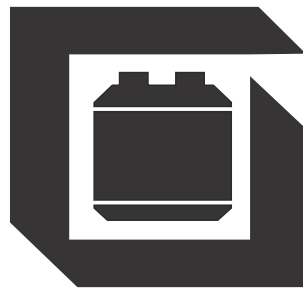


# **25<sup>th</sup> Annual Report 2016-17**



## **Gujarat Containers Limited**

**An ISO 9001 : 2008 Certified Company**



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**TWENTY FIFTH ANNUAL REPORT 2016-2017****Corporate Information****Board of Directors:**

Kiran Arvindlal Shah	:	Chairman & Managing Director
Pravin Hiralal Shah	:	Whole Time Director
Udaybhai Premjibhai Madhwani	:	Independent Director
Neha Vivek Vora	:	Whole Time Director
Dinesh Kamdar	:	Independent Director ( Up to 8 <sup>th</sup> December, 2016 )
Divyakant R. Zaveri	:	Independent Director
Sanjay Dalsukhbhai Shah	:	Independent Director (w.e.f. 6 <sup>th</sup> March, 2017)

**Key Managerial Personnel**

Neil Kiran Shah	:	Chief Financial Officer (CFO)
Nitin Mistry	:	Company Secretary (From 13 <sup>th</sup> August, 2016 to 28 <sup>th</sup> May, 2017)

<b><u>Bankers</u></b>	:	State Bank of India Specialized Commercial Branch, 2 <sup>nd</sup> Floor, Trident Complex, Race Course, Vadodara – 390 023.
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<b><u>Auditors</u></b>	:	M/s. V K Shashtri & Co. Chartered Accountants Gayatri Krupa, 9, Manisha Society Old Padra Road, Baroda.
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<b><u>Registered Office</u></b>	:	Plot no. 488, Baroda – Savli Highway, Vill. Tundav, Tal. Savli, Dist. Vadodara – 391 775 Phone : +91(2667) 262084, 262220.
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<b><u>Corporate Office</u></b>	:	201-202, Alkapuri Arcade “B” Wing, R.C. Dutt Road, Opp. Welcome Hotel, Vadodara – 390 007 Phone : (0265) 2341265 , 2331965 Fax : +91(0265) 2341264 Email: info@gujaratcontainers.com
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<b><u>CIN</u></b>	:	L28120GJ1992PLC017081
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<b><u>Company Website</u></b>	:	<b>www.gujaratcontainers.com</b>
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<b><u>Registrar &amp; Share Transfer Agent</u></b>	:	M/s. MCS Share Transfer Agent Ltd 10, Aaram Apratment, 12, Sampatrao colony Vadodara – 390 007 Tel (0265) 2314757, Fax (0265) 2341639 e-mail id : <a href="mailto:mcsLtdbaroda@yahoo.com">mcsLtdbaroda@yahoo.com</a>
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**NOTICE**

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of **Gujarat Containers Limited** will be held on Saturday, the 23<sup>rd</sup> September, 2017 at 11.00 a.m. at its Registered Office at Plot No.488, Baroda – 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, 2017, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pravin Hiralal Shah (DIN 01881862), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Appointment of Statutory Auditors of the Company:**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Shah & Bhandari, Chartered Accountants (Firm Registration No. 118852W), be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s. V. K. Shastri & Co., Chartered Accountants (Firm Registration No. 113325W), to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the 30<sup>th</sup> AGM to be held in the year 2022, subject to ratification of their appointment at every AGM, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**Special Business:**

4. **To appoint Mr. Sanjay Dalsukhbhai Shah, (DIN: 00123523) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** Mr. Sanjay Dalsukhbhai Shah (DIN: 00123523), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 6<sup>th</sup> March, 2017 and who holds office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 (‘the Act’) and Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, appointment of Mr. Sanjay Dalsukhbhai Shah, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years, with effect from 6<sup>th</sup> March, 2017 up to 5<sup>th</sup> March, 2022, be and is hereby approved.”

**Date: 25-07-2017**

**Place: Vadodara**

**For and on behalf of the Board of Directors,**

**(Kiran Arvindlal Shah)  
Chairman & Managing Director**

**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 annexure to the notice.
  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](http://www.gujaratcontainers.com) in the Investor Relations section.
  8. **The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 18<sup>th</sup> September, 2017 to Saturday, the 23<sup>rd</sup> September, 2017 (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 2016-17 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 2016-17 will also be available on the Company's website viz. [www.gujaratcontainers.com](http://www.gujaratcontainers.com).
  14. The route map showing directions to reach the venue of the 25<sup>th</sup> AGM is annexed.

15. **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 25<sup>th</sup> 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 25<sup>th</sup> 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 Secretaries, 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 **Wednesday, 20<sup>th</sup> September, 2017 at 9.00 a.m. and ends on Friday, 22<sup>nd</sup> September, 2017 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. **16<sup>th</sup> September, 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on **Friday, 22<sup>nd</sup> September, 2017**.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID;
  - 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](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

	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"> <li>• 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.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN 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](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 16<sup>th</sup> September, 2017 may follow the same instructions as mentioned above for e-Voting.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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#### Contact Details

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



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

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s. V. K. Shastri & Co., Chartered Accountants, Vadodara, (FRN. 113325W) were appointed as the Auditors of the Company at the 22<sup>nd</sup> Annual General Meeting (AGM) of the Company held on September 30, 2014 for a term of three years to hold office till the conclusion of this AGM.

As per the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an individual auditor firm as auditor for more than one term of five consecutive years.

In view of the above, M/s. V. K. Shastri & Co. can continue as the Auditors of the Company only up to the conclusion of this Annual General Meeting ('AGM'), having completed their term as per the provisions of Section 139 of the Act.

The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on July 25, 2017, proposed the appointment of M/s. Shah & Bhandari (Firm Registration No. 118852W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the 30<sup>th</sup> AGM to be held in the year 2022, subject to ratification of their appointment at every AGM. They have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the Notice.

**Item No. 4 :**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Sanjay Dalsukhbhai Shah (DIN: 0000123523), as an Independent Director of the Company. The appointment of Mr. Sanjay Dalsukhbhai Shah shall be effective upon approval by the members in the Meeting.

Mr. Sanjay Dalsukhbhai Shah 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. Sanjay Dalsukhbhai Shah that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 25 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015. In the opinion of the Board, Mr. Sanjay Dalsukhbhai Shah, 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 Requirement) Regulation 2015, Mr. Sanjay Dalsukhbhai Shah is independent of the management and possesses appropriate skills, experience and knowledge.

**Brief resume of Mr. Sanjay Dalsukhbhai Shah :**

Mr. Sanjay Dalsukhbhai Shah is Qualified Chartered Accountant and having more than 20 years of rich experience in finance, taxation and accounts. 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. Sanjay Dalsukhbhai Shah be appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Sanjay Dalsukhbhai Shah 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. Sanjay Dalsukhbhai Shah 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.

The Board recommends the resolution at Item No.4 of the accompanying Notice for approval and adoption.

**Date: 25-07-2017**

**Place: Vadodara**

**For and on behalf of the Board,**

**(Kiran Arvindlal Shah)  
Chairman & Managing Director**

**Details of Directors Seeking Appointment / Re-Appointment at the Annual General Meeting  
(Pursuant to SEBI (LODR) Regulation, 2015 and SS-2 on General Meeting)**

<b>Name</b>	<b>Pravin Hiralal Shah</b>	<b>Sanjay Dalsukhbhai Shah</b>
DIN	01881862	00123523
Date of Birth	02/06/1952	15/05/1949
Date of Appointment	02/11/1992	06/03/2017
Qualifications	B.Com.	Chartered Accountant
Expertise in specific functional areas	Technical & Commercial	Finance, Taxation & Accounts
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	None	None
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.	None	None
Number of shares held in the Company	49,900	Nil

**Note:** For other details such as number of meetings of the Board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of the above directors please refer to the Board's Report and the Corporate Governance Report.

**BOARD'S REPORT**

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

Your Directors are pleased to present the 25<sup>th</sup> Annual Report and the Company's Audited Financial Statement for the financial year ended March 31, 2017.

**1. Financial Statements :****(Rs. in Lacs)**

Particulars	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>Revenue from Operations</b>	<b>4973.82</b>	<b>5,039.09</b>
Other Incomes	3.21	5.27
<b>Total Revenue</b>	<b>4977.03</b>	<b>5,044.36</b>
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>406.63</b>	<b>403.81</b>
Less: Finance Cost	238.11	259.94
Less: Depreciation & Amortization Expense	62.27	73.76
Add: Exceptional / Prior period adjustment	11.64	13.90
Less : Provision for Taxation	31.61	20.29
Add: Provision for Deferred Tax	3.80	1.59
<b>Net Profit</b>	<b>82.48</b>	<b>65.31</b>

**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 2016- 2017,

- i. Net Sales (excluding Excise Duty) of the Company for the year under review, is Rs. 4973.82/- Lacs as compared to Rs. 5,039.09/- Lacs in the previous year.
- ii. Net Profit after Tax, reached to Rs. 82.48 Lacs as against Net Profit of Rs. 65.31 Lacs of the previous year showing an increase of 20.81%.

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 -

- a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials, if any;
- b) given any guarantee or provided security in connection with a loan to any other body corporate or person; and
- c) 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](http://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 – A** 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, 2017, 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, 2017 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. Dinesh Kamdar ceased to be Director of the Company on resignation w.e.f 8<sup>th</sup> December, 2016, due to his pre-occupation.
- Mr. Sanjay Dalsukhbhai Shah has been appointed as Additional Independent Director of the Company w.e.f. 6<sup>th</sup> March, 2017. Pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company, Mr. Sanjay Dalsukhbhai Shah shall vacate office and are eligible for appointment as Non-Executive, Independent Director of the Company. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Sanjay Dalsukhbhai Shah as Independent Director for a term of five years, is being placed before the Members in General Meeting for their approval. As per the provisions of Section 149 of the Act, he will not be liable to retire by rotation. Members are requested to refer to Item No.4 of the Notice of the Annual General Meeting (AGM) and the Explanatory Statement for details of their qualifications and experience.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of 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 Financial Officer
Mr. Nitin Mistry	- Company Secretary & Compliance Officer (w.e.f. August 13, 2016)

**Events Occurring after Close of the Financial Year:**

Mr. Nitin Mistry ceased to be Company Secretary & Compliance Officer of the Company with effect from 28<sup>th</sup> May, 2017, due to his resignation.

**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 and 16(1)(b) 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 Nomination and Remuneration Committee has laid down the criteria for Directors appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as leadership, entrepreneurship, business advisor or such other attributes which in the opinion of the Committee are in the interest of the Company;
- the candidate should be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges, in case of appointment as an independent director; and
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, corporate governance,

technical operations, infrastructure or such other areas or disciplines which are relevant for the Company's business.

**17. Number of Meetings of the Board:**

During the year under review, Five (5) Meetings of the Board of Directors, were held on May 28, 2016, August 13, 2016, November 14, 2016, December 19, 2016, February 6, 2017. 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- B** 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, 2017 and the report dated May 27, 2017.

**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 but 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, Steel Price Fluctuations 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 2016-17, the net sale of the Company for the year under review is Rs. 4973.82/- Lacs as compared to Rs. 5,039.09/- Lacs of the previous year, however, the Company registered Net Profit of Rs. 82.48/- Lacs as against net profit of Rs. 65.31/- Lacs in the previous year.

**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 works, 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 stakeholders 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](http://www.gujaratcontainers.com))

However, in view of inadequate profit, 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 on sites.

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 of the works as well.

**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. All employees of the Company, those of contractors as well as trainees



are covered under this Policy. The policy of the Company is placed on the website of the Company ([www.gujaratcontainers.com](http://www.gujaratcontainers.com))

No complaint was received from any employee during the financial year 2016-2017 and hence no complaint is outstanding as on 31.03.2017 for redressal.

**27. Vigil Mechanism/ Whistle Blower Policy:**

There is a Whistle Blower Policy in the Company and that no personnel have 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 Company's website [www.gujaratcontainers.com](http://www.gujaratcontainers.com).

**28. Code of Conduct:**

The Board has laid down a code of conduct for board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website [www.gujaratcontainers.com](http://www.gujaratcontainers.com). The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Chairman & Managing Director / CEO is given at the end of the Corporate Governance Report.

**29. Prevention of Insider Trading:**

The Board has adopted a revised Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company [www.gujaratcontainers.com](http://www.gujaratcontainers.com). All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

**30. 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.

**31. Corporate Governance:**

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

**32. 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 invests 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.

**33. 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.

**34. 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 for conservation of energy continued earlier/same actions.

**Technology absorption:** Your Company has not taken new technology for absorption and hence it has neither imported any technology nor made any expenditure on research and developments. The Company 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.

**35. 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 2016-2017.

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. None of the employees listed in the said Annexure is related to any Director of the Company.

**36. Insurance:**

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

**37. Share Capital:**

The paid-up equity share capital of the Company as at 31<sup>st</sup> March, 2017 is Rs. 5,65,00,000. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

**38. Auditors:****(i) Statutory Auditors:**

M/s. V. K. Shastri & Co., Chartered Accountants (Firm Registration No. 113325W), retire as auditors of the Company under the provisions of Section 139 of the Companies Act, 2013. They are not eligible for re-appointment as the auditors of the Company under the provisions of Section 139 (2) of the Companies Act, 2013. The Board places on record its appreciation for the services rendered by M/s. V. K. Shastri & Co., Chartered Accountants as the Statutory Auditors of the Company for all these years.

In their place, it is proposed by the Company to appoint M/s. Shah & Bhandari, Chartered Accountants (Firm Registration No. 118852W) as the Statutory Auditors of the Company for a period of 5 years till the conclusion of the Company's 30th Annual General Meeting and the necessary resolution in this regard is proposed to be passed by the members of the Company at the ensuing Annual General Meeting.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors.

**(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, Practising Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2017. The Secretarial Audit Report is annexed as **Annexure D** which contains two adverse remarks / qualifications.

The responses of your Directors on the observations made by the Secretarial Auditor are as follows:-

**Response to Point No.1:**

60,200 shares held by the promoters group in physical form have been dematerialized on 24<sup>th</sup> May, 2017. Now, there are no shares in physical form held by promoters/promoter group.

**Response to Point No.2:**

Your company is law abiding entity and filed the necessary forms & returns with the Registrar of Companies / MCA in time, however there was delay of 198 days in filing of Form No MR-1 due to inadvertence.

**(iii) Internal Auditor:**

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

**(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.

**39. 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.

**For and on behalf of the Board of Directors,**

**Date: 27-05-2017**

**Place: Vadodara**

**Kiran Arvindlal Shah  
Chairman & Managing Director**

**ANNEXURE – A 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.
<b>Not Applicable</b>						

**(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, per annum	Date(s) of approval by the Board	Amount paid as advances, 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) wife of Kiran Shah	Transport Services (Freight Charges)	5 Years	1,97,91,957	29.05.2015	None	Not Applicable
Management Aids & Geetaben Shah wife of Kiran Shah	Office Rent 201 & 202	5 Years	18,00,000	29.05.2015	None	Not Applicable
Kiran Shah & KMP	Salary	3 Years	25,68,462	29.05.2015	None	Not Applicable
Neha Vora & Daughter of Director	Salary	3 Years	12,00,000	08.08.2015	None	Not Applicable
Neil Shah & Son of Director	Salary	5 Years	12,00,000	29.05.2015	None	Not Applicable
Pradip Shah Brother in law of Director	Salary	5 Years	5,10,000	29.05.2015	None	Not Applicable

**Date:** 27-05-2017

**Place:** Vadodara

**For and on behalf of the Board of Directors,**

**Kiran Arvindlal Shah  
Chairman & Managing Director**

**ANNEXURE- B TO THE BOARD'S REPORT**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31<sup>st</sup> March, 2017**

[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 : info@gujaratcontainers.com Website : <a href="http://www.gujaratcontainers.com">www.gujaratcontainers.com</a>
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 Apratment, 12, Sampatrao colony,, Vadodara – 390 007 Tel (0265) 2314757, Fax (0265) 2341639 e-mail id : <a href="mailto:mcsLtdbaroda@yahoo.com">mcsLtdbaroda@yahoo.com</a>

**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	
<b>A. PROMOTERS</b>									
<b>(1) INDIAN</b>									
a) Individual/ HUF	25,97,830	60,200	26,58,030	47.04	25,98,930	62,300	26,61,230	47.10	0.06
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corporate	--	--	--	--	--	--	--	--	--
e) Banks/FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub total (A)(1)</b>	<b>25,97,830</b>	<b>60,200</b>	<b>26,58,030</b>	<b>47.04</b>	<b>25,98,930</b>	<b>62,300</b>	<b>26,61,230</b>	<b>47.10</b>	<b>0.06</b>

<b>(2) FOREIGN</b>										
a) NRI-individuals	--	--	--	--	--	--	--	--	--	--
b) Other Individuals	--	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--	--
<b>Sub Total (A)(2)</b>	--	--	--	--	--	--	--	--	--	--
<b>Total Shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	<b>25,97,830</b>	<b>60,200</b>	<b>26,58,030</b>	<b>47.04</b>	<b>25,98,930</b>	<b>62,300</b>	<b>26,61,230</b>	<b>47.10</b>	<b>0.06</b>	
<b>B) Public Shareholding</b>										
<b>1) Institutions</b>										
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)	--	--	--	--	--	--	--	--	--	--
<b>Sub- total (B) (1)</b>	--	--	--	--	--	--	--	--	--	--
<b>2) Non Institutions</b>										
a) Bodies Corporate	43,200	6,000	49,200	0.87	48,100	6,000	54,100	0.96	0.09	
b) Individuals										
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	54,600	21,98,370	22,52,970	39.87	21,60,470	83,500	22,43,970	39.72	(0.15)	
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	--	6,50,000	6,50,000	11.50	--	6,50,000	6,50,000	11.50	--	
c) Others (specify) NRI & HUF	5,700	34,100	39,800	0.70	7,000	33,700	40,700	0.72	--	
<b>Sub Total (B)(2)</b>	<b>1,03,500</b>	<b>28,88,470</b>	<b>29,91,970</b>	<b>52.96</b>	<b>22,15,570</b>	<b>7,73,200</b>	<b>29,88,770</b>	<b>52.96</b>	--	
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1,03,500</b>	<b>28,88,470</b>	<b>29,91,970</b>	<b>52.96</b>	<b>22,15,570</b>	<b>7,73,200</b>	<b>29,88,770</b>	<b>52.96</b>	--	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>27,01,330</b>	<b>29,48,670</b>	<b>56,50,000</b>	<b>100.00</b>	<b>48,14,500</b>	<b>8,35,500</b>	<b>56,50,000</b>	<b>100.00</b>	--	

## (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/ encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Kiran Shah	11,21,230	19.84	--	11,24,430	19.90	--	0.06
2.	Geeta K Shah	4,34,500	7.69	--	4,34,500	7.69	--	--
3.	Pravin H Shah	49,900	0.88	--	43,300	0.76	--	--
4.	Neha Vivek Vora	5,19,400	9.19	--	5,16,500	9.14	--	--
5.	Neil Kiran Shah	5,25,700	9.30	--	5,25,700	9.30	--	--
6.	Pradip M Shah	5,600	0.10	--	4,500	0.08	--	--
7.	Minaxiben Shah	900	0.02	--	900	0.01	--	--
8.	Arvindbhai Shah	800	0.01	--	800	0.01	--	--
	<b>Total</b>	<b>26,58,030</b>	<b>47.04</b>	<b>--</b>	<b>26,61,230</b>	<b>47.10</b>	<b>--</b>	<b>0.06</b>

## (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	<b>Kiran Arvindlal Shah</b>					
	At the beginning of the year	01.04.2016	11,21,230	19.84	--	--
	Purchased during the year	06.02.2017	3,200	0.06	11,24,430	19.90
	At the end of the year	31.03.2017	--	--	11,24,430	19.90

## (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.	<b>Gajanand K. Malpani</b>					
	At the beginning of the year	01.04.2016	4,80,000	8.50	--	--
	At the end of the year	31.03.2017	--	--	4,80,000	8.50

2.	<b>Laxminarayan G. Malpani</b>					
	At the beginning of the year	01.04.2016	170,000	3.01	--	--
	At the end of the year	31.03.2017	--	--	1,70,000	3.01
3.	<b>Green Panchwati Hous.&amp; Gene. Finance Ltd.</b>					
	At the beginning of the year	01.04.2016	42,100	0.74	--	--
	At the end of the year	31.03.2017	--	--	42,100	0.74
4.	<b>Shashank B Singwala</b>					
	At the beginning of the year	01.04.2016	6,400	0.11	--	--
	At the end of the year	31.03.2017	--	--	6,400	0.11
5.	<b>Vasantiben B Singwala</b>					
	At the beginning of the year	01.04.2016	5,900	0.10	--	--
	At the end of the year	31.03.2017	--	--	5,900	0.10
6.	<b>Moneybee Advisors Pvt. Ltd.</b>					
	At the beginning of the year	01.04.2016	--	--	--	--
	Purchased during the year	10.02.2017	5,000	0.09	5,000	0.09
	At the end of the year	31.03.2017	--	--	5,000	0.09
7.	<b>Rohit C Parikh</b>					
	At the beginning of the year	01.04.2016	5,000	0.09	--	--
	At the end of the year	31.03.2017	--	--	5,000	0.09
8.	<b>Shah Kesari Sobhagchand</b>					
	At the beginning of the year	01.04.2016	4,600	0.08	--	--
	At the end of the year	31.03.2017	--	--	4,600	0.08
9.	<b>Bipinchandra Bhukhandas Singwala</b>					
	At the beginning of the year	01.04.2016	4,300	0.07	--	--
	At the end of the year	31.03.2017	--	--	4,300	0.07
10.	<b>Bhavesh Dhirajlal Tanna</b>					
	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

## (v) 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	01.04.2016	11,21,230	19.84	--	--
	At the end of the year	31.03.2017	--	--	11,24,430	19.90
2.	Pravin Hirala Shah					
	At the beginning of the year	01.04.2016	49,900	0.88	--	--
	At the end of the year	31.03.2017	--	--	49,900	0.88
3.	Neil Kiran Shah					
	At the beginning of the year	01.04.2016	5,25,700	9.30	--	--
	At the end of the year	31.03.2017	--	--	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:

(Amount in Rs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year(01.04.2016)</b>				
i) Principal Amount	151,313,730	82,89,261	Nil	15,96,02,991
ii) Interest Due but Not Paid	Nil	Nil	Nil	Nil
iii) Interest Accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i + ii + iii)</b>	151,313,730	82,89,261	Nil	15,96,02,991
<b>Change in indebtedness during the financial year</b>				
i) Addition	99,59,857	Nil	Nil	99,59,857
ii) Reduction	Nil	74,50,653	Nil	74,50,653
<b>Net Change</b>	99,59,857	74,50,653	Nil	25,09,204
<b>Indebtedness at the end of the financial year(31.03.2017)</b>				
i) Principal Amount	16,12,73,587	8,38,608	Nil	16,21,12,195
ii) Interest Due but Not Paid	Nil	Nil	Nil	Nil
iii) Interest Accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i + ii + iii)</b>	16,12,73,587	8,38,608	Nil	16,21,12,195

**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	Total Amount (In Rs.)
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,10,000	24,00,000	12,00,000	41,10,000
	(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	---	---	---	--
	<b>Total (A)</b>	<b>5,10,000</b>	<b>24,00,000</b>	<b>12,00,000</b>	<b>41,10,000</b>
	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	
<b>1.</b>	<b>Independent Directors</b>				
	Fee for attending board / committee meetings	--	25,000	--	25,000
	Commission	--	--	--	--
	Others, please specify	--	--	--	--
	<b>Total (1)</b>	--	<b>25,000</b>	--	<b>25,000</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>	<b>There was no Non-executive Director</b>			

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,35,000	12,00,000	13,35,000
		--	--	--
		--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - As a % of profit - Others , specify	--	--	--
5.	Others, please specify	--	--	--
	<b>Total</b>	<b>1,35,000</b>	<b>12,00,000</b>	<b>13,35,000</b>

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

There were no penalties / punishment / compounding of offences during the year ended March 31, 2017 on Directors and the Company.

Date: 27-05-2017

Place: Vadodara

For and on behalf of the Board of Directors,

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 :**

<b>Directors</b>	<b>Ratio to median Remuneration</b>
Kiran Shah	16.31:1
Pravin Shah	3.47:1
Neha Vora	8.15:1

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

<b>Directors, Chief Executive Officer, Chief Finance Officer and Company Secretary</b>	<b>% increase in remuneration in the financial year</b>
Kiran Shah	0%
Pravin Shah	0%
Neil Shah	0%

- c. The percentage increase in the median remuneration of employees in the financial year: 22.33%.
- d. The number of permanent employees on the rolls of Company: 86
- 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 6.00% and increase in the managerial remuneration was 0.00%.

- 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.

Date: 27-05-2017  
Place: Vadodara

For and on behalf of the Board of Directors,

**Kiran Arvindlal Shah**  
**Chairman & Managing Director**

**ANNEXURE - D TO THE BOARD'S REPORT****FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

[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 31<sup>st</sup> March, 2017 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 ("the Company") for the financial year ended on 31<sup>st</sup> March, 2017, 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;

- 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)**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable. The Company has not issued any debt securities during the year under review)**
  - 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. 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. The shares of the Company are not delisted at any stock exchange, during the year under review) and**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable. The Company not bought back any shares / securities during the year under review)**
- 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**

- ix. 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. Employees Pension scheme, 1995
- xvii. Payment of Gratuity Act, 1972
- xviii. Equal Remuneration Act, 1976
- xix. Labour Welfare Acts Professional Tax Acts of respective States
- xx. Employees State Insurance Act, 1948
- xxi. Industrial Dispute Act, 1947

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- 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.

- 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 except for the Board Meetings held on 26<sup>th</sup> November, 2016, 22<sup>nd</sup> February, 2017 and 28<sup>th</sup> March, 2017 ; 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 complied with SEBI Circular no Cir/ISD/ 3/2011 dated June 17, 2011 regarding demat of the total Promoter's Shareholding in the Company.  
**(The said circular is not complied with by the Promoters of the Company as 60,200 Equity Shares of the said Company held by promoters group of Shareholders are still held in physical form.)**
2. During the year under review, the Company has filed required forms and returns with the Registrar of Companies, Gujarat / MCA, within prescribed time, except following Forms filed with delay as stated hereunder, with additional filing fees.

Form No.	Date of Event	Date of Filing	Delayed by days	Additional Filing Fees paid
MR-1	13/02/2016	26/10/2016	198	6000

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 notices for convening of Board Meetings were given to all Directors at least seven days in advance except for the Board meeting held on 26<sup>th</sup> November, 2016, 22<sup>nd</sup> February, 2017 and 28<sup>th</sup> March, 2017. 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 relied on the representation made by the Company and its Officers in respect of the

Systems and Processes and Mechanism formed for compliances under the specific and general laws at (i) to (xxi) above and other applicable laws. 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 2016-17;

- i. At its 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016, the Shareholders of the Company has passed Special Resolutions for following:
  - a. Appointment of Mr. Dinesh Kamdar (DIN: 01657591) as an Independent Director
  - b. Appointment of Mr. Udaybhai Premjibhai Madhwani (DIN: 01842773) as an Independent Director
  - c. Appointment of Mr. Divyakant Ramniklal Zaveri (DIN: 01382184) as an Independent Director
- ii. 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.

**For Jayesh Vyas & Associates  
Practicing Company Secretaries**

**Jayesh Vyas  
Proprietor  
F.C.S.: 5072; C.P. : 1790**

**Place: Vadodara  
Date: 27-05-2017**

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 – 391 775.

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**

**Jayesh Vyas  
Proprietor  
F.C.S.: 5072; C.P. : 1790**

**Place: Vadodara  
Date: 27-05-2017**

## 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, 2017, the Board consists of 6 members, out of which 3 Members, are Executive / 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, 2017 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, 2017 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 (30-09-2016)	No. of Directorship in other public companies		No. of Committee positions held in other Public Companies	
		Held	Atten ded		Chairm an	Member	Chairman	Member
Kiran Arvindlal Shah (Chairman) DIN 01862236	Promoter Executive	5	5	Yes	--	--	--	--
Pravin Hiralal Shah DIN 01881862	Promoter Executive	5	4	Yes	--	--	--	--
Neha Vivek Vora DIN 07150139	Promoter Executive	5	5	Yes	--	--	--	--
*Dinesh Kamdar DIN 01657591	Non Executive Independent	3	3	Yes	--	1	--	--
** Sanjay Dalsukhbhai Shah DIN 00123523	Non Executive Independent	Nil	Nil	NA	--	--	--	--
Udaybhai Premjibhai Madhwani DIN 01842773	Non Executive Independent	5	4	Yes	--	--	--	--
Divyakant Ramniklal Zaveri DIN 01382184	Non Executive Independent	5	4	Yes	--	2	2	2

\* Mr. Dinesh Kamdar ceased to be Director w.e.f 8<sup>th</sup> December, 2016.

\*\* Mr. Sanjay Dalsukhbhai Shah was appointed as Independent Director w.e.f. 6<sup>th</sup> March, 2017.

- v. Five 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 28, 2016, August 13, 2016, November 14, 2016, December 19, 2016, February 6, 2017.

The necessary quorum was present for all the meetings.

- vi. During the year 2016-17, 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 30<sup>th</sup> March, 2017. 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](http://www.gujaratcontainers.com).
- xi. As on March 31, 2017 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, 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, 2016 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 2016-17	
		Held	Attended
Mr. Divyakant Zaveri	Chairman, Independent, Non-Executive	5	5
*Mr. Dinesh S. Kamdar	Independent, Non-Executive	3	3
**Mr. Sanjay Dalsukhbhai Shah	Independent, Non-Executive	1	1
Mr. Udaybhai Madhwani	Independent, Non-Executive	5	5

\* Mr. Dinesh Kamdar ceased to be Director w.e.f December 8, 2016.

\*\* Mr. Sanjay Dalsukhbhai Shah was appointed as Independent Director w.e.f. March 6, 2017.

- vi. Five 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:

May 28, 2016, August 13, 2016, November 14, 2016, February 6, 2017 and March 6, 2017.

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 2016-17	
		Held	Attended
Mr. Udaybhai Madhwani	Chairman, Independent, Non-Executive	3	3
Mr. Dinesh S Kamdar*	Independent, Non-Executive	1	Nil
Mr. Sanjay Dalsukhbhai Shah**	Independent, Non-Executive	1	1
Mr. Divyakant Zaveri	Independent, Non-Executive	3	3

\* Mr. Dinesh Kamdar ceased to be Director w.e.f. December 8, 2016.

\*\* Mr. Sanjay Dalsukhbhai Shah was appointed as Independent Director w.e.f. March 6, 2017.

During the year, three meeting of the nomination and remuneration committee were held on August 13, 2016, February 6, 2017 and March 30, 2017.

- 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 are 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 behavior and judgment. Performance Evaluation Criteria of Independent Directors and the Board is displayed on the Company’s website: [www.gujaratcontainers.com](http://www.gujaratcontainers.com).

vi. **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](http://www.gujaratcontainer.com).

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) to its Managing Director and Whole Time Directors. 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 2016-17, the Company paid sitting fees of Rs. 7,500/- 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.

## vii. Details of sitting fees for the year ended March 31, 2017 :

a. **Non-Executive Directors:**

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

b. **Managing Whole Time Director:**

Name of director and period of appointment	Salary (Rs. Lakhs)	Benefits perquisites and allowances (Rs. Lakhs)	Stock Options
Mr. Kiran A. Shah, Managing Director	24.00	Nil	Nil
Mr. Pravin H Shah Whole time Director	5.10	Nil	Nil
Mrs. Neha Vora, Whole time Director	12.00	Nil	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 Managing Director and Whole Time Directors.

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

**C. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

- i. 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.
- ii. 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.

- iii. Four meetings of the Stakeholders' Relationship Committee were held during the year on May 28, 2016, August 13, 2016, November 14, 2016 and February 6, 2017.
- iv. 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 2016-17	
		Held	Attended
Mr. Divyakant Zaveri	Chairman, Independent, Non-Executive	4	4
Mr. Udayi Premjibhai Madhwani	Independent, Non-Executive	4	4
Mr. Dinesh S Kamdar*	Independent, Non-Executive	3	1
Mr. Sanjay Dalsukhbhai Shah**	Independent, Non-Executive	Nil	Nil

\* Mr. Dinesh Kamdar ceased to be Director w.e.f. December 8, 2016.

\*\* Mr. Sanjay Dalsukhbhai Shah was appointed as Independent Director w.e.f. March 6, 2017.

- v. Name, designation and address of Compliance Officer:

Mr. Nitin Mistry  
 Company Secretary & Compliance Officer  
 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 2016-17 are as follows:

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

No request for transfer or dematerialization of shares was pending as on March 31, 2017.

#### 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. The composition of the CSR Committee are given below:

Name	Category
Mr. Kiran Shah	Chairman & Managing Director
Mr. Udayi Premjibhai Madhwani	Independent, Non-Executive
Mr. Dinesh S Kamdar*	Independent, Non-Executive
Mr. Sanjay Dalsukhbhai Shah**	Independent, Non-Executive

\* Mr. Dinesh Kamdar ceased to be Director w.e.f. 8<sup>th</sup> December, 2016.

\*\* Mr. Sanjay Dalsukhbhai Shah was appointed as Independent Director w.e.f. 6<sup>th</sup> March, 2017.

The broad terms of reference of CSR committee are 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 2016-17.

The CSR policy of the Company is placed on the website of the Company [www.gujaratcontainers.com](http://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
2013-14	Tuesday, 30 <sup>th</sup> September, 2014 at 11:00 a.m.	At the Registered Office at Plot No.488-489, Baroda – Savli Highway, Vill. Tundav, Tal. Savli , Dist. Vadodara – 391775	(i) Approval for entering into contracts with related parties by the Company with effect from 1 <sup>st</sup> April, 2014.  (ii) 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.
2014-15	Wednesday, 30 <sup>th</sup> September, 2015 at 11.00 a.m.	At the Registered Office	Approval to adopt Memorandum of Association and New Set of Articles of Association.
2015-16	Friday, 30 <sup>th</sup> September, 2016 at 11.00 a.m.	At the Registered Office	(i) Appointment of Mr. Dinesh Kamdar as an Independent Director.  (ii) Appointment of Mr. Udaybhai Premjibhai Madhwani as an Independent Director.  (iii) Appointment of Mr. Divyakant Ramniklal Zaveri as an Independent Director.

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 in accordance with the provisions of Section 110 of the Act, 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](http://www.gujaratcontainers.com).

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

**ii. 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 2014-15, 2016-17 and 2017-18 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](http://www.gujaratcontainers.com).****iv. The Company has also adopted Policy for determining 'material' subsidiaries for Disclosures ([www.gujaratcontainers.com](http://www.gujaratcontainers.com)), Policy on Archival of Documents ([www.gujaratcontainers.com](http://www.gujaratcontainers.com)) and Policy for Preservation of Documents.****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](http://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](http://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:**

23<sup>rd</sup> September, 2017 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 23, 2017.

- |                                     |  |
|-------------------------------------|--|
| <b>ii. Financial Calendar</b>       | : April to March   |
| <b>iii. Date of book closure</b>    | : 18 <sup>th</sup> September, 2017 to 23 <sup>rd</sup> September, 2017 (both days inclusive)         |
| <b>iv. Dividend payment date</b>    | : Not applicable   |
| <b>v. Listing on Stock Exchange</b> | : BSE Limited<br>25 <sup>th</sup> Floor, PhirozeJeejeebhoy Towers,<br>Dalal Street, Mumbai – 400 001 |
| <b>vi. Stock Code on BSE Ltd.</b>   | : 513507   |

The Company has paid the listing fees for the year 2016-17.

vii. **ISIN Code in CDSL for Equity Shares:** INE276I01011

viii. **Corporate identity number (CIN) of the Company:** L28120GJ1992PLC017081

**9. Market price data:**

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2016-17 on BSE:

Months	High Price (INR)	Low Price (INR)	No. of Shares traded
April, 2016	15.22	12.54	1400
May, 2016	15.95	13.69	2700
June, 2016	13.66	12.67	900
July, 2016	13.25	11.97	1100
August, 2016	11.38	10.82	700
September, 2016	10.8	10.8	100
October, 2016	10.3	10.3	5000
November, 2016	9.79	9.79	300
December, 2016	10.47	9.06	1000
January, 2017	12.7	10.99	1100
February, 2017	15.95	13.69	1400
March, 2017	13.66	12.67	2700

**10. 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 [mcsltbaroda@yahoo.com](mailto:mcsltbaroda@yahoo.com)

**11. Share transfer system:**

As on 31<sup>st</sup> March, 2017, 48.45% 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.

**12. Shareholding as on March 31, 2017:**

a. Distribution of equity shareholding as on March 31, 2017:

Range of shares	No. of Shares	Members	% Shares	Percent Holders
1 - 500	20,02,970	9,925	35.4508	97.1549
501 - 1000	1,89,800	229	3.3593	2.2390
1001 - 2000	61,200	39	1.0832	0.3813
2001 - 3000	15,200	6	0.2690	0.0587
3001 - 4000	4,300	1	0.0761	0.0098
4001 - 5000	19,100	4	0.3381	0.0391
5001 - 10000	24,200	4	0.4283	0.0391
10001 - 50000	85,400	2	1.5115	0.0196
50001 - 100000	1,70,000	1	3.0088	0.0098
And Above	30,77,830	5	54.4749	0.0489
	<b>56,50,000</b>	<b>10,216</b>	<b>100.0000</b>	<b>100.0000</b>

**b. Categories of equity shareholders as on March 31, 2017 :**

Category	No. of Shares	% of Total Capital
<b>A. Promoters Holding</b>		
a. Indian Promoters	26,61,230	47.10
b. Foreign Promoter	-----	-----
<b>B. Non Promoters Holding</b>		
a. Foreign Institutional Investors	-----	-----
b. Bodies Corporate	-----	-----
c. Indian Public	29,88,770	52.90
d. Clearing Members	-----	-----
e. Non Residents Indians	-----	-----
<b>Total</b>	<b>56,50,000</b>	<b>100.00</b>

**c. Dematerialization of shares and Liquidity:**

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company representing 48.45% of the Company's equity share capital are dematerialised as on March 31, 2017.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE276I01011.

Percentage of shares held in physical and dematerialized form as on March 31, 2017 :

Sr. No.	Electronic / Physical	No of Shares	Mode of Holding %
1.	NSDL	0	0
2.	CDSL	27,37,530	48.45
3.	Physical	29,12,470	51.55
	<b>Total</b>	<b>56,50,000</b>	<b>100.00</b>

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

e. Plant locations : The Company has two plants.

**SAVLI PLANT :**

Plot No: 488-489, Baroda-Savli Highway,  
Village:Tundav, Tal: Savli,  
Dist: Vadodara – 391 775 Gujarat.

**BHARUCH PLANT:**

Plot 2/5, GIDC, Narmada Nagar,  
Opp. GNFC Corporate Office,  
Bharuch – 392015.Gujarat

f. Address for Correspondence

**MCS Share Transfer Agent Ltd.**

10, Aaram Apartment, 12, Sampatrao,  
colony, Vadodara – 390 007, Gujarat  
Tel (0265) 2314757, Fax (0265)2341639

**Secretarial Dept.**

Gujarat Containers Limited.  
201-202, Alkapuri Arcade,  
"B" Wing, R.C. Dutt Road,  
Opp.Welcome Hotel,  
Vadodara – 390 007.  
Phone : (0265) 2341265 , 2331965  
Fax : (0265) 2341264  
Email : info@gujaratcontainers.com



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND MANAGING DIRECTOR 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 Managing Director and Whole Time Directors. 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, 2017, 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.

**Date: 27-05-2017**

**Place: Vadodara**

**For Gujarat Containers Ltd**

**Kiran Arvindlal Shah  
Chairman & 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, 2017 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**

**Date: 27-05-2017**

**Place: Vadodara**

**Neil Kiran Shah  
Chief Financial Officer**

**Independent Auditor's Certificate on Corporate Governance**

**TO THE MEMBERS OF  
GUJARAT CONTAINERS LTD.**

We have examined the compliance of the conditions of Corporate Governance by Gujarat Containers Limited (the Company) for the year ended on March 31, 2017, as stipulated in 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").

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 Shashtri & Co,  
Chartered Accountants  
Firm No.113325W**

**Date: 25-07-2017  
Place: Baroda**

**V.K. Shashtri  
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, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year the 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, 2017, and its Profit and its Cash Flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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: 27-05-2017

### **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, 2017:

- 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) 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, 2017 for a period of more than six months from the date on when they become payable.
- 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: 27-05-2017

## **"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, 2017 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 assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and

the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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: 27-05-2017

## BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at 31st March, 2017 Rs.	As at 31st March, 2016 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	59,300,000	59,300,000
(b) Reserves and Surplus	2	45,130,707	36,882,965
		<b>104,430,707</b>	96,182,965
<b>(2) Share application money pending allotment</b>			
		-	-
<b>(3) Non - current liabilities</b>			
(a) Long term borrowings	3	9,269,975	16,230,881
		<b>9,269,975</b>	16,230,881
<b>(4) Current Liabilities</b>			
(a) Short term borrowings	4	152,842,220	143,372,110
(b) Trade payables	5	26,320,150	25,943,689
(c) Other current liabilities	6	9,713,188	5,908,018
(d) Short term provisions	7	10,894,394	8,984,234
		<b>199,769,952</b>	184,208,051
<b>TOTAL</b>		<b>313,470,634</b>	296,621,897
<b>II. ASSETS</b>			
<b>(1) Non - current assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible assets	8	64,773,583	62,672,462
(ii) Intangible assets		281,837	469,728
		<b>65,055,420</b>	63,142,190
(b) Deferred tax assets (Net)	9	1,365,636	1,745,979
(c) Long Term Advances	10	5,066,987	5,498,429
(d) Other non current assets	11	3,326,730	4,289,168
		<b>74,814,773</b>	74,675,766
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	12	75,302,673	70,088,644
(c) Trade receivables	13	140,418,017	118,625,500
(d) Cash and cash equivalents	14	684,451	1,210,861
(e) Short term loans and advances	15	22,250,719	32,021,127
		<b>238,655,861</b>	221,946,131
<b>TOTAL</b>		<b>313,470,634</b>	296,621,897
Significant accounting Policies Notes on Financial Statements	1 to 27		

In Accordance with our Report of even date

For V.K. Shastri & Co.,  
Chartered Accountants  
Firm Number: 113325W

For and on behalf of the Board of Directors

(Kiran Shah)  
Chairman &  
Managing Director(Pravin Shah)  
Whole-Time Director(V. K. Shastri)  
Sole Proprietor(Neil Shah)  
Chief Financial Officer(Nitin Mistry)  
Company SecretaryPlace : Vadodara  
Date : 27-05-2017

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	2016-2017		2015-2016	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	16		497,382,433		503,909,571
II Other Income	17		321,291		527,550
III Total revenue (I + II)			<u>497,703,723</u>		<u>504,437,121</u>
IV Expenses					
a Cost of materials consumed	18	358,642,774		350,257,624	
b Purchases of stock in trade		-		-	
c Changes in inventories of finished goods, work in progress and stock in trade	19	<u>1,152,942</u>	359,795,716	<u>(5,736,472)</u>	344,521,152
d Employee benefits expense	20		35,012,819		37,244,579
e Finance costs	21		23,811,340		25,994,693
f Depreciation and amortization expense	22		6,227,114		7,376,474
g Other expenses	23		<u>62,231,254</u>		<u>82,289,596</u>
Total Expenses			<u>487,078,243</u>		<u>497,426,494</u>
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			10,625,481		7,010,627
VI Exceptional Items					-
VII Profit/(Loss) before extraordinary items and tax (V-VI)			10,625,481		7,010,627
VIII Extraordinary Items	24		1,163,980		1,390,288
IX Profit before tax (VII-VIII)			11,789,461		8,400,915
X Tax expense:	25				
(1) Current tax			3,161,376		2,029,000
(2) Deferred tax			<u>380,343</u>		<u>(159,015)</u>
			3,541,719		1,869,985
XI Profit/(Loss) for the period from continuing operations (VII-VIII)			8,247,742		6,530,930
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)			8,247,742		6,530,930
XVI Earning per equity share:	26				
(1) Basic			1.46		1.16
(2) Diluted			1.46		1.16
Significant accounting Policies					
Notes on Financial Statements	1 to 27				

## In Accordance with our Report of even date

For V.K. Shastri & Co.,  
Chartered Accountants  
Firm Number: 113325W

For and on behalf of the Board of Directors

(Kiran Shah)  
Chairman &  
Managing Director

(Pravin Shah)  
Whole-Time Director

(V. K. Shastri)  
Sole Proprietor

(Neil Shah)  
Chief Financial Officer

(Nitin Mistry)  
Company Secretary

Place : Vadodara  
Date : 27-05-2017



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

Particulars	2016-2017		2015-2016	
	Rs.	Rs.	Rs.	Rs.
<b>Cash flows from operating activities</b>				
Profit before taxation		11,789,461		8,400,915
Adjustments for:				
Depreciation and amortization expense	6,227,114		7,376,474	
Interest received	(249,959)		-	
Loss/(gain) on sale of Assets/Investments	(837,830)		-	
Interest expenses	23,337,289		23,376,519	
		28,476,614		30,752,993
		40,266,074		39,153,908
(Increase)/ decrease in trade and other receivables	(10,679,329)		-	
(Increase)/ decrease in inventories	(5,214,029)		-	
Increase/ (decrease) in trade payables & others	6,091,791		-	
		(9,801,567)		-
		30,464,507		39,153,908
Income taxes paid		3,541,719		-
<b>Net cash from operating activities</b>		26,922,788		39,153,908
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(8,425,814)		-	
Proceeds from sale of property, plant and equipment	1,123,300		-	
Proceeds from sale of investments	-		-	
Interest received	249,959		-	
<b>Net cash from investing activities</b>		(7,052,555)		-
<b>Cash flows from financing activities</b>				
Proceeds from issue of share capital	-		-	
Proceeds from issue of share Warrants	-		-	
Proceeds from short term borrowings	9,470,109		-	
Proceed from long term borrowings	(6,960,906)		-	
Repayment of long term borrowings	-		-	
Interest paid	(23,337,289)		(23,376,519)	
Dividend paid				
<b>Net cash from financing activities</b>		(20,828,086)		(23,376,519)
<b>Net increase/(decrease) in cash and cash equivalents</b>		(957,852)		15,777,389
<b>Cash and cash equivalents at beginning of reporting period</b>		1,210,861		-
<b>Cash and cash equivalents at end of reporting period</b>		253,009		15,777,389
<b>Cash &amp; Cash equivalents:</b>				
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		684,451		1,210,861
Short term investments		-		-
Cash and cash equivalents as reported		684,451		1,210,861
Effect on exchange rate changes		-		-
<b>Cash and cash equivalents as restated</b>		684,451		1,210,861

**In Accordance with our Report of even date**

**For V.K. Shastri & Co.,**  
Chartered Accountants  
Firm Number: 113325W

**(V. K. Shastri)**  
Sole Proprietor  
Place : Vadodara  
Date : 27-05-2017

**For and on behalf of the Board of Directors**

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

**(Pravin Shah)**  
Whole-Time Director

**(Neil Shah)**  
Chief Financial Officer

**(Nitin Mistry)**  
Company Secretary

## NOTES TO FINANCIAL STATEMENTS

## 1 Share Capital:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number	₹	Number	₹
<b>Authorized:</b>				
Equity shares of Rs.10 /- each	6,000,000	60,000,000	6,000,000	60,000,000
		<u>60,000,000</u>		<u>60,000,000</u>
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of Rs.10/- each	5,650,000	<u>56,500,000</u>	5,650,000	<u>56,500,000</u>

## Other Information:

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

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number	₹	Number	₹
At the beginning of the reporting period	5,650,000	56,500,000	5,650,000	56,500,000
Issued during the reporting period	-	-	-	-
Bought back during the reporting period	-	-	-	-
At the close of the reporting period	5,650,000	<u>56,500,000</u>	5,650,000	<u>56,500,000</u>
		<b>56,500,000</b>		<b>56,500,000</b>
Add: Amount originally paid up on forfeited shares		<b>2,800,000</b>		<b>2,800,000</b>
<b>Total</b>		<b>59,300,000</b>		<b>59,300,000</b>

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

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% held	No. of shares	% held
a. Kiran Shah	1,124,430	19.90%	1,049,230	18.57%
b. Geeta Kiran Shah	434,500	7.69%	432,500	7.65%
c. Neil Shah	525,700	9.30%	525,700	9.30%
d. Neha Vora	519,400	9.19%	519,400	9.19%
e. Gajanand K Malpani	480,000	8.50%	480,000	8.50%

## 2 Reserves and Surplus:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
<b>Capital Reserve</b>				
<i>State Subsidy</i>				
As per last Balance Sheet	<u>2,500,000</u>	2,500,000	<u>2,500,000</u>	2,500,000
<b>Securities Premium Reserve</b>				
<i>Share Premium Account</i>				
As per last Balance Sheet	5,400,000		5,400,000	
Add: Received this year	<u>-</u>	5,400,000	<u>-</u>	5,400,000
<b>Profit and Loss Account</b>				
As per last Balance Sheet	28,982,965		23,907,585	
Less : Arrears Depreciation	-		1,455,849	
Add: Profit for the year	<u>8,247,742</u>	37,230,707	<u>6,531,229</u>	28,982,965
<b>TOTAL</b>		<b>45,130,707</b>		<b>36,882,965</b>

**3 Long term Borrowings**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>1) Secured Loans:</b>		
a. Term Loans		
- from Banks	7,466,587	7,153,550
- from Finance Institutions	964,780	788,070
<b>Sub-Total</b>	<b>8,431,367</b>	<b>7,941,620</b>
<b>2) Unsecured Loans:</b>		
a. Term Loans		
- from banks	-	-
- from Others	838,608	8,289,261
<b>Sub-Total</b>	<b>838,608</b>	<b>8,289,261</b>
<b>3) Total long term borrowings (1+2)</b>	<b>9,269,975</b>	<b>16,230,881</b>

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

1 Rs. 9,64,780/- secured loan from Financial Institution Secured by Hypothecation of vehicles bearing interest @ 9.95% repayable in 36 installments

**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 % repayable in 36 installments

**b Terms of repayment of Unsecured term loans and others**

The term loans from Finance company bearing interest @ 16% repayable in 36 installments

**4 Short term Borrowings**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>1) Secured Loans:</b>		
a) Loans repayable on demand		
- from banks	152,842,220	143,372,110
<b>Sub-Total</b>	<b>152,842,220</b>	<b>143,372,110</b>
<b>2) Unsecured Loans:</b>		
a) Loans repayable on demand	-	-
<b>Sub-Total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>152,842,220</b>	<b>143,372,110</b>

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

- 1 Rs. 152,842,220/- (P.Y. Rs.143,372,110/-) 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. Average rate of interest is 13%

**b Loans have been guaranteed by directors or others**

- a) Loans repayable on demand
- |               |             |             |
|---------------|-------------|-------------|
| - from banks  | 152,842,220 | 143,372,110 |
| - from others | -           | -           |

**5 Trade Payables**

Particulars	As at 31.03.2017	As at 31.03.2016
i) To Micro, Small and Medium Enterprises	-	-
ii) Others	26,320,150	25,943,689
<b>Total</b>	<b>26,320,150</b>	<b>25,943,689</b>

**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)

**6 Other current liabilities:**

Particulars	As at 31.03.2017	As at 31.03.2016
a) Current Maturities of Long Term debts	6,586,390	3,820,395
b) Other payables (Specify nature)		
Advances from customers	795,767	1,153,580
O/s liability for expenses	379,476	612,594
Statutory liabilities	1,951,555	321,449
<b>Total</b>	<b>9,713,188</b>	<b>5,908,018</b>

**7 Short term provisions:**

Particulars	As at 31.03.2017	As at 31.03.2016
a) Provision for employee benefits	3,207,137	4,354,782
b) Others		
Provision for taxation	7,677,544	4,516,170
Provision for Expenses	9,713	113,282
<b>Total</b>	<b>10,894,394</b>	<b>8,984,234</b>

## 8. Fixed Assets:

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION/MORTISATION					NET BLOCK	
	As at 01.04.2016	Additions for the year	Deductions during the year	As at 31.03.2017	As at 01.04.2016	Depreciation on Revaluation charged to Revaluation Reserve	Arrears Depreciation as per remaining useful life of assets	Deductions	As at 31.03.2017	As at 31.03.2016
<b>Tangible Assets</b>										
<b>Own assets</b>										
Land	1,054,394	-	-	1,054,394	-	-	-	-	-	1,054,394
Buildings (Factory)	20,200,392	3,763,164	-	23,963,556	9,543,483	658,479	-	-	10,201,962	13,761,594
Plant & Machinery	94,472,615	2,939,529	2,610,000	94,802,144	49,210,904	3,960,400	-	2,479,500	50,691,804	44,110,340
Furniture & Fixtures	236,128	48,252	-	284,380	228,361	871	-	-	229,232	55,148
Vehicles	12,389,950	1,428,804	1,968,020	11,850,734	8,235,349	1,009,166	-	1,813,050	7,431,465	4,154,601
Office equipment	1,684,355	189,807	-	1,874,162	1,452,508	51,239	-	-	1,503,747	231,847
Computers	1,178,645	56,258	-	1,234,903	1,134,730	9,271	-	-	1,144,001	90,902
Buildings (office)	273,550	-	-	273,550	117,246	17,828	-	-	135,074	138,476
Electrification	5,160,030	-	-	5,160,030	4,749,062	92,540	-	-	4,841,602	410,968
Tools, Dies & equipments	660,763	-	-	660,763	641,625	1,126	-	-	642,751	19,138
<b>Intangible Assets</b>										
Deferred VRS Payments	1,231,514	-	-	1,231,514	556,606	238,303	-	-	794,909	674,908
Bank Charges & Others	939,455	-	-	939,455	469,727	187,891	-	-	657,618	469,728
<b>TOTAL</b>	<b>139,481,791</b>	<b>8,425,814</b>	<b>4,578,020</b>	<b>143,329,585</b>	<b>76,339,601</b>	<b>6,227,114</b>	<b>-</b>	<b>4,292,550</b>	<b>78,274,165</b>	<b>63,142,190</b>
Previous Year Figures	133,316,841	8,756,040	2,591,090	139,481,791	69,967,131	7,376,474	1,455,849	2,459,853	76,339,601	63,142,190

**9 Deferred Tax Asstes/Liabilities.**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>i) Deferred tax Liability:</b> (A)	-	-
<b>ii) Deferred tax asset:</b>		
i) On account of Unabsorbed losses and depreciation and Disallowances under the Income Tax Act, 1961	1,365,636	1,745,979
(B)	1,365,636	1,745,979
<b>Net Deferred tax (liability)/asset (A-B)</b>	<b>1,365,636</b>	<b>1,745,979</b>

**10 Long Term Advances**

Particulars	As at 31.03.2017	As at 31.03.2016
i) Capital advances	2,545,152	2,545,152
ii) Balances with Governemnt : Refunds/ Claims Receivable	2,521,835	2,953,277
<b>Total</b>	<b>5,066,987</b>	<b>5,498,429</b>

**11 Other Non Curret assets:**

Particulars	As at 31.03.2017	As at 31.03.2016
i) Non current debtors (Unsecured ; considered good)	3,326,730	4,289,168
<b>Total</b>	<b>3,326,730</b>	<b>4,289,168</b>

**12 Inventories:**

Particulars	As at 31.03.2017	As at 31.03.2016
i) Raw materials	58,034,078	51,667,107
ii) Work in progress	1,828,220	1,828,220
iii) Finished goods	13,261,910	14,828,464
iv) Stores and spares	1,173,000	1,173,000
vi) Others ( Waste & Scrap)	1,005,465	591,853
<b>Total</b>	<b>75,302,673</b>	<b>70,088,644</b>

**13 Trade receivables:**

Particulars	As at 31.03.2017	As at 31.03.2016
(Unsecured ; considered good)		
i) Trade receivables exceeding six months	8,618,492	-
ii) others	131,799,525	118,625,500
<b>Sub-Total</b>	<b>140,418,017</b>	<b>118,625,500</b>
Less: Provision for doubtful debts	-	-
	<b>140,418,017</b>	<b>118,625,500</b>

**14 Cash and cash equivalents:**

Particulars	As at 31.03.2017	As at 31.03.2016
i) Balances with banks - in other accounts	44,063	21,291
ii) other Bank Balances - in margin money, security for borrowings, guarantees and other commitments	632,300	1,057,300
iii) Cash on hand	8,088	132,270
<b>Total</b>	<b>684,451</b>	<b>1,210,861</b>

**15 Short term loans and advances:**

Particulars	As at 31.03.2017	As at 31.03.2016
(Unsecured ; considered good)		
i) Advances to Staff & Suupliers	9,383,558	21,035,131
ii) Prepaid Expenses and Interest Accrued other current asset	759,615	735,606
iii) Security Deposits	4,014,760	4,115,860

iv) Balance with Government Authorities		
Advance Taxes	7,869,354	5,277,201
Other Taxes	223,432	857,329
<b>Total</b>	<b>22,250,719</b>	<b>32,021,127</b>

**15 Revenue from operations:**

Particulars	2016-17	2015-16
i) Sale of products		
M S Steel Barrels	555,825,091	562,267,295
Plastic Barrels	2,084,535	3,095,112
<b>Total</b>	<b>557,909,626</b>	<b>565,362,407</b>
ii) Other operating revenues(Freight Outward)	788,011	604,160
Sub-Total	558,697,637	565,966,567
Less: Excise duty	61,315,204	62,056,996
<b>Total</b>	<b>497,382,433</b>	<b>503,909,571</b>

(Total sale of product amount includes Rs. 9,40,60,224/- (P.Y. 6,49,96,692/-) sold to other branch, See Note No. 27 N)

**16 Other Income:**

i) Interest income	249,959	351,239
ii) Miscellaneous Incomes/Recoveries	50,516	176,311
v) Kasar / Discount / other income	20,816	-
<b>Total</b>	<b>321,291</b>	<b>527,550</b>

**17 Cost of materials consumed:**

a) i) Consumption of raw materials (Including)	352,471,420	343,620,427
ii) Consumption of stores and spare parts	6,171,354	6,637,197
<b>Total</b>	<b>358,642,774</b>	<b>350,257,624</b>

(Total cost of Raw materials amount includes of Rs. 9,40,60,224/- (P.Y. 6,49,96,692/-) purchase from other branch See Note No. 27 N)

**b) Consumption of major raw materials**

i) CRCA SHEET/COIL	317,066,617	259,190,227
ii) Bungs	10,217,833	7,768,738
iii) Zinc	9,755,853	10,360,647
iv) Plastic	9,991,768	14,968,146
v) Others	5,439,349	9,455,506
<b>Total</b>	<b>352,471,420</b>	<b>301,743,264</b>

**18 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	1,828,220	1,828,220
<b>Total</b>	<b>1,828,220</b>	<b>1,828,220</b>
ii) Finished goods		
M.S. Barrels	13,261,910	14,828,464
<b>Total</b>	<b>13,261,910</b>	<b>14,828,464</b>
iii) Scrap	1,005,465	591,853
<b>Total</b>	<b>16,095,595</b>	<b>17,248,537</b>

Less: Stocks at the beginning of the year

i) Work in progress		
M. S. Barrels	1,828,220	1,828,220
<b>Total</b>	<b>1,828,220</b>	<b>1,828,220</b>
ii) Finished goods		
M.S. Barrels	14,828,464	9,374,295
<b>Total</b>	<b>14,828,464</b>	<b>9,374,295</b>
iii) Scrap	591,853	309,550
<b>Total</b>	<b>17,248,537</b>	<b>11,512,065</b>
Increase /(Decrease ) in stock	1,152,942	(5,736,472)

Particulars	2016-17	2015-16
<b>19 Employee Benefit Expenses:</b>		
i) Salaries and wages	23,627,749	26,104,043
ii) Contribution to provident and other funds	2,023,724	1,922,175
iii) Remuneration to whole time directors	5,216,312	5,149,997
iv) Bonus, Incentive and Allowances	1,924,406	2,800,768
v) Staff welfare expenses	2,220,628	1,267,596
<b>Total</b>	<b>35,012,819</b>	<b>37,244,579</b>
<b>20 Finance Costs:</b>		
i) Interest expense	23,337,289	23,376,519
ii) Other borrowing costs	474,051	2,618,174
<b>Total</b>	<b>23,811,340</b>	<b>25,994,693</b>
<b>21 Depreciation and amortization:</b>		
i) Depreciation	5,800,920	- 6,910,280
ii) Others	426,194	- 466,194
<b>Total</b>	<b>6,227,114</b>	<b>7,376,474</b>
<b>22 Other expenses:</b>		
i) Power and fuel	10,550,670	11,570,296
ii) Rent	720,000	720,000
iii) Repairs to machinery	1,051,537	1,206,570
iv) Repairs others	1,328,821	15,080,711
v) Fright on Purchase of Goods	17,213,757	20,440,740
vi) Insurance	653,914	534,074
vii) Rates and taxes	3,516,925	3,249,368
Payment to the auditors		
- as auditor	82,500	92,000
viii) - for taxation matters		-
ix) Selling expenses	3,880,187	3,819,774
x) Laboratory Testing & Other Manufacturing exp.	1,061,664	2,119,240
xi) Postage, Internet & Telephone Expense	607,576	559,862
xii) Security service Charges	1,301,591	1,298,172
xiii) Travelling expense	1,143,179	1,166,717
xiv) Vehicle Running & Maintenance Expense	1,392,786	1,496,383
xv) Donations	18,500	38,600
xvi) Legal and professional charges	1,216,779	1,036,962
xvii) Labour & job work charges	13,831,042	14,851,440
xviii) Miscellaneous and Other expenses	2,653,267	2,945,922
xix) Prior Period Expenses	6,559	62,765
<b>Total</b>	<b>62,231,254</b>	<b>82,289,596</b>
<b>23 Extraordinary items</b>		
Income		
i) Profit on Sale of Vehicle/Asset	837,830	204,763
ii) Refund of Sales Tax	326,150	1,185,525
<b>Total</b>	<b>1,163,980</b>	<b>1,390,288</b>
<b>24 Tax Expense</b>		
Current Tax		
Income tax for the year	3,161,376	2,029,000
Deferred Taxes	380,343	- (159,015)
<b>Total</b>	<b>3,541,719</b>	<b>1,869,985</b>



**28 Basic Earnings per share:**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>After extraordinary item:</b>		
Profit for the year after tax expense	8,247,742	6,530,930
Less:		
Preference dividend payable including dividend tax	-	-
Profit after tax expense and Preference dividend	8,247,742	6,530,930
Weighted average number of equity shares	5,650,000	5,650,000
<b>Earning per share</b>	<b>1.46</b>	<b>1.16</b>
<b>Diluted Earnings per share:</b>		
Profit for the year after tax expense	8,247,742	6,530,930
Weighted average number of equity shares	5,650,000	5,650,000
<b>Earning per share</b>	<b>1.46</b>	<b>1.16</b>

**29 Contingent liabilities and Commitments:**

Particulars	As at 31.03.2017	As at 31.03.2016
(to the extent not provided for)		
a) Contingent Liabilities:		
i) Claims against the Company not acknowledged as debts		-
ii) Guarantees (Bank)	352,935	NIL
iii) Letters of credit	4,362,648	34,029,217
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	NIL
ii) Uncalled liability on shares and investments partly paid	-	-
iii) Other Commitments (Specify nature)	-	-
c) Arrears of fixed cumulative dividends on preference shares (including tax thereon)		
Additional information:		
	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
1) Proposed dividends:	Amount per share Total	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: 26**

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.
  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.
    - 4.3 Inter - Branch transaction are included in Total Sale of product and Cost of Material Consumed Rs. 9,40,60,224/- (P.Y. Rs. 6,49,96,692/-)
  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. **IMPAUREMENT 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.
- OTHER NOTES ON ACCOUNTS :- NOTE : 26**
- 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 2017 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 31.03.2017 are as under:

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

**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)	42,78,462	12,00,000/=(Salary)	54,78,462
Loans Received	Nil	Nil	Nil
Services	Nil	1,97,91,957	1,97,91,957
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 31,61,376/- (Last Year Rs. 20,29,000/-) on Normal Computation of Income

- J) The Company has subscribed to LIC Group Gratuity Scheme to cover the liability of Gratuity Payable to its employees. The valuation of the Estimated Gratuity liability accrued as per valuation done by Management is Rs. 62,10,299/- (Last Year Rs. 66,91,337/-) against which during this year Company has paid premium of Rs. 11,71,672/-. Against this the Fund Value of LIC Group Gratuity Policy as on 31.03.2017 is Rs.51,04,239/-. 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.

- M) Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is provided in table below:

- N) Inter Branch material purchase sale transactions are included in Total Value of Sale of Product (Schedule no 15) and Cost of Material Purchase (Schedule no 18) Net value of sales and cost of material consumed are :

Particulars	Specified Bank Notes (SBN)	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	33,000	3,57,887	3,90,887
(+) Permitted Receipts	--	11,53,590	11,53,590
(-) Permitted Payments	--	13,72,734	13,72,734
(-) Amount deposited in Banks	33,000	--	33,000
<b>Closing Cash in hand as on 30.12.2016</b>	<b>--</b>	<b>1,38,743</b>	<b>1,38,743</b>

Particulars	F.Y. 2016-17	F.Y. 2015-16
Net Sales		
Total sale of products	Rs. 49,73,82,433/-	Rs. 50,39,09,571/-
Less : Inter Branch Sales	Rs. 9,40,60,224/-	Rs. 6,49,96,962/-
<b>Net Sales</b>	<b>Rs. 40,33,22,219/-</b>	<b>Rs. 43,89,12,609/-</b>

Particulars	F.Y. 2016-17	F.Y. 2015-16
Net Cost of Material Consumed		
Total sale of products	Rs. 35,86,42,774/-	Rs. 35,02,57,624/-
Less : Inter Branch Sales	Rs. 9,40,60,224/-	Rs. 6,49,96,962/-
<b>Net Sales</b>	<b>Rs. 26,45,82,550/-</b>	<b>Rs. 28,52,60,662/-</b>

In Accordance with our Report of even date

For V.K. Shastri & Co.,

Chartered Accountants

Firm Number: 113325W

(V. K. Shastri)

Sole Proprietor

Place : Vadodara

Date : 27-05-2017

For and on behalf of the Board of Directors

(Kiran Shah)

Chairman &  
Managing Director

(Pravin Shah)

Whole-Time Director

(Neil Shah)

Chief Financial Officer

(Nitin Mistry)

Company Secretary

**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

**ATTENDENCE SLIP**

PLEASE FILL THE ATTENDENCE 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 25th Annual General Meeting of Company held on Saturday, the 23rd September, 2017 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**

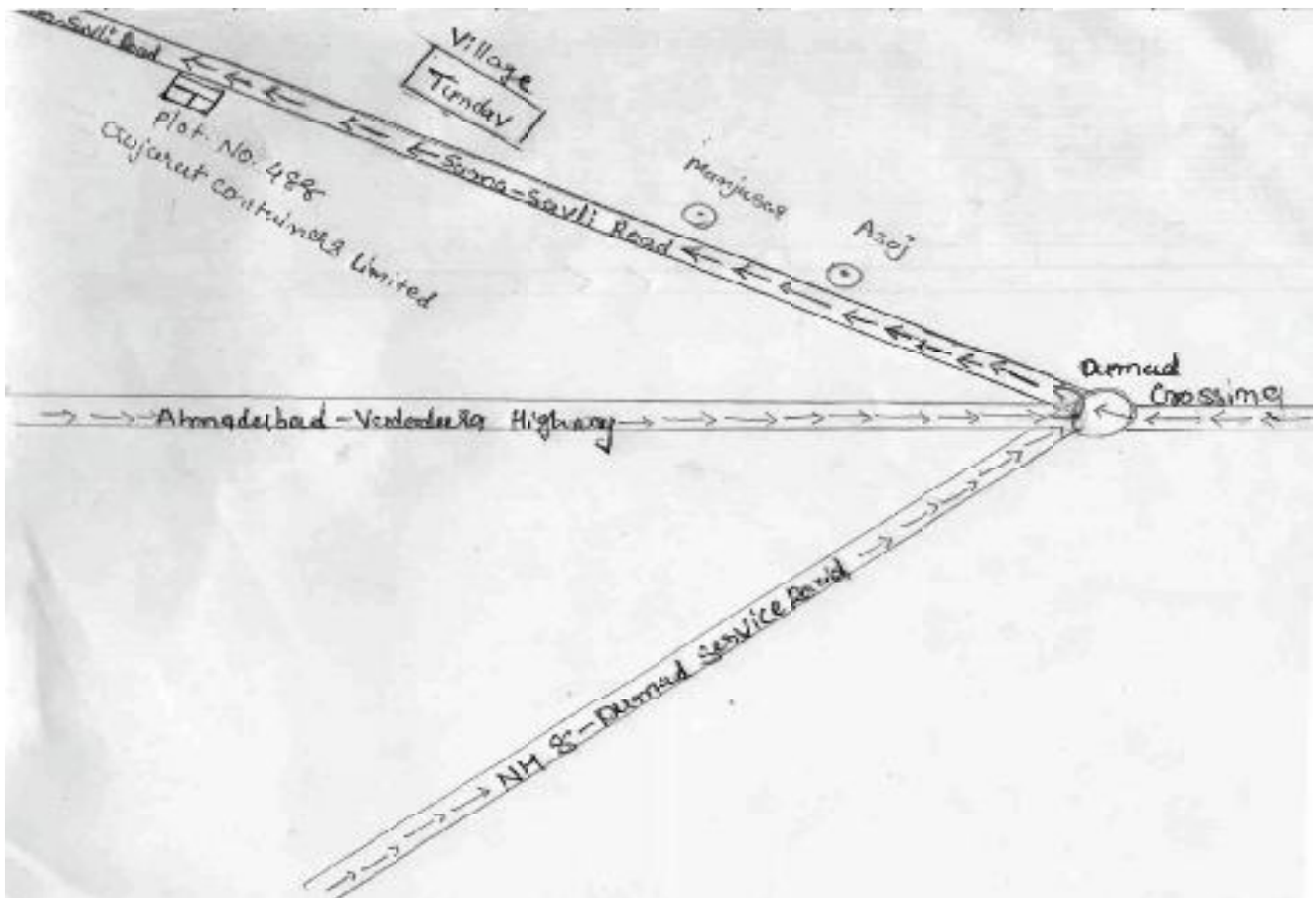
**Signature of the Member/Proxy**

**Notes:**

- Members/Proxy holder are requested to bring their copies of the Annual Report with the Meeting.
- 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

**PROXY FORM**

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

Name of the 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) .....of.....having email id .....or failing him
- 2) .....of.....having email id .....or failing him
- 3) .....of.....having email id .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of Company held on Saturday, the 23rd September, 2017 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 receive, consider and adopt the Audited Annual Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Pravin Hiralal Shah (DIN 01881862), who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	To Appointment Statutory Auditors of the Company.		
4.	To appoint Mr. Sanjay Dalsukhbhai Shah, (DIN: 00123523) as an Independent Director		

Signed..... Day of September, 2017

Signature of Shareholder \_\_\_\_\_

Signature of Proxyholder(s) \_\_\_\_\_

Affix Re.1 Revenue Stamp
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**Note:**

1. 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.
2. It is optional to indicate your preference. If you leave the "For" or "Against" column blank against any or all resolutions, you proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. Your proxy will be entitled to vote in the manner as he/she may deem appropriate at 25th Annual General Meeting of Members of the Company, to be held on Saturday, the 23rd September, 2017 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.

<b>EVSN ( Electronic Voting Sequence Number)</b>	<b>Default Pan*</b>
	USE YOUR PAN

\*Only Member who have not updated their PAN with Company / Depository Participant(s) shall use default PAN in the Pan filed.

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



*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](mailto:info@gujaratcontainers.com)