,619
TOTAL	13,33,16,841	87,56,040	25,91,090	13,94,81,791	6,99,67,131	73,76,474	14,55,849	24,59,853	7,63,39,601	6,33,49,710
Previous Year Figures	13,12,18,230	33,32,391	12,33,780	13,33,16,841	6,13,72,604	91,99,581	-	6,05,054	6,99,67,131	6,98,45,626

12 Non Current assets:			
Particulars		As at 31.03.2016	As at 31.03.2015
i)	Non current debtors	42,89,168	27,06,325
ii)	Deferred VRS Payable	-	-
Total		42,89,168	27,06,325
13 Inventories:			
Particulars		As at 31.03.2016	As at 31.03.2015
i)	Raw materials	5,16,67,107	3,89,68,920
ii)	Work in progress	18,28,220	18,28,220
iii)	Finished goods	1,48,28,464	93,74,295
iv)	Stores and spares (General consumable stores)	11,73,000	11,73,000
vi)	Others (Wsate & Scrap)	5,91,853	3,09,550
Total		7,00,88,644	5,16,53,985
14 Trade receivables:			
Particulars		As at 31.03.2016	As at 31.03.2015
(Unsecured and considered good)			
i)	Trade receivables exceeding six months	-	10,48,110
ii)	others	11,86,25,500	12,78,25,919
Sub-Total		11,86,25,500	12,88,74,029
Less: Provision for doubtful debts		-	-
		11,86,25,500	12,88,74,029
15 Cash and cash equivalents:			
Particulars		As at 31.03.2016	As at 31.03.2015
i)	Balances with banks		
	- in margin money, security for borrowings, guarantees and other commitments	10,57,300	40,21,000
	- in other accounts	21,291	70,301
ii)	Cash on hand	1,32,270	1,43,279
Total		12,10,861	42,34,580
16 Short term loans and advances:			
Particulars		As at 31.03.2016	As at 31.03.2015
(Unsecured , considered good)			
i)	Advances to Staff & Suppliers	2,10,35,131	38,28,760
ii)	Prepaid Expenses and Interest Accrued	7,35,606	4,75,459
iii)	Capital advances	25,45,152	25,45,152
iv)	Security Deposits	41,15,860	44,44,460
v)	Balance with Government Authorities		
	Advance Taxes	52,77,201	38,63,422
	Other Taxes	8,57,329	9,63,270
	Refunds/ Claims Receivable	29,53,277	30,29,777
Total		3,75,19,555	1,91,50,300

Particulars		2015-16	2014-15
17 Revenue from operations:			
i)	Sale of products		
	M S Steel Barrels	56,22,67,295	57,20,65,729
	Plastic Barrels	30,95,112	4,41,91,039
	Total	56,53,62,407	61,62,56,768
ii)	Other operating revenues(Freight Outward)	6,04,160	6,68,711
	Sub-Total	56,59,66,567	61,69,25,479
	Less: Excise duty	6,20,56,996	6,61,36,435
	Total	50,39,09,571	55,07,89,044
18 Other Income:			
i)	Interest income	3,51,239	10,19,552
ii)	Miscellaneous Reciepts/Sales	21,068	2,750
iv)	Miscellaneous Income / Other Reciept	1,55,543	11,093
v)	Notice pay	-	36,435
viii)	Kasar / Discount	-	2,486
	Total	5,27,850	10,72,316
19 Cost of materials consumed:			
a) i)	Consumption of raw materials	34,36,20,427	39,72,82,615
ii)	Consumption of stores and spare parts	66,37,197	59,34,875
	Total	35,02,57,624	40,32,17,490
b)	Consumption of major raw materials		
i)	CRCA SHEET /COIL	25,91,90,227	29,70,02,340
ii)	Bungs	77,68,738	79,24,671
iii)	Zinc	1,03,60,647	97,97,653
iv)	Plastic	1,49,68,146	2,35,08,708
v)	Others	94,55,506	1,84,65,977
	Total	30,17,43,264	35,66,99,349
20 Changes in inventories of finished goods, work in progress and stock in trade:			
Stocks at the end of the year			
i)	Work in progress		
	M. S. Barrels	18,28,220	18,28,220
	Total	18,28,220	18,28,220
ii)	Finished goods		
	M.S. Barrels	1,48,28,464	93,74,295
	Total	1,48,28,464	93,74,295
iii)	Scrap	5,91,853	3,09,550
	Total	1,72,48,537	1,15,12,065
Less: Stocks at the beginning of the year			
i)	Work in progress		
	M. S. Barrels	18,28,220	18,28,220
	Total	18,28,220	18,28,220
ii)	Finished goods		
	M.S. Barrels	93,74,295	1,74,74,456
	Total	93,74,295	1,74,74,456
iii)	Scrap	3,09,550	7,02,248
	Total	1,15,12,065	2,00,04,924
	Increase /(Decrease) in stock	(57,36,472)	84,92,859

Particulars		2015-16	2014-15
21 Employee Benefit Expenses:			
i)	Salaries and wages	2,89,04,811	2,40,98,780
ii)	Contribution to provident and other funds	19,22,175	16,46,174
iii)	Remuneration to whole time directors	51,49,997	44,29,485
iv)	Staff welfare expenses	12,67,596	9,64,526
	Total	3,72,44,579	3,11,38,965
22 Finance Costs:			
i)	Interest expense	2,33,76,519	2,52,17,195
ii)	Other borrowing costs	26,18,174	39,15,273
	Total	2,59,94,693	2,91,32,468
23 Depreciation and amortization:			
i)	Depreciation	69,10,280	-
ii)	Others	4,66,194	-
	Total	73,76,474	91,99,581
24 Other expenses:			
i)	Power and fuel	1,15,70,296	1,17,91,239
ii)	Rent	7,20,000	7,20,000
iii)	Repairs to machinery	12,06,570	12,61,357
iv)	Repairs others	1,50,80,711	8,30,187
v)	Insurance	5,34,074	3,74,216
vi)	Rates and taxes	32,49,368	45,73,783
vii)	Payment to the auditors		
	- as auditor	92,000	50,000
	- for taxation matters		10,000
viii)	Selling expenses	2,42,60,514	2,16,36,505
ix)	Laboratory Testing & Other Manufacturing exp.	21,19,240	8,31,207
x)	Postage, Internet & Telephone Expense	5,59,862	6,10,432
xi)	Security service Charges	12,98,172	13,83,249
xii)	Travelling expense	11,66,717	11,65,582
xiii)	Vehicle Running & Maintenance Expense	14,96,383	18,21,716
xiv)	Donations	38,600	19,401
xv)	Legal and professional charges	10,36,962	13,63,738
xvi)	Labour & job work charges	1,48,51,440	1,27,38,067
xvii)	Bad Debts written off	-	79,767
xviii)	Miscellaneous and Other expenses	29,45,922	28,33,858
xix)	Prior Period Expenses	62,765	-
	Total	8,22,89,596	6,40,94,303
25 Extraordinary items			
<u>Income</u>			
i)	Profit on Sale of Vehicle/Asset	2,04,763	-
ii)	Refund of Sales Tax	11,85,525	-
<u>Expenditure</u>			
i)	Loss on Sale of Vehicle/Asset	-	2,26,181
	Total	13,90,288	(2,26,181)
26 Tax Expense			
Current Tax			
	Income tax for the year	20,29,000	24,87,170
	Income Tax of earlier years	-	-
	Deferred Taxes	(1,59,015)	(4,13,327)
	Total	18,69,985	20,73,843

27 Value breakup of Rawmaterials and Stores & Spare parts Consumed:

a) Sr No	Particulars	Amount	% to total	Amount	% to total
i)	Value of imported raw materials, spare parts and components consumed	50,91,227	-	-	-
ii)	Value of indigenous raw materials, spare parts and components consumed	34,51,66,397	100%	40,32,17,490	100%
	Total	35,02,57,624	100%	40,32,17,490	100%

28 Basic Earnings per share:

Particulars	As at 31.03.2016	As at 31.03.2015
After extraordinary item:		
Profit for the year after tax expense	65,31,229	42,85,670
Less:		
Preference dividend payable including dividend tax	-	-
Profit after tax expense and Preference dividend	<u>65,31,229</u>	<u>42,85,670</u>
Weighted average number of equity shares	54,50,000	54,50,000
Earning per share	1.20	0.79
Diluted Earnings per share:		
Profit for the year after tax expense	65,31,229	42,85,670
Weighted average number of equity shares	54,50,000	54,50,000
Earning per share	1.20	0.79

29 Contingent liabilities and Commitments:

Particulars	As at 31.03.2016	As at 31.03.2015
(to the extent not provided for)		
a) Contingent Liabilities:		
i) Claims against the Company not acknowledged as debts		-
ii) Guarantees (Bank)	NIL	NIL
iii) Letters of credit	3,40,29,217	3,40,29,217
iv) Tax demands under disputes		-
v) Other monies for which company is contingently liable		-
The management believes, based on internal assessment and / or legal advice, that the probability of an ultimate adverse decision and outflow of resources of the Company is not probable and accordingly, no provision for the same is considered necessary.		
b) Commitments		
i)		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	NIL	1,53,72,265.00
ii) Uncalled liability on shares and investments partly paid	-	-
iii) Other Commitments (Specify nature)	-	-
c) (including tax thereon)		
Additional information:	As at March 31, 2016	As at March 31, 2015
1) Proposed dividends:	Amount per share	Total
a) Amount of dividends proposed to be distributed to equity share holders	-	-
b) Amount of dividends proposed to be distributed to Preference share holders	-	-
2) Issues of securities made for a specific purpose and not used as at the balance sheet date:	-	-
Amount unutilized invested in		
Amount used for		

SIGNIFICANT ACCOUNTING POLICIES:-NOTE: 30**1. ACCOUNTING CONVENTION :-**

Financial statements are prepared in accordance with the generally accepted accounting principles in India under historical cost conventions on accrual basis. Except gratuity and Leave encashment, which are accounted on cash basis.

2. FIXED ASSETS AND DEPRECIATION :-

- a) Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises of purchase price and directly attributable cost of bringing the asset to its present condition for intended use and pre-operative expenditure allocated to its respected assets less CENVAT credit taken.
- b) Depreciation has been provided on all assets except Land on Straight Line method as per the rates derived from the expected life of assets as stated in Schedule II of the Companies Act, 2013, pro-rata depreciation is calculated for all additions made during the year
- c) Effective from 01.04.2014 the company depreciates its Fixed assets over the useful life in the manner prescribed in Schedule II of the Act as against earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act 1956. Accordingly unamortized value is being depreciated/amortized over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 01.04.2015 have been adjusted in the opening balance of Profit & Loss Account amounting to Rs 14,55,849/-

3. INVENTORIES :-

Inventories are Valued at cost or net realizable value whichever is lower; Cost includes taxes and duties and is net of credit under CENVAT schemes. Valuation is ascertained on following basis.

RAW MATERIAL:

Raw materials, stores, spares and consumables Valued at Cost on FIFO basis.

SEMI-FINISHED GOODS/FINISHED GOODS

Valued at Lower of cost or net realizable value.

4. REVENUE RECOGNITION :-

- 4.1 Sales of products and services are recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Sales are inclusive of Excise Duty but excluding sales tax / Value Added Tax.
- 4.2 Interest income is recognized on time proportion basis.

5. EXCISE DUTY :-

The Company has followed a system whereby the Excise Duty is included in the Sales Value and the Value of Closing Stock as required by the Guidance Note of the Institute of Chartered Accountants of India. The actual excise duty paid is shown as expenditure and the excise duty unpaid and included in finished goods is shown as liability payable under the head other current liabilities.

6. GRATUITY AND LEAVE ENCASHMENT :-

Gratuity payable as per Payment of Gratuity Act is not provided for in books of accounts, but shown separately in notes to accounts. The Company has taken a Policy from LIC of India in respect Gratuity liability and premiums thereof are paid by the Company. As regards Leave Encashment, the company has made a policy that all employees should avail the leave he or she is entitled and hence no provision is made for Leave Encashment. As regards Provident Fund, it is paid by the Company to the Employees Provident Fund Department as per rules and debited to Profit and Loss account on accrual basis

7. TAXATION :-

Provision for taxation comprises of Current Tax and Deferred Tax .Current tax has provision has been made the basis of reliefs and deduction available under Income Tax Act, 1961.Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent the assets can be realized in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance sheet date.

8. USE OF ESTIMATES:

The preparation of financial statement requires management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the period.

9. SEGMENT DISCLOSURES :

The company's business activity falls within a single primary business segment viz. manufacturing of Barrels. As such, there are no separate reportable segments as per Accounting Standard 17. Also there being no business outside India, the entire business has been considered as single geographical segment.

10. IMPAREMENT OF ASSETS :

The company assesses at each Balance Sheet date, whether there is any indication that asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs, is less than its carrying amount, the carrying amount is adjusted to the amount of recoverable amount.

11. BORROWING COSTS :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

12. LEASES :**Finance Lease**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease liability and the interest component is charged to profit and loss account.

13. CASH FLOW STATEMENT

The Cash Flow Statement is prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

14. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the notes forming parts of the accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

- A) In the opinion of the Board, Debtors, Loans and Advances and other Current Assets are of the value as stated in the Balance Sheet, if realized in the ordinary course of the business.
- B) Balances of Depositors, Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and reconciliation.
- C) Estimated amount of contracts remaining to be executed on Capital Account not provided for (net of advances) as on 31st March 2016 is Rs. NIL (Previous Year Rs. NIL).
- D) Figures have been rounded off to the nearest rupee.
- E) Previous Year figures have been regrouped and/or rearranged whenever necessary to confirm with current year's classification
- F) **Related Party Disclosure:-**

Disclosure of related party transaction as required by Accounting Standard – 18 issued by the Institute of Chartered Accountants of India.

Key Management Personnel their relatives and Associate Company as on 31.03.2016 are asunder:

Sr.No.	Director	Relative
Sr. No.	Director	Relative
1	Kiran Shah	Geeta K Shah
2	NehaVora	Neil Shah (CFO)
3	Pravin Shah	Jigna P. Shah (G.M)

Transactions with the Related Party.

Transaction During the year	Key Management personnel	Relatives	Total
Interest Paid on Loan	Nil	Nil	Nil
Managerial Remuneration (Including Perks)	48,00,000	4,82,520/=(Salary)	52,82,520
Loans Received	Nil	Nil	Nil
Services	Nil	1,44,79,510	1,44,79,510
Rent	Nil	18,00,000	18,00,000

G) Remuneration to Directors:-

The Company has paid remuneration to its Executive Directors, in accordance with the provision of Schedule V of the Companies Act, 2013 and as per the special resolution passed by the Company in the Annual general meeting which is within the limits specified therein.

H) During the current year, the Company has Calculated and accounted for Deferred Tax Assets/liability in accordance with the Accounting Standard - 22 "Accounting for Taxes on Income" issued by the Council of the Institute of Chartered Accountants of India.**I) Current Tax: During the year, Provision is made for taxes on incomes is Rs.20,29,000/- (Last Year Rs. 24,87,170/-)****J) The Company has subscribed to LIC Group Gratuity Scheme to cover the liability of Gratuity Payable to its employees. The valuation of Present value of Gratuity liability accrued as per valuation of LIC is Rs.62,63,534/- (Last Year Rs. 66,91,337/-) against which during this year no premium is paid by the company. Balance with LIC as on 31.03.2016 is Rs.40,28,763/-. As regards Leave Encashment the Company follows a policy that all employees avail their leave compulsorily, hence no provision is made on this account for leave encashment.****K) There are no entities covered Micro, Small and Medium Enterprises, as defined in Micro, Small, Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made.**

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

L) Depreciation and Amortization expense for the year have been calculated as per provisions of Schedule II of the Companies Act 2013, wherein all the Fixed Assets having not completed their useful life as on 01.04.2014 and shown at the Original Value have been depreciated on that value for the remaining useful life as per the rate derived from the expected life of assets

In Accordance with our Report of even date

FOR AND ON BEHALF OF THE BOARD

For V.K.SHASTRI & Co.
Chartered Accountants

(Neil Shah)
Chief Financial Officer

(Nitin Mistry)
Company Secretary

V.K. SHASTRI
Sole Proprietor

(Kiran Shah)
Chairman & Managing Director

(Pravin Shah)
Whole Time Director

Place : VADODARA.
Date : 28.05.2016

Place : VADODARA.
Date : 28.05.2016

To,
 MCS Share Transfer Agent Ltd
 2nd Floor, 10, Aaram Apartment,
 12, Sampatrao Colony, B/H Laxmi Hall,
 Alkapuri, Vadodara - 390 007
 Tel:(0265) 2314757, 2350490

Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC : (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / beneficiary account.

Place :

Date :

 Signature of Sole / First holder

ATTENDANCE SLIP

PLEASE FILL THE ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING VENUE.

Joint shareholders may obtain additional Attendance Slip on request.

L.F.No / D.P.Id & Client Id :
 No. of Share(s) held :
 Name of Members and :
 Address of Member(s)

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 24th Annual General Meeting of Company held on Friday, the 30th September, 2016 at 11.00 a.m at its Registered Office at Plot No: 488-489/P, Baroda-Savli highway, Village:Tundav, Tal: Savli,Dist: Vadodara - 391 775, Gujarat

Name of the Member/Proxy

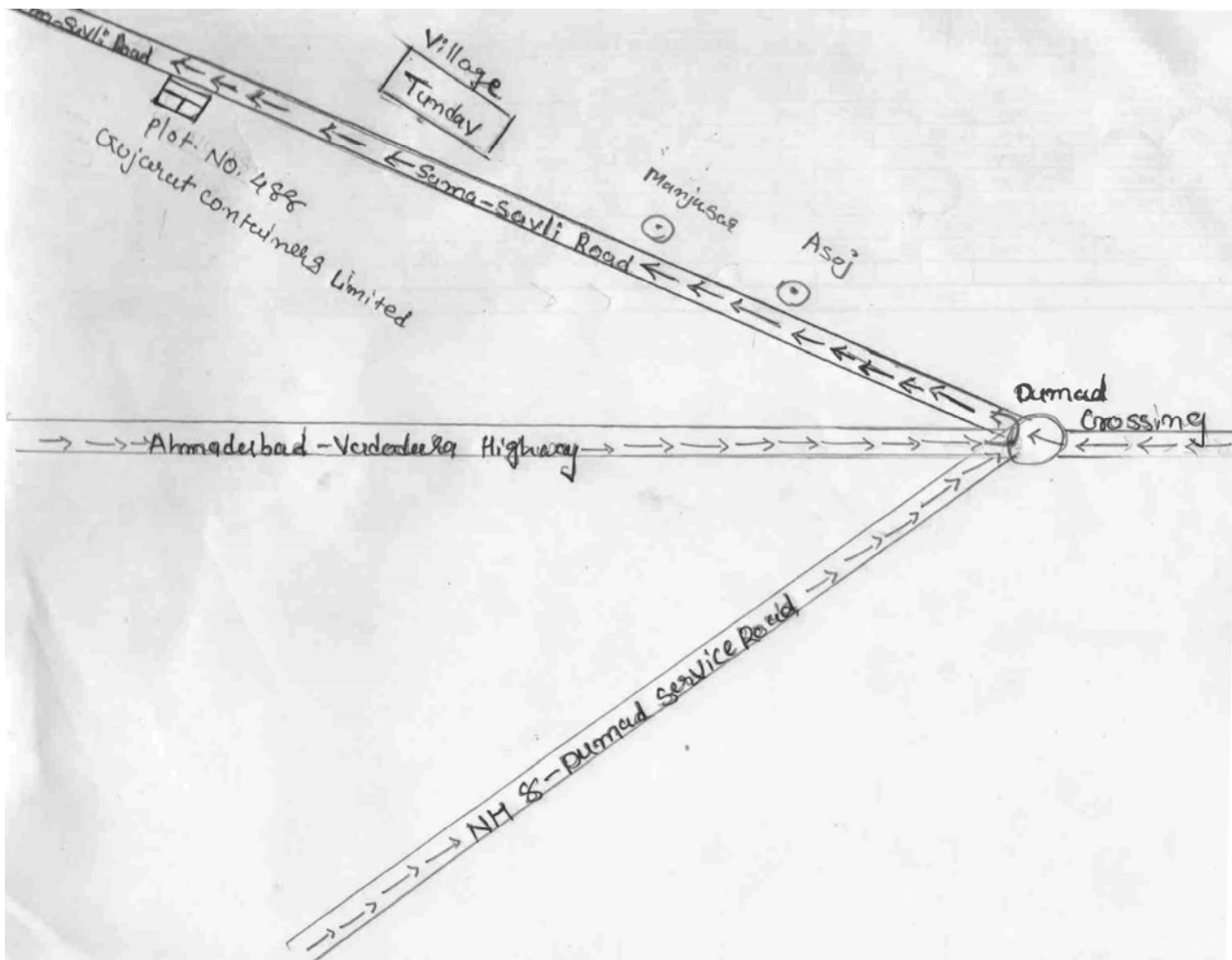
Signature of the Member/Proxy

Notes:

1. Members/Proxy holder are requested to bring their copies of the Annual Report with the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided at the entrance of the Meeting Hall.

.....TEAR HERE.....

ROUTE MAP OF AGM VENUE



GUJARAT CONTAINERS LIMITED**CIN: L28120GJ1992PLC017081**

Regd. Office : Plot No: 488-489/P, Baroda-Savli highway,

Village:Tundav, Tal: Savli,Dist: Vadodara - 391 775 Gujarat

Phone : +91(2667) 262084, 262220, E-mail id: info@gujaratcontainers.com , Website:.. www.gujaratcontainers.com

FORM NO.MGT-11**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L28120GJ1992PLC017081
 Name of the Company : Gujarat Containers Limited
 Registered Office : Plot No: 488-489/P, Baroda-Savli highway, Village:Tundav, Tal: Savli,
 Dist : Vadodara - 391 775 Gujarat

Name of the members	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID / L.F.No.	

I/We being a member / members of _____ shares of the above named company, hereby appoint

- 1) Name : Address :
 Email id : Signature :
 or failing him
- 2) Name : Address :
 Email id : Signature :
 or failing him
- 3) Name : Address :
 Email id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of Company held on Friday, the 30th September, 2016 at 11.00 a.m. at its Registered Office at Plot No: 488-489/P, Baroda-Savli highway, Village:Tundav, Tal: Savli,Dist: Vadodara - 391 775, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		For	Against
1.	To adopt Audited Financial Statements of the Company for the year ended March 31, 2016 together with the Reports of the Board of Directors and Auditors thereon.		
2.	Ratification of Appointment of Auditors		
3.	To appoint Mr. Dinesh Kamdar as an Independent Director.		
4.	To appoint Mr. Uday Premjibhai Madhwani as an Independent Director.		
5.	To appoint Mr. Divyakant Zaveri as an Independent Director.		
6.	To appoint Mr. Pravinbhai Shah as a Whole Time Director		

Signed..... Day of September, 2016

Affix Re.1 Revenu

Note:

- The proxy form 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.
- It is optional to indicate your preference. If you leave the "For" or "Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
- Your proxy will be entitled to vote in the manner as he/she may deem appropriate at 24th Annual General Meeting of Members of the Company, to be held on Friday, the 30th September, 2016 at 11:00 a.m. at the Registered Office at Plot No 488-489/P, Baroda-Savli highway, Village: Tundav, Tal: Savli, Dist: Vadodara - 391 775 or at any adjournment thereof.

If undelivered, please return to:

Gujarat Containers Limited

Corporate Office: 201-202, Alkapuri Arcade, “B” Wing, R.C. Dutt Road,
Opp. Welcome Hotel, Vadodara – 390 007

Phone : 91-(0265) 2341265 , 2331965, Fax : +91(0265) 2341264

Email : info@gujaratcontainers.com