

Corporate Governance Report for the Financial Year 2016-17

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

The entire governance structure is actively supervised by a Board of Directors, who oversee management activities and ensures their effectiveness in delivering member value. To implement this, GFL has always strived to promote an informed Board that functions independently.

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

2. BOARD OF DIRECTORS

Composition

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

As on March 31, 2017, the Board comprised of Six Directors. Out of these, 1 (One) is Executive Director and remaining 5 (Five) Directors are Non-Executive Directors with 4 (Four) Directors being Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) read with Section 149 of the Companies Act, 2013. All the Directors possess experience in various fields that encompasses manufacturing, accounts, finance and law.

Independent Directors are non-executive directors as defined under Regulation 17 of SEBI (LODR) read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) read with Section 149(6) of the Act. Necessary disclosures as on March 31, 2017 have been made by all the Directors. None of the Directors are related to each other.

Board Procedure

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

During the year 2016-17, information as mentioned in Schedule II Part A of the 16(1)(b) of the SEBI (LODR), has been placed before the Board for its consideration.

Board Meetings

The Board of Directors met 4 (Four) times during the financial year 2016-2017 i.e on 28th April, 2016; 14th July, 2016; 19th October, 2016 and 7th February, 2017. As stipulated, the gap between two Board Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.



Corporate Governance Report

The Board's composition, attendance and their directorship / committee membership, chairmanship in other Companies as on 31st March, 2017 is given below:

Name of Director	Category	Attendance at Board Meetings during the year 2016-17	Attendance at Last AGM held on 16.09.2016	Nos. of Directorships in other public companies ^(a)		Nos. of committee positions held in other public companies ^(b)	
				Member	Chairman	Member	Chairman
Mr. Abhay Narendra Lodha	Promoter, Chairman, Non-Executive Director	3	Yes	-	-	-	-
Mr. Kamal Kishore Indoria	Executive, Whole Time Director w.e.f 7.02.2017	1	No	NA		NA	
Mr. Satish Chandra Gupta	Non-Executive, Independent Director	4	No	5	1	4	1
Mr. Viresh Shankar Mathur	Non-Executive, Independent Director	4	No	2	-	1	-
Ms. Ankita Singh	Non-Executive, Independent Director	2	Yes	-	-	-	-
Mr. Jagannath Pandharinath Dange	Non-Executive, Independent Director	4	Yes	3	-	1	-
Mr. Prasenjit Promode Datta	Executive, Whole Time Director resigned on 7.02.2017	3	Yes	N.A		N.A	

Notes:

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

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company (<http://www.gujaratfoils.com/investors>). During the year a separate meeting of Independent Directors was held on 7th February, 2017. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Chairman of the Company and the Board as a whole.

3. AUDIT COMMITTEE

Composition and Attendance

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (LODR) read with Section 177 of the Companies Act, 2013. The Company Secretary acted as Secretary of the Audit Committee. The necessary quorum was present at all the meetings. During the Financial Year 2016-2017, four (4) Audit Committee meetings were held on 28th April, 2016; 14th July, 2016; 19th October, 2016 and 7th February, 2017. As stipulated, the gap between two committee meetings did not exceed one hundred and twenty days.

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

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Satish Chandra Gupta	Chairman, Independent Director	4	4
Mr. Viresh Shankar Mathur	Member, Independent Director	4	4
Mr. Jagannath Pandharinath Dange ¹	Member, Independent Director	4	4

Mr. Satish Chandra Gupta, Chairman of Audit Committee, was not able to attend the last Annual General Meeting of the Company held on 16.09.2016 due to his health reason.

Brief description of terms of reference

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of subsection 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Establish a Vigil Mechanism and reviewing the functioning of the Whistle Blower Mechanism, in case the same is existing;



19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Powers of Audit Committee

The Audit Committee has the following powers:

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

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

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

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

- Oversee and review all matters connected with the transfer of the Company's securities;
- Approve issue of the Company's duplicate share /debenture certificates;
- Monitor redressal of investors' / shareholders' / security holder's grievances;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Recommend methods to upgrade the standard of services to investors;
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading;
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

During the financial year 2016-2017, four (4) meetings of the Stakeholders' Relationship Committee were held on 28th April, 2016; 14th July, 2016; 19th October, 2016 and 7th February, 2017. The Company Secretary acted as the Secretary to the Stakeholders' Relationship Committee.

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

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Jagannath Pandharinath Dange From 7 th February, 2017	Chairman, Independent Director	4	4
Mr. Satish Chandra Gupta	Member, Independent Director	4	4
Mr. Prasenjit Promode Datta Upto 7 th February, 2017	Member, Whole Time Director	4	3
Ms. Ankita Singh From 7 th February, 2017	Member, Independent Director	1	0

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

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

Name, designation and address of Compliance Officer:

Mr. Rahul Singh
Company Secretary and Compliance Officer
Gujarat Foils Limited

Corporate Office

Ceejay House, 3rd Floor, office no. 308,
 Dr. Annie Besant Road, Opp. Atria Mall,
 Worli, Mumbai – 400 018, Maharashtra.

Registered Office

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

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

Composition

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

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

Name of the Committee member	Designation
Mr. Viresh Shankar Mathur	Chairman, Independent Director
Mr. Kamal Kishore Indoria (From 7 th February, 2017)	Member, Whole-Time Director
Ms. Ankita Singh	Member, Independent Director
Mr. Prasenjit Promode Datta (Upto 7 th February, 2017)	Member, Whole-Time Director

During the financial year 2016-2017, Corporate Social Responsibility Committee meeting was held on 28th April, 2016.

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

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

6. NOMINATION AND REMUNERATION COMMITTEE

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

The Nomination and Remuneration Committee met thrice during the financial year 2016-2017 i.e on 28th April, 2016, 14th July, 2016 and 7th February, 2017.

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

Name of the Committee member	Designation	No. of Meetings	
		Held during their tenure	Attended
Mr. Satish Chandra Gupta	Chairman, Independent Director	3	3
Mr. Jagannath Pandharinath Dange	Member, Independent Director	3	3
Ms. Ankita Singh	Member, Independent Director	3	1



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

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

Remuneration Policy

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

- a. Details of remuneration paid to Executive Directors are as follows (₹ in Lakhs)

Name	Salary & Perquisites	Commission	Sitting Fees	Total	Tenure
Mr. Kamal Kishore Indoria	36.00 p.a.	Nil	N.A	3.27	7 th February 2017 to 31 st March 2017
Mr. Prasenjit Promode Datta	66.00 p.a.	Nil	N.A	56.44	1 st April 2016 to 7 th February 2017

- b. Details of Sitting Fees paid to Non-Executive Directors: (₹ in Lakhs)

Sr. No.	Name of Director	Sitting Fees*
1.	Mr. Abhay Narendra Lodha	1.10
2.	Mr. Satish Chandra Gupta	5.80
3.	Mr. Viresh Shankar Mathur	3.60
4.	Ms. Ankita Singh	0.90
5.	Mr. Jagannath Pandharinath Dange	5.80

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

- c. Details of Equity Shares of the Company held by the Directors as on 31st March, 2017:

Name	Designation	No. of shares held
Mr. Abhay Narendra Lodha	Chairman	30,47,104
Mr. Kamal Kishore Indoria	Whole Time Director	100

7. GENERAL BODY MEETINGS

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

Year	Date	Time	Venue
2013-14	29 th September, 2014	11.30 A.M	Plot no 3436-3439, Chhatral, G.I.D.C., Phase IV, Kalol, Dist. Gandhinagar, Gujarat 382729
2014-15	23 rd September, 2015		
2015-16	16 th September, 2016		

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

Date	Purpose of Special Resolution
16 th September, 2016 (AGM)	1. To approve the revised remuneration of Mr. Prasenjit Promode Datta (DIN 00013414) as Whole Time Director of the Company.
23 rd September, 2015 (AGM)	1. Re-appointment of Mr. Prasenjit Promode Datta (DIN 00013414) as WholeTime Director of the Company for the period of 5 years with effect March 1, 2016 to February 28, 2021 2. Keeping of Registers, returns etc., at a place other than the Registered Office. 3. Increase in the Authorised Share Capital and amendment to the Memorandum of Association of the Company. 4. Issue and Offer of Convertible/Non-Convertible Non-Cumulative Redeemable Preference Shares on Private Placement basis
29 th September, 2014 (AGM)	1. Revision in the terms of remuneration of Mr. Prasenjit Promode Datta (DIN 00013414), Whole Time Director. 2. Adoption of new Articles of Association of the Company 3. Borrowing of monies exceeding aggregate of paid up capital and free reserves under section 180 of Companies Act, 2013. 4. Creation of mortgage/charge on the properties of the Company to secure term loans/working capital facilities, inter corporate deposits etc. availed from banks/ financial institutions under section 180 of Companies Act, 2013.

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

The Company had arranged e-voting facility and voting through ballot, to vote on the resolution proposed at 24th AGM of the Company.

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

c) Postal Ballot conducted during the year:

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

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

8. DISCLOSURES

• Related Party Transaction

During the year under review, besides the transactions reported in Notes to Accounts to the Balance Sheet as at 31st March, 2017, there were no other related party transactions with promoters, directors and management that had a potential conflict of interest of the Company at large. The Company has formulated a Policy on Related Party Transactions as defined under the Act and Regulation 23 of SEBI (LODR), which is also available on Company's website at <http://www.gujaratfoils.com/investors>.



- **Disclosure of Accounting Treatment**

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

- **Familiarization Programme for Independent Director**

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

- **Code of Conduct**

The Board of Directors has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the Company's website <http://www.gujaratfoils.com/investors>. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration by the Chairman of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2017, by the members of the Board and senior management personnel, as applicable to them, is also annexed separately in this Annual Report.

- **Whistle Blower Policy/Vigil mechanism**

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

- **Reconciliation of Share Capital Audit**

Umesh Ved & Associates, a Qualified Practicing Company Secretaries, carried out Reconciliation of Capital Audit during the financial year 2016-17 on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and Listed capital. The Reconciliation of Share Capital Audit Report confirms that the total paid up Share Capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

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

During the financial year 2016-2017, the Company did not issue or allot any securities to its shareholders.

- **Disclosure of Risk Management**

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

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

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

- **Details of Non-Compliance**

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



Corporate Governance Report

J. Market Price data

The table below gives the monthly high and low prices and volumes of the Company's shares traded at BSE Limited during the period from April 2016 to March 2017:

Month	GFL		SENSEX	
	High Price	Low Price	High	Low
April, 2016	42.1	32.6	26,100.54	24,523.20
May, 2016	33.6	26.05	26,837.20	25,057.93
June, 2016	33.15	27.8	27,105.41	25,911.33
July, 2016	39.8	27.8	28,240.20	27,034.14
August, 2016	31	25.9	28,532.25	27,627.97
September, 2016	31.2	25.5	29,077.28	27,716.78
October, 2016	31.85	25.55	28,477.65	27,488.30
November, 2016	27.95	19.6	28,029.80	25,717.93
December, 2016	24.25	18.5	26,803.76	25,753.74
January, 2017	24.8	20	27,980.39	26,447.06
February, 2017	27.9	21.1	29,065.31	27,590.10
March, 2017	24.85	21.1	29,824.62	28,716.21

*Source: www.bseindia.com

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



*Source: www.bseindia.com

L. Shareholding Pattern as on 31st March, 2017

a) Category of Equity Shareholders as on 31st March, 2017

S. No.	Category	No. of Shareholders	No. of Shares	% of Total Holding
1.	Indian Promoter & Promoter Group	8	48,34,077	58.94
2.	Bodies Corporate	60	3,39,693	4.14
3.	Individuals	2,583	27,12,488	33.07
4.	Non Resident Indians	40	44,720	0.54
5.	Others	138	2,70,832	3.31
	Total	2,829	82,01,810	100.00

b) Distribution of Equity Shareholding as on 31st March, 2017

No of Equity shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares
01-500	2,007	70.9438	3,87,029	4.7188
501-1000	406	14.3514	3,41,300	4.1613
1001-2000	177	6.2566	2,75,907	3.3640
2001-3000	62	2.1916	1,57,143	1.9160
3001-4000	44	1.5553	1,55,454	1.8954
4001-5000	36	1.2725	1,69,678	2.0688
5001-10000	46	1.6260	3,16,316	3.8567
10001 and above	51	1.8028	63,98,983	78.0192
Total	2,829	100.00	82,01,810	100.00

c) Details of 10% Non-Convertible Non- Cumulative Redeemable Preference Shareholders as on 31st March, 2017

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

M. Share Transfer System

All matters pertaining to transfer of shares are being handled by Link Intime India Private Limited, the Registrar and Share Transfer Agents of the Company. The share transfer requests received are processed by them and a Memorandum of Transfer is sent to the Company for approval by the Committee. The average time taken for processing share transfer requests including dispatch of share certificates is seven days, subject to documents being valid and complete in all respect. The Company regularly monitors and supervises the functioning of the systems so as to ensure that there are no delays or lapses in the systems. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with share transfer formalities as required under Clause 47(c)/Regulation 49(9) of the SEBI Listing Agreement/Regulations and files a copy of the said certificate with Stock Exchanges.

N. Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form and 97.40% shares are in dematerialized form as on 31st March, 2017.

O. Investor Correspondence

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



Compliance Certificate

To
The Members
Gujarat Foils Limited

We have examined the Compliance of the conditions of Corporate Governance by Gujarat Foils Limited for the year ended on 31st March, 2017 as stipulated in in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), of the said Company entered into with the BSE Limited.

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

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

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

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

FOR H.R. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Reg. No.:- 323029E

Sd/-
Shyam Sundar Agarwal, FCA
Partner
Membership number: 060033

Place: Mumbai
Date: 29th May, 2017

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

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

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

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the Executive Vice President Cadre and the Company Secretary as on 31st March, 2017.

For GUJARAT FOILS LIMITED

Place: Mumbai
Date: 29th May, 2017

Sd/-
Jagannath Pandharinath Dange
Director
DIN 01569430

Sd/-
Kamal Kishore Indoria
Whole Time Director
DIN 07728233

CHAIRMAN/ CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

**The Board of Directors
Gujarat Foils Limited**

Dear Sir(s),

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

1. We have reviewed the Financial Statements and Cash Flow Statement of Gujarat Foils Limited for the year ended 31st March, 2017 and based on our knowledge and belief, we state that:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that may be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining Internal Controls over Financial Reporting for the Company and have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to Financial Reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a) Significant changes, if any, in the Internal Control over Financial Reporting during the year.
 - b) Significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's Internal Control System over Financial Reporting.

For GUJARAT FOILS LIMITED

Place: Mumbai
Date: 29th May, 2017

Sd/-
Jitendra Jain
Chief Financial Officer

Sd/-
Abhay Narendra Lodha
Chairman
DIN 00052194