



GUJARAT RAFFIA INDUSTRIES LIMITED

(CIN : L17110GJ1984PLC007124)

28TH

ANNUAL REPORT

2013-2014

Gujarat Raffia Industries Limited

GUJARAT RAFFIA INDUSTRIES LIMITED

(CIN: L17110GJ1984PLC007124)

28TH ANNUAL REPORT 2013-14

BOARD OF DIRECTORS : Shri Pradeep Bhutoria Chairman & Managing Director
Smt. Sushma P. Bhutoria Whole Time Director
Shri Alpesh R. Tripathi Director
Shri Dipen M. Shah Director

AUDITORS : M/s. P G T & Associates
Chartered Accountants,
Ahmedabad.

BANKERS : Union Bank of India

REGISTERED OFFICE & WORKS : Plot No.455,
Santej Vadsar Road,
Village : Santej,
Taluka : Kalol-382721.
Dist: Gandhinagar.

**REGISTRAR AND
SHARE TRANSFER AGENT** : M/s. Link Intime India Pvt Ltd.,
Ahmedabad Branch,
303, Shopper's Plaza, - V,
Opp. Municipal Market, Off. C G Road,
Navrangpura, Ahmedabad – 380009.
Contact Number: 079 – 26465179
e-mail id: ahmedabad@linkintime.co.in

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NOTICE

NOTICE is hereby given that the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Members of **GUJARAT RAFFIA INDUSTRIES LIMITED** will be held as scheduled below:

Date : 23rd September, 2014
 Day : Tuesday
 Time : 5.00 pm
 Place : At the Registered Office of the Company at:
 Plot No. - 455, Santej-Vadsar Road, Village: Santej,
 Taluka: Kalol -382 721. Dist: Gandhinagar.

to transact the following business:

I. ORDINARY BUSINESS :

1. To receive, consider and adopt the Financial Statements as at 31st March, 2014 including the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date and reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Pradeep Ratanlal Bhutoria (DIN: 00284808) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s P G T & Associates., Chartered Accountants, Ahmedabad (Firm Registration No. 116277W), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the thirty third Annual General Meeting of the Company to be held in the year 2019 (subject to ratification of their appointment at every Annual General Meeting), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

II. SPECIAL BUSINESS :

4. **Appointment of Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278) as an Independent Director 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."

5. **Appointment of Mr. Dipen Mahasukhlal Shah (DIN: 06385027) as an Independent Director 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Dipen Mahasukhlal Shah (DIN: 06385027), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."

6. **Increase Borrowing Powers of the Board**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the ordinary resolution passed at the 26th Annual General Meeting held on 29th September, 2012 under section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act 2013 and the rules made there under , or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the Company hereby accords its consent to the Board of Directors of the Company, for borrowing any sum or sums of money from time to time whether in Indian rupees or foreign currency (including external commercial borrowings in foreign denominated currencies from any foreign source / countries as prescribed by guidelines, if any in this respect) from any one or more of Company’s bankers and /or from financial institutions, banks or other acceptable source whether by way of advances, deposits, loans, non-convertible debentures, bonds or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company’s Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, provided that the total outstanding amount of such borrowings shall not exceed Rs.50 Crores (Rupees Fifty Crores) over and above the aggregate of the paid up capital of the company and its free reserves at any time.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.”

7. Creation of Charge on the assets of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the Resolution No.6 passed at the Annual General Meeting of the Company held on 29th September, 2012 and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company (‘the Board’) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as ‘Lenders’), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of Rs.50 Crores (Rupees Fifty crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/ or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.”

8. Ratification of Remuneration of Cost Auditors of the Company for the Year 2014-15

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

“RESOLVED THAT pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 (“the Act”) and recommendation of the Audit Committee and approval by the Board of Directors at their meetings dated 13th August, 2014, the consent of the Company be and is hereby accorded for ratification of the below remuneration to A. G. Tulsian & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2014-15:

- a) Rs. 5000/- (Rupees Five Thousand Only) plus out of pocket expenses & service tax as applicable for conducting the audit of the cost accounting records for the organic- non organic plastic activities of all manufacturing facilities of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take such actions as may be necessary, expedient and proper to give effect to this resolution.”

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, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 2 to 8 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors under Item Nos. 2, 4 and 5 of the Notice, are also annexed.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. A member registered under Section 8 of the Companies Act, 2013 shall not be entitled to appoint any other person as his / her proxy unless such other person is also a member of the Company.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
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. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours (09.30 a.m. to 06.30 p.m.) up to the date of the Meeting.
8. Pursuant to the Section 91 of the Companies Act, 2013, Register of Members and Share Transfer Book of the Company will remain closed from Friday, 19th September, 2014 to Tuesday, 23rd September, 2014 (both days inclusive).
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Link Intime India Private Limited.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Private Limited (RTA).
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.
13. Non-Resident Indian Members are requested to inform Link Intime India Private Limited immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
14. TO SUPPORT THE 'GREEN INITIATIVE' MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESSES SO FAR ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESS WITH RTA /DEPOSITORIES FOR RECEIVING

ALL COMMUNICATION INCLUDING ANNUAL REPORT, NOTICES, CIRCULARS, ETC. FROM THE COMPANY ELECTRONICALLY.

15. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
16. The Company has connectivity from the CDSL & NSDL and equity shares of the Company may also be held in the electronic form with any Depository Participant (DP) with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE610B01024. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agent.
17. Trading in the shares of the Company is compulsorily in dematerialized form for all investors. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
18. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime india Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime india Private Limited.

By order of the Board of Directors
For **GUJARAT RAFFIA INDUSTRIES LIMITED**

PRADEEP BHUTORIA
MANAGING DIRECTOR

Place : Santej
Date : 13th August, 2014

Registered Office:
Plot No.455,
Santej Vadsar Road,
Village: Santej,
Taluka: Kalol-382721.
Dist: Gandhinagar
CIN: L17110GJ1984PLC007124

EXPLANATORY STATEMENT
(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 2 to 8 of the accompanying Notice:

Item No. 2 :

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

In terms of Section 149 read with Section 152(6) of the Companies Act, 2013, which has been brought into force with effect from 1st April, 2014, the provisions of retirement of directors by rotation are not applicable to Independent Directors and the office of two-thirds of all Non-Independent Directors will be liable to determination by retirement of directors by rotation. Hence, the period of office of Mr. Pradeep Bhutoria, Chairman & Managing Director has become liable to determination by retirement by rotation. Accordingly, Mr. Pradeep Bhutoria (DIN: 00284808) will retire at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The period of office of Mr. Pradeep Bhutoria (DIN: 00284808), if re-appointed, shall not be considered as a break in his service as managerial personnel of the Company.

Mr. Pradeep Bhutoria (DIN: 00284808) is interested in the resolutions set out at Item No. 2 of the Notice with regard to his appointment. The relatives of Mr. Pradeep Bhutoria (DIN: 00284808) may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the shareholders.

Item No. 3 :

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

M/s P G T & Associates, Chartered Accountants, Ahmedabad (ICAI Firm Registration No. 116277W), were appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on 27th September, 2013.

M/s P G T & Associates, Chartered Accountants, Ahmedabad (ICAI Firm Registration No. 116277W), have been the Auditors of the Company since 2011-12 and have completed a term of 3 years. As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, M/s P G T & Associates, Chartered Accountants, Ahmedabad (ICAI Firm Registration No.116277W) being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on 13th August, 2014 proposed the appointment of M/s P G T & Associates, Chartered Accountants, Ahmedabad (ICAI Firm Registration No. 116277W), as the statutory auditors of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty third Annual General Meeting of the Company to be held in the year 2019 (subject to ratification of their appointment at every Annual General Meeting).

The Board recommends the Ordinary Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

Item Nos. 4 & 5 :

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchange(s), appointed Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278) and Mr. Dipen Mahasukhlal Shah (DIN: 06385027) as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nomination and Remuneration Committee has recommended the appointment of these directors as Independent Directors to hold office for five consecutive years for a term upto 31st March, 2019.

Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278) and Mr. Dipen Mahasukhlal Shah (DIN: 06385027) are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278) and Mr. Dipen Mahasukhlal Shah (DIN: 06385027), non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act and under Clause 49 of the Listing Agreement.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278) and Mr. Dipen Mahasukhlal Shah (DIN: 06385027), for the office of Directors of the Company.

In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

Copy of the draft letters for respective appointments of above Directors as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

A brief profile of the Independent Directors to be appointed is given below:

1. Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278)

Mr. Alpesh Rajeshbhai Tripathi possesses experience of more than 10 years in the plastic industry, mainly for trading of the similar products.

2. Mr. Dipen Mahasukhlal Shah (DIN: 06385027)

Mr. Dipen Shah age 40 years possess experience of up to 15 years in the plastic polymer industry, mainly trading in Export-Import and Local market. He is Proprietor of Swayam Polymers.

Other details of the Independent Directors whose appointment is proposed at Item Nos. 5 and 6 of the accompanying Notice, have been given in the annexure attached.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278) and Mr. Dipen Mahasukhlal Shah (DIN: 06385027) are interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice with regard to their respective appointments. The relatives of Mr. Alpesh Rajeshbhai Tripathi (DIN: 00170278) and Mr. Dipen Mahasukhlal Shah (DIN: 06385027) may be deemed to be interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the shareholders.

Item No.6 :

Under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose. Under the provisions of Section 180 (1) (c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company. The borrowing limit of Rs. 50 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 29th September, 2012 remains unchanged.

The Board recommends the Resolution at Item No.6 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.6 of the Notice.

Item No. 7 :

Under the erstwhile Section 293 (1) (a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business) Under the provisions of Section 180 (1) (a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). As the documents to be executed between the Company and the lenders/ trustees for the holders of debentures/ bonds may contain the power to take over the management of the Company in certain events, it is necessary to obtain Members' approval under Section 180 (1) (a) of the Companies Act, 2013, by way of a Special Resolution.

The existing limit of Rs.50 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 29th September, 2012 remains unchanged.

The Board recommends the Resolution at Item No.7 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.7 of the Notice.

Item No. 8 :

The Board of Directors, at its meeting held on 13th August, 2014, on recommendation of the Audit Committee, approved the appointment of A. G. Tulsian & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2014-15 at fees of Rs. 5000/- for conducting the audit of the cost accounting records for the organic- non organic plastic activities of all manufacturing facilities of the Company, plus out of pocket expenses & service tax as applicable.

Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 ("the Act"), requires the Board to appoint an individual, who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit committee, which shall also recommend remuneration for such cost auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

The resolution contained in Item no. 8 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2014-15.

The Board recommends the Resolution at Item No.8 of the Notice for approval of the shareholders by an Ordinary Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.8 of the Notice.

By order of the Board of Directors
For **GUJARAT RAFFIA INDUSTRIES LIMITED**

PRADEEP BHUTORIA
MANAGING DIRECTOR

Place : Santej
Date : 13th August, 2014

Registered Office:
Plot No.455,
Santej Vadsar Road,
Village: Santej,
Taluka: Kalol-382721.
Dist: Gandhinagar
CIN: L17110GJ1984PLC007124

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING :

Particulars	Mr. Pradeep Ratanlal Bhutoria (DIN: 00284808)	Mrs. Sushma Pradeep Bhutoria (DIN: 00284819)	Mr. Alpesh Rasikbhai Tripathi (DIN: 00170278)	Mr. Dipen Mahasukhlal Shah (DIN: 06385027)
Date of Birth	18-10-1959	25-08-1962	03-08-1970	06-01-1974
Date of Appointment	01-01-2007	21-02-2008	01-04-2001	15-03-2012
Qualifications	B. Com.	B. Com.	B. Com.	B. Com.
Expertise in specific functional areas	25 years in line of activity Marketing, Production, Finance	10 years in Business Administration	10 years in Marketing & Administration	15 years in Marketing & Administration
Directorships held in other companies (excluding foreign companies)	1. Asian Gases Limited 2. Arihant Corporate Services Limited 3. Bengal Business Limited 4. Mahanagar Real Estate Private Limited	1. Asian Gases Limited 2. Bengal Business	1. Gujarat Polyethelene Private Limited 2. Vindhya Polymers Private Limited 3. Royal Orient Forex Private Limited	Nil
Memberships/ Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	Audit Committee Member, Shareholders Investor Relationship Committee	NA	Audit Committee Member	Audit Committee Chairman
Number of shares held in the Company	5,46,374	1,38,310	Nil	Nil