

# **Gorani Industries Ltd.**



**XXI<sup>st</sup> Annual Report  
2015-16**



## Gorani Industries Ltd.

### Board of Directors

Anil Gorani	Whole Time Director
Sanjay Gorani	Managing Director
Nakul Gorani	Director
Shyam Sunder Jhavar	Independent Director
Sandeep Kumar Jain	Independent Director
Rashi Joshi*	Independent Woman Director
Komal Motwani	Addl. Independent Woman Director

### Auditor

M/s. B.D. Sharda & Co.  
Chartered Accountants.

### Chief Financial Officer

Chandra Shekhar Sharma

### Bankers

Central Bank of India  
Siyaganj, Indore

### Company Secretary

Ms. Arpita Jain#  
Ms. Shivangi Gupta

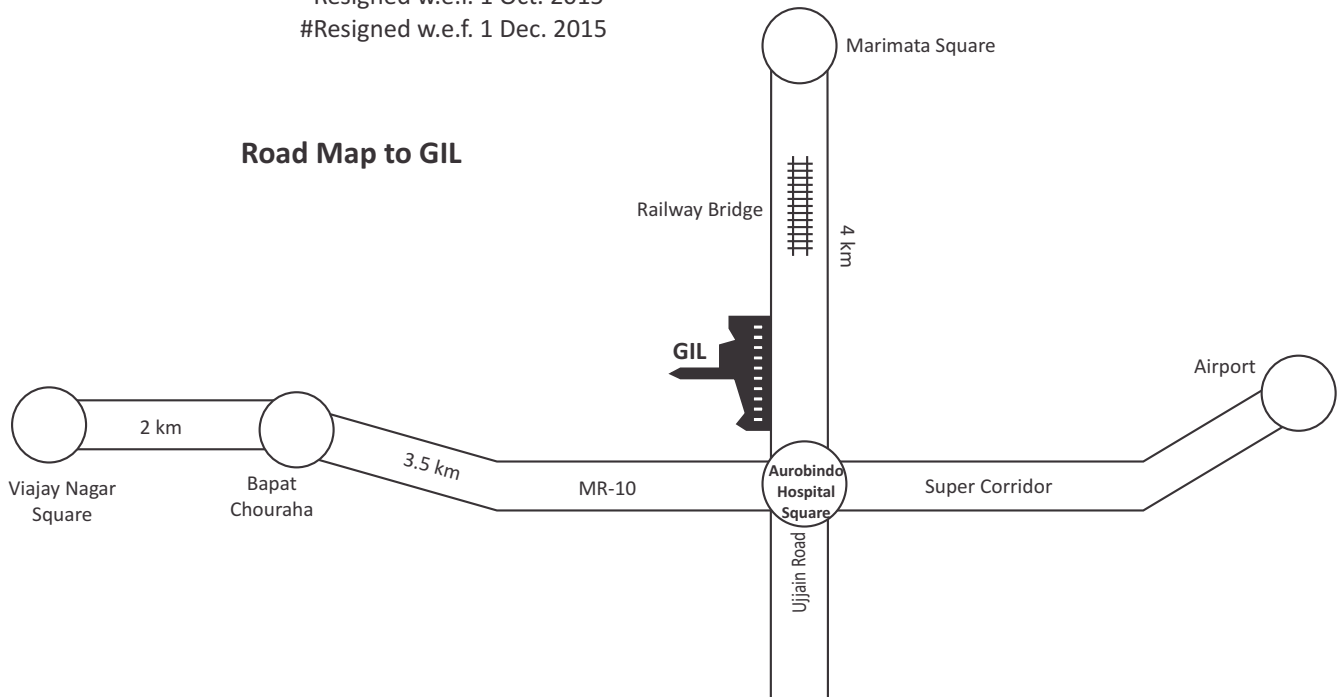
### Registered Office

Plot No. 32-33, Sector F,  
Sanwer Road, Industrial Area,  
INDORE - 452 015 (M.P.)

\*Resigned w.e.f. 1 Oct. 2015

#Resigned w.e.f. 1 Dec. 2015

## Road Map to GIL





**NOTICE**

**NOTICE IS HEREBY GIVEN THAT** the Twenty First Annual General Meeting of the members of the Company Gorani Industries Limited will be held at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore on Friday, the 30th day of September, 2016 at 4.00 P.M. to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Gorani (Holding DIN 00055540) who retires by rotation and being eligible, offers himself for reappointment.
3. Ratification of Appointment of Auditors

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

**"RESOLVED THAT** pursuant to the provisions of sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies the appointment of M/s. B. D. Sharda & Co., Chartered Accountants, bearing Firm Registration No. 00161C, as statutory auditors for the financial year 2016-2017 at such remuneration as may be decided by the Managing Director in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Komal Motwani (Holding DIN- 07302550),

who was appointed as an Additional Director of the company and holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing her as a candidate for the office of director in terms of provisions of Section 160 of the Companies Act, 2013, and who is eligible for appointment as an Independent Woman Director, be and is hereby appointed as an Independent Woman Director of the Company to hold office w.e.f. 1st October 2015 for a period of five years, and that she will not liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification the following resolution as an **Special Resolution:**

**"RESOLVED THAT** subject to the provisions of 196, 197 and other applicable provisions of the Companies Act, 2013, if any, read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to appoint Mr. Nakul Gorani (Holding DIN- 06543317) as the Whole time Director of the Company for a period of 3 years w.e.f 1st June, 2016 to 31st May, 2019 on the monthly remuneration of Rs. 50,000.00 (Rupees Fifty Thousand only) and will be liable to retire by rotation, and such retirement by rotation and reappointment shall not be deemed to constitute a break in his appointment as Whole Time Director of the company."

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment including that as to remuneration, perquisites and other benefits / amenities so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Nakul Gorani."



6. To consider and if thought fit, to pass with or without modification the following resolution as an **Special Resolution:**

“**RESOLVED THAT** subject to the provisions of 196, 197 and other applicable provisions of the Companies Act, 2013, if any, read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to re-appoint Mr. Sanjay Gorani (Holding DIN- 00055531) as the Managing Director of the Company for a period of 3 years w.e.f 1st June, 2016 to 31st May, 2019 on the monthly remuneration of Rs. 1,00,000.00 (Rupees One Lac Only) and will be liable to retire by rotation, and such retirement by rotation and reappointment shall not be deemed to constitute a break in his appointment as Managing Director of the company.

**RESOLVED FURTHER THAT** the Managing Director shall be responsible for overall Management and supervision of the company’s operations, Projects and day to day administration, appointment and termination of the company’s employees, operating of the company’s bank accounts and for regular reporting of the company’s activities, Growth and Performance to the Board of Directors and for performing the duties that may be delegated to the Managing Director from time to time, subject to the overall supervision and control of the Board of Directors.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment including that as to remuneration, perquisites and other benefits / amenities so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Sanjay Gorani.”

7. To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

By Order of the Board  
**for Gorani Industries Limited**

Date: 1st August, 2016

Place: Indore

**Anil Gorani**

(Holding DIN 00055540)

(Chairman cum Whole Time Director)

**NOTES :**

1. The Statement setting out the material facts relating to Special Business at the meeting pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
2. As required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a brief profile of Director seeking appointment/re-appointment at ensuing Annual General Meeting is given.

Particulars	Sanjay Gorani	Anil Gorani	Nakul Gorani	Komal Motwani
Date of Birth	11/10/1965	25/03/1953	21/02/1990	13/07/1993
Date of Appointment	14/03/1995	14/03/1995	20/03/2013	01/10/2015
Qualifications	Mr. Sanjay Gorani (Holding DIN: 00055531) is a Post Graduate in M.A. (Economics).	Mr. Anil Gorani (Holding DIN: 00055531) is a graduate in B.E electronics.	Mr. Nakul Gorani (Holding DIN: 06543317) is a Masters in Management.	Ms. Komal Motwani is a graduate in Commerce.
Expertise in specific functional areas	He also has rich experience in the marketing, operation and working of the company and is being associated with the Company since its inception.	He has more than 30 years experience in the field of steel engineering industry, production and promotion of products.	He is having Practical experience of three years in Management and Marketing.	She is having an experience in legal field.
Relationship with Directors	He is relative of Mr. Anil Gorani.	He is relative of Mr. Sanjay Gorani.	None	None
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	NIL	NIL	NIL	NIL
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL	NIL	NIL	NIL
Number of shares held in the Company (in case of non executive director)	NIL	NIL	NIL	NIL



A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Proxy, in order to be effective, must be received by the Company not less than 48 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.

Corporate members intending to send their authorized 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.

In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

3. Members/Proxies should bring attendance slips sent herewith duly filled in and signed, mentioning therein details of their DP ID and Client ID / Folio No. For attending the meeting.
4. Relevant documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and other holidays between 2.00 P.M. to 4.00 P.M. up to the date of the Annual General Meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Registers of Contracts or Arrangements in which the Directors are interested, maintained under section 189 of the Companies Act, 2013, will be

available for inspection by the members at the AGM.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 24th September, 2016 to Friday, the 30th September, 2016 (Both days inclusive).
8. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s Link Intime India Private Limited (Registrar and Transfer Agent) for assistance in this regard.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Link Intime India Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s 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 the PAN to their Depository Participant with whom they are having demat accounts. Members holding shares in physical form are requested to submit PAN details to the Company/Registrar.
11. Entrance Pass and Proxy Form is annexed. Members are requested to affix their signature at the space provided in the entrance pass and hand over the same at the entrance to the place of meeting.



12. Members are requested to quote their Folio Number / Demat Account Number and contact details such as email address, contact number and complete address in all correspondence with the Company/Company's Registrars.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.goraniindustries.com](http://www.goraniindustries.com) (under 'Investors' section). Members holding shares in physical form may submit the same to Link Intime Private Limited.
14. Members holding shares in electronic form may submit the same to their respective depository participant.
15. Government of India in Ministry of Corporate Affairs has announced "Green initiative in the Corporate Governance" by permitting the Companies to send the Balance Sheet, Profit & Loss Account, Boards' Report, Auditor's Report etc. to their members through email instead of mailing physical copies. Members are requested to support the Green Initiative by the Government and get their email addresses registered with their Depository Participants in case of shares held in demat form and with the Company/Link Intime India Pvt. Ltd. (Registrars) in case of shares held in physical form.
16. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, 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 21st Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository

Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 21st 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 CS Manish Jain & Co., as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed September 23, 2016 as the 'Cut-off Date'. The remote e-voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. September 23, 2016 only.

**The instructions for shareholders voting electronically are as under:**

- i. The voting period begins on 27th September, 2016 at 9.00 A.M. and ends on 29th September, 2016 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. 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholders.
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <GORANI INDUSTRIES LIMITED> on which you choose to vote.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Non – Individual Shareholders and Custodians

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





- 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 linked in the login 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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 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).

### Other Instructions:

- The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 29th September, 2016. Members holding shares in physical or in demat form as on 23rd September 2016 shall only be eligible for e-voting.
- The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 23rd September, 2016.
- CS Manish Jain, Practicing Company Secretary (Membership No: FCS 4651 CP No: 3049) (Address: 219, President Tower, 6/2 South Tukoganj, Madhumilan Square, Indore (M.P.)-452001) has been appointed as the scrutinizer to conduct the e-voting process.
- The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later

than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [goraniindustries.com](http://goraniindustries.com) and on the website of CDSL. The results shall simultaneously be communicated BSE Limited where the shares of the Company are listed.

- The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make out a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
- You can also update your mobile number and Email Id in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting in future. The same may be used in case the Member forgets the password and the same need to be reset.

### Contact Details :

Company	Gorani Industries Limited Registered Office: Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore-452015 (M.P.) <b>Tel No:</b> 0731-2723201-3 <b>Email id:</b> <a href="mailto:gorani.industries@yahoo.com">gorani.industries@yahoo.com</a> <b>CIN:</b> L28121MP1995PLC009170
Registrar and Share Transfer Agent	M/s Link Intime India P. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400078 <b>Tel:</b> 022-25946970, <b>Fax:</b> 022-25946969 <b>Email Id:</b> <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
E-voting Agency	Central Depository Services (India) Ltd <b>Email id:</b> <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
Scrutinizer	CS Manish Jain Practicing Company Secretary <b>Email Id:</b> <a href="mailto:manishjainandco@yahoo.com">manishjainandco@yahoo.com</a>



**Statement to be annexed with the notice under Section 102 of the Companies Act, 2013**

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Statements set out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice dated 1st August, 2016.

**ITEM NO. 4**

As per the provisions of Section 149(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 the Company should have at least one Women director.

Keeping in view the above legal requirements Ms. Komal Motwani (Holding DIN- 07302550), who was appointed as an Additional Director designated as an Independent Woman Director of the company on 1st October 2015 and holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing her as a candidate for the office of director in terms of provisions of Section 160 of the Companies Act, 2013 appointed as an independent Woman Director of the Company to hold office for a term upto five consecutive years w.e.f. 01st October, 2015, and is not liable to retire by rotation.

In the opinion of the Board, Ms. Komal Motwani (Holding DIN- 07302550) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Woman Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Komal Motwani (Holding DIN- 07302550) as an Independent Woman Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Komal Motwani (Holding DIN- 07302550) as an Independent Woman Director. Accordingly, the Board recommends the resolution in relation to appointment of

Ms. Komal Motwani (Holding DIN- 07302550) as an Independent Woman Director, for the approval by the shareholders of the Company.

Except Ms. Komal Motwani (Holding DIN- 07302550), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

**Item No. 5**

Mr. Nakul Gorani is director of the Company since last 3 years. Mr. Nakul Gorani is a Masters in Management having Practical experience of three years in Management and Marketing. Keeping in view his untiring effort in increasing sales turnover and rich experience in Marketing, Management and on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 30th May, 2016 approved the appointment of Mr. Nakul Gorani (Holding DIN- 06543317) as the Whole time Director of the Company for a period of 3 years w.e.f 1st June, 2016 to 31st May, 2019 on the monthly remuneration of Rs. 50,000.00 (Rupees Fifty Thousand only) on the terms and conditions set out in this resolution.

The broad information pursuant to Section – II of Part – II of Schedule V of the Companies Act, 2013, in respect of the resolution specifies in item no. 5. are as under:

**I. General Information**

1. The company is in the business of production and sales of Kitchen appliances and Kitchenware manufacturing and retailing is one such sector within the overall household segment. Its main products are LPG stoves, induction cooker, gas geyser etc. carrying the brand name of Blowhot and Online.
2. The company commenced commercial production from: The commercial production of the company has already been started.
3. The Company is not a new company hence this clause is not applicable.

**4. Financial Performance:**

Particulars	Year ended on 31/03/2016	Previous Year ended on 31/03/2015
Sales (Net of Excise Duty)	5,80,17,842.00	62,206,766.00
Other Income	63,172.00	30,145.00
Gross profit	36,98,366.00	43,61,654.00
Finance Cost	1,15,020.00	2,68,976.00
Depreciation	15,95,866.00	15,33,167.00
Exceptional Items (charged to P & L account)	0.00	0.00
Net profit before Tax	19,87,480.00	25,59,511.00
Provision for Tax- current Tax	0.00	0.00
Deferred Tax	0.00	0.00
Net Profit after Tax	19,87,480.00	25,59,511.00

5. The company does not have any foreign direct investment or collaboration. However, meager shares are held by NRI.

**II. Information about the appointee:****1. Background**

Mr. Nakul Gorani is a Masters in Management having Practical experience of three years in Marketing, Management and is being associated with the Company from past three years. He has significantly contributed to its all round growth. The business of the company has grown many folds in his tenure.

2. A comparison of past remuneration and the proposed remuneration is given below:

Particulars	Existing remuneration	Proposed remuneration w.e.f. 01/06/2016 (Rs.)
Basic Salary	NIL	50,000/- Per Month
Allowances and perquisites	NIL	As decided by Board from time to time

**3. Recognition and Awards: NIL**

4. Job profile and his suitability – The terms and conditions as set out in this resolution. Subject to the superintendence, direction and control of the Board.
5. Remuneration proposed - As set out in the special resolution in item no. 5. The remuneration to Whole Time Director has the approval of the Nomination and Remuneration Committee.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) - Taking into consideration the size of the Company, the profile of Mr. Nakul Gorani, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

7. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any – Mr. Nakul Gorani is Whole Time Director of the company. He does not have any other pecuniary relationship with the Company.

**III. Other Information:**

1. Reason of loss or inadequate profits: To increase the turnover of the company the management kept the profit margin on a lower side.
2. Steps taken for improvement: The Company is making all possible efforts to increase its profitability in future by increasing profit margin and cost cutting.
3. Expected increase in productivity and profits in measurable terms: The Company is hopeful that within two to three years profit margin will increase.

**IV. Disclosures:**

1. The Shareholders of the Company shall be informed of the remuneration package of the managerial person: Yes
2. The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any attached to the annual report: - Not applicable.

The Board of Directors recommends the resolutions for your approval as set out under item no. 5 as Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Nakul Gorani and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

**Item No. 6**

Mr. Sanjay Gorani has been the Managing Director since 9 years. He has rich experience in the marketing, operation and working of the company and is being associated with the Company since its inception. He has significantly contributed to its all round growth. Keeping in view his untiring effort in increasing sales turnover and on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 30th May, 2016 approved the re-appointment of Mr. Sanjay Gorani on a remuneration at Rs. 1, 00,000.00 (Rupees One Lakh Only) per month w.e.f 1st June, 2016 to 31st May, 2019 on the terms and conditions set out in this resolution.

The broad information pursuant to Section – II of Part – II of Schedule V of the Companies Act, 2013, in respect of the resolution specifies in item no. 6. are as under:

**V. General Information**

1. The company is in the business of production and sales of Kitchen appliances and Kitchenware manufacturing and retailing is one such sector within the overall household segment. Its main products are LPG stoves, induction cooker, gas geyser etc. carrying the brand name of Blowhot and Online.
2. The company commenced commercial production from: The commercial production of the company has already started.

3. The Company is not a new company hence this clause is not applicable.

## 4. Financial Performance:

Particulars	Year ended on 31/03/2016	Previous Year ended on 31/03/2015
Sales (Net of Excise Duty)	5,80,17,842.00	62,206,766.00
Other Income	63,172.00	30,145.00
Gross profit	36,98,366.00	43,61,654.00
Finance Cost	1,15,020.00	2,68,976.00
Depreciation	15,95,866.00	15,33,167.00
Exceptional Items (charged to P & L account)	0.00	0.00
Net profit before Tax	19,87,480.00	25,59,511.00
Provision for Tax- current Tax	0.00	0.00
Deferred Tax	0.00	0.00
Net Profit after Tax	19,87,480.00	25,59,511.00

5. The company does not have any foreign direct investment or collaboration. However, meager shares are held by NRI.

**VI. Information about the appointee:**

## 8. Background

Mr. Sanjay Gorani (Holding DIN: 00055531) is a Post Graduate in M.A. (Economics) and also has rich experience in the marketing, operation and working of the company and is being associated with the Company since its inception. He has significantly contributed to its all round growth. The business of the company has grown many folds in his tenure.

9. A comparison of past remuneration and the proposed remuneration is given below:

Particulars	Existing remuneration w.e.f. 01/07/2015 (Rs.)	Proposed remuneration w.e.f. 01/06/2016 (Rs.)
Basic Salary	75,000/- Per Month	1,00,000/- Per Month
Allowances and perquisites	As decided by Board from time to time	As decided by Board from time to time



10. Recognition and Awards: NIL
11. Job profile and his suitability – The terms and conditions as set out in this resolution. Subject to the superintendence, direction and control of the Board, the day to day management and administration of the Company is vested in the Managing Director.
12. Remuneration proposed - As set out in the special resolution in item no. 6. The remuneration to Managing Director has the approval of the Nomination and Remuneration Committee.
13. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) - Taking into consideration the size of the Company, the profile of Mr. Sanjay Gorani, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.
14. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any – Mr. Sanjay Gorani is Managing Director and Promoter of the company. He does not have any other pecuniary relationship with the Company.

**VII. Other Information:**

1. Reason of loss or inadequate profits: To increase the turnover of the company the management kept the profit margin on a lower side.
2. Steps taken for improvement: The Company is making all possible efforts to increase its profitability in future by increasing profit margin and cost cutting.
3. Expected increase in productivity and profits in measurable terms: The Company is hopeful that within two to three years profit margin will increase.

**VIII. Disclosures:**

1. The Shareholders of the Company shall be informed of the remuneration package of the managerial person: Yes

2. The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any attached to the annual report:- Not Applicable

The Board of Directors recommends the resolutions for your approval as set out under item no. 6 as Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Sanjay Gorani and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

**Item No. 7**

As per the provisions of sections 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its annual general meeting.

The Board of Directors recommends the resolutions for your approval as set out under item no. 7 as Ordinary Resolution.

None of the Directors and key managerial personnel (including relatives of directors or key managerial personnel) of the Company is concerned or interested, financially or otherwise, in this resolution.

By Order of the Board  
for **Gorani Industries Limited**

Date: 1st August, 2016

Place: Indore

**Anil Gorani**

(Holding DIN 00055540)

(Chairman cum Whole Time Director)

**BOARD'S REPORT**

To,  
The Members,  
**Gorani Industries Limited**

Your Directors have great pleasure in presenting herewith the Twenty first Annual Report of your Company together with the audited financial statement for the financial year ended 31st March, 2016.

**1. FINANCIAL RESULTS: (Amount in Lacs)**

Particulars	2015-16		2014-15	
Total Revenue		580.81		622.37
<b>Profit before Finance Cost, Depreciation &amp; Amortization Expense</b>	-	<b>36.98</b>	-	<b>43.62</b>
Less:				
Finance Costs	1.15		2.69	
Depreciation & Amortization expense	15.96	17.11	15.33	18.02
<b>Net Profit/(Loss) before extra ordinary &amp; exceptional items &amp; tax</b>	-	<b>19.87</b>	-	<b>25.60</b>
Tax Expense				
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
<b>Net Profit/ (Loss) after tax</b>		<b>19.87</b>		<b>25.60</b>
<b>Transfer to Reserve</b>		<b>0.00</b>		<b>0.00</b>

The profit for the year is adjusted against the previous year's losses. During the year, there was no change in the nature of business of the Company.

**2. PERFORMANCE AND THE STATE OF COMPANY AFFAIRS:**

During the financial year under review, your Company has achieved a Gross Turnover of Rs. 580.81 Lakhs as against that of Rs. 622.37 Lakhs during the previous year decline of 6.68%. The company has earned net profit of Rs.19.87 Lakhs during the financial year against net profit of Rs. 25.60 Lakhs in the previous year.

The company is in the business of production and sales of kitchen and home appliances since 1996. Its main products are LPG stoves, induction cooker, gas geyser etc. carrying the brand name of Blowhot and

Online. It does its business through a strong network of dealer and distributors all over central, south and north India. The legendary products of the Company like NUTAN reflect the sophistication of the products and the reliability as well as exquisite look. The company is in the process of implementing strategies to capitalize available opportunities. The long term growth of home appliances is secure given India's low ownership of appliances even in urban markets.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

**3. DIVIDEND:**

Looking to the financial position of the company directors is not recommending any dividend for the year.

**4. DIRECTORS AND KEY MANAGERIAL PERSONAL**

Mr. Anil Gorani (Holding DIN: 00055540) is liable to retire by rotation and being eligible offers himself for reappointment.

During the year, appointment of Ms. Komal Motwani (Holding DIN-07302550) as an Additional Director designated as Independent Woman Director and resignation of Ms. Rashi Joshi (Holding DIN-06920858) from the post of Independent Women Director took place w.e.f 1st October, 2015.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year there was no re-appointment of Independent Directors took place in the Company.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.



The Nomination and Remuneration Policy are attached herewith as Annexure I.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: <http://www.goraniindustries.com/investors/>

**5. AUDITORS:**

M/s. B.D. Sharda & Co., Chartered Accountants, bearing Firm Registration No. 00161C, statutory auditor's appointment ratified by the members of the company for the financial year 2016-2017. They have furnished a written consent and certificate confirming their eligibility pursuant to the provisions of section 141 of the Companies Act, 2013 and rules made thereunder for the financial year 2016-2017.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**6. INTERNAL AUDITOR**

M/s Navin Sapna & Co., Chartered Accountants (bearing firm registration no. 010507C) have been appointed as internal auditor of the company for the financial year 2016-17 in the Board Meeting held on 30th May, 2016.

**7. SECRETARIAL AUDITOR:**

M/s. Manish Jain & Co., Practicing Company Secretaries has been appointed for issuance of Secretarial Audit Report for the financial year 2016-17 in the Board Meeting held on 30th May, 2016. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**8. 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. 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, effectiveness of committee meetings, etc. The board and the nomination and remuneration committee 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.

**9. RELATED PARTY TRANSACTIONS**

The Contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013 during the year under review and were in Ordinary Course of Business and on arm length basis.

There are no materially significant related party



transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on Related Party Transactions as approved by the Board may be accessed on Company's website at the link: <http://www.goraniindustries.com/investors/>

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

#### 10. CORPORATE GOVERNANCE

\*This Clause is not applicable to the Company.

**Regulation 27 and Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company as Paid up equity share capital is not exceeding Rs.10 crore and Net worth not exceeding Rs.25 crore, as on 31st March, 2016.**

#### 11. MEETINGS

##### BOARD MEETING

During the year 2015-2016, 7 (seven) Board Meetings were held on 14th May, 2015, 30th May, 2015, 31st July, 2015, 1st October, 2015, 2nd November, 2015, 1st December, 2015 and 2nd February, 2016.

Name of Director	No. of Board Meeting held	No. of Board Meeting attended	Attendance at last Annual General Meeting
Shri Sanjay Gorani	7	6	No
Shri Anil Gorani	7	7	Yes
Shri Nakul Gorani	7	2	Yes
Shri Shayam Sunder Jhawar	7	7	Yes
Shri Sandeep Kumar Jain	7	7	Yes
*Ms. Rashi Joshi	3	3	Yes
*Ms. Komal Motwani	4	4	N.A.

\* Ms. Komal Motwani has been appointed as an Additional Director Designated as Independent Women Director of the Company on 1st October, 2015 and Ms. Rashi Joshi has resigned from the post of Independent Women Director w.e.f. 1st October, 2015.

##### AUDIT COMMITTEE MEETING

During the financial year 2015-2016, 4 (Four) Audit Committee Meetings were held on 29th May, 2015, 30th July, 2015, 31st October, 2015 and 1st February, 2016.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Shayam Sunder Jhawar	4	4
* Ms. Rashi Joshi	2	2
Shri Sandeep Kumar Jain	4	4
*Ms. Komal Motwani	2	2

\* Ms. Komal Motwani has been appointed as an Additional Director Designated as Independent Women Director of the Company on 1st October, 2015 and Ms. Rashi Joshi has resigned from the post of Independent Women Director w.e.f. 1st October, 2015.

##### NOMINATION AND REMUNERATION COMMITTEE

During the financial year 2015-2016 meeting of the Nomination and Remuneration Committee was held on 8th July, 2015, 1st October, 2015, 30th November, 2015 and 30th March, 2016, which is attended by all the members of the committee. During the year Rs. 9000.00 was paid as sitting fee to Directors.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Shayam Sunder Jhawar	4	4
Shri Sandeep Kumar Jain	4	4
*Ms. Rashi Joshi	1	1
*Ms. Komal Motwani	3	3

\* Ms. Komal Motwani has been appointed as an Additional Director Designated as Independent Women Director of the Company on 1st October, 2015 and Ms. Rashi Joshi has resigned from the post of Independent Women Director w.e.f. 1st October, 2015.



**STAKEHOLDER RELATIONSHIP COMMITTEE**

During the financial year 2015-2016, 4 (Four) Stakeholder Relationship Committee Meetings were held on 28th April, 2015, 28th July, 2015, 17th October, 2015 and 12th January, 2016.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Sandeep Kumar Jain	4	4
Shri Shayam Sunder Jhawar	4	4
*Ms Rashi Joshi	2	2
*Ms Komal Motwani	2	2

\* Ms. Komal Motwani has been appointed as an Additional Director Designated as Independent Women Director of the Company on 1st October, 2015 and Ms. Rashi Joshi has resigned from the post of Independent Women Director w.e.f. 1st October, 2015.

**12. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

During the year no company have become or ceased to be its subsidiaries, joint ventures or associate companies.

**13. EXTRACT OF ANNUAL RETURN**

Extract of Annual Return, in Form MGT-9, for the Financial Year 2015-16 has been annexed with this report as Annexure IV.

**14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO CONSERVATION OF ENERGY:**

The information relating to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with the with Rule, 8 of The Companies (Accounts) Rules, 2014 is given in Annexure V forming part of this report.

**15. REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of Directors/ KMP of the Company are furnished in Annexure VI:

No employees in the Company have been paid remuneration in excess of the limits prescribed under section 197 of The Companies Act, 2013 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**16. DISCLOSURES:****AUDIT COMMITTEE**

The Audit Committee comprises of Independent Directors namely Shri Sandeep Kumar Jain (Chairman), Shri Shayam Sunder Jhawar and Ms. Komal Motwani as other members. All the recommendations made by the Audit Committee were accepted by the Board.

**VIGIL MECHANISM**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement to deal with instance of fraud and mismanagement, if any. Protected disclosures can be made by a whistle blower either personally or over telephone to the Chairman of the Audit Committee, which should be followed by a written communication. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link <http://www.goraniindustries.com/investors/>.

**17. DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;



- b) the Directors 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 as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors 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) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**18. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

**19. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:**

The company has framed the Risk Management Policy which highlights the Company's practices and risk management framework for the identification and management of uncertainty. The Company manages, monitors and reports on the principal risks

and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has implemented a Risk Management Framework for the management and oversight of material risks and internal control. The Risk Management Framework is designed to address risks that have been identified to have a material impact on the Company's business and to ensure that the Board regularly reviews the risk management and oversight policies.

**20. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company has adequate system of management-supervised internal control, which is aimed at achieving efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws. These ensure that all corporate policies are strictly adhered to and an absolute transparency is followed in accounting and all its business dealings.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The company ensures adherence to all internal control policies and procedures. A qualified and independent audit committee of the Board, comprising the independent directors reviews the adequacy of internal control.

The report on Internal Financial Control has also been annexed with the financial statements of the Company as provided by the Statutory Auditor of the Company.

**21. Equity shares in the suspense account:**

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialized form pursuant to the public issue of the Company:



Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2015	NIL	NIL
Shareholders who approached the Company for transfer of shares from suspense account during the year	NIL	NIL
Shareholders to whom shares were transferred from the suspense account during the year	NIL	NIL
Shareholders of CMC Limited to whom shares were allotted pursuant to the scheme of amalgamation	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2016	NIL	NIL

**22. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details of particulars of loans, guarantees or investments under section 186.
2. Details relating to deposits covered under Chapter V of the Act.
3. Details about the policy developed and implanted by the company on corporate social responsibility initiatives.

4. Issue of equity shares with differential rights as to dividend, voting or otherwise.
5. Issue of shares (including sweat equity shares) to employees of the Company under any Employee Stock Option scheme.
6. Neither the Managing Director nor the Whole-time Directors of the Company receive any commission.
7. Separate Section containing a Report on performance and Financial Position of each of Subsidiaries, Associated & Joint Ventures included in the Consolidated Financial Statement of the Company.
8. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT:**

The Board wishes to place on record their gratitude for the co-operation being received from the Banks, Share Transfer Agent, Stock Exchanges, and Share Holders, customers, staff and workers of the company and thank them for their continued support.

By Order of the Board

Anil Gorani  
(Holding DIN 00055540)  
Chairman

Place: Indore  
Date: August 1, 2016  
Regd. Office :  
Plot No. 32-33, Sector F,  
Sanwer Road, Industrial Area,  
Indore-452015 (M.P.)

**ANNEXURE I****NOMINATION AND REMUNERATION POLICY****1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vi. To develop a succession plan for the Board and to regularly review the plan;

**2. DEFINITIONS**

- i. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. **Board** means Board of Directors of the Company.
- iii. **Directors** mean Directors of the Company.
- iv. **Key Managerial Personnel** as per the Act.
- v. **Senior Management** means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

**3. ROLE OF COMMITTEE****i. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

**ii. Policy for appointment and removal of Director, KMP and Senior Management****1. Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.



**2. Term / Tenure**

a) **Managing Director/Whole-time Director :**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) **Independent Director :**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**3. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**iii. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**

**1. General :**

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be



- within the slabs approved by the Shareholders in the case of Whole-time Director.
- 2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel :**
- a) **Fixed pay:**  
The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b) **Minimum Remuneration :**  
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- c) **Provisions for excess remuneration:**  
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- 3. Remuneration to Non- Executive / Independent Director :**
- a) **Remuneration / Commission :**  
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

- b) **Sitting Fees :**  
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**4. COMMITTEE MEMBERS' INTERESTS**

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**5. VOTING**

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**6. NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board; Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;



- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

**7. REMUNERATION DUTIES**

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members of the Committee.
- to consider any other matters as may be requested by the Board.

**Form MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED on 31st March, 2016  
[Pursuant to section 204(1) of the Companies Act, 2013  
and rule No. 9 of the Companies (Appointment and  
Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Gorani Industries Limited**  
32-33, Sector-F  
Sanwer Road, Indore  
M.P. - 452015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gorani Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company Gorani Industries Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company Gorani Industries Limited for the financial year ended on 31st March, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) 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;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited.

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

I further report that, having regard to the adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environment laws on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with the following general laws applicable to the Company:

- i. Labour Laws
  - Payment of Bonus Act, 1965
  - Payment of Gratuity Act, 1972
  - Minimum Wages Act, 1948
  - Factories Act, 1948
  - Payment of Wages Act, 1936 and other applicable labour laws
- vi. Environmental Laws
  - Environment Protection Act, 1986 and other environmental laws

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Regarding financial, direct/indirect taxation, Statutory Audit matter which have been dealt by other professionals hence, these matters are not in the scope of our audit and no comments have been made on these matters.

I further report that during the audit period, there were no instances of:

- i. Public / Rights / Preferential issue of shares / debentures/sweat equity.
- ii. Redemption / buy-back of securities.
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations, FDI etc.
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

Place: Indore  
Date: 01/08/2016

Sd/-  
CS Manish Jain  
For Manish Jain & Co.  
Company Secretaries  
FCS No.4651  
CP No.:3049





To,  
The Members  
Gorani Industries Limited  
32-33, Sector-F  
Sanwer Road, Indore  
M.P. - 452015

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Indore  
Date: 01/08/2016

Sd/-  
CS Manish Jain  
For **Manish Jain & Co.**  
Company Secretaries  
FCS No.4651  
C P No.:3049



**Form No. AOC-2**

**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**

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

1. Details of contracts or arrangements or transactions not at arm's length basis
  - a) Name(s) of the related party and nature of relationship: NIL
  - b) Nature of contracts/arrangements/transactions :NIL
  - c) Duration of contracts/arrangements/transactions: NIL
  - d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
  - e) Justification for entering into contracts or arrangements or transactions: NIL
  - f) Date(s) of approval by the board :NIL
  - g) Amount paid as advances, if any: NIL
  - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:NIL
2. Details of material contracts or arrangements or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nil
Nature of contracts / arrangements / transactions	Nil
Duration of contracts / arrangements/ transactions	Nil
Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
Date(s) of approval by the board	Nil
Amount paid as advances, if any	Nil

By Order of the Board

**Anil Gorani**  
(Holding DIN 00055540)  
Chairman cum Whole Time Director

**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March, 2016.****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS :**

i) CIN	L28121MP1995PLC009170
ii) Registration Date	14/03/1995
iii) Name of the Company	Gorani Industries Limited
iv) Category / Sub-Category of the Company	Public Company/Limited by shares
v) Address of the Registered office and contact details:	32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015 Tel: 0731-2723201-03
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited,, C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai-400078, Tel: 022 25963838

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	LPG Stoves	2750	83.50%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N.A.				
2					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)***i) Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2101500	245000	2346500	43.15	2291300	245000	2536300	46.64	3.49
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1)</b>	2101500	245000	2346500	43.15	2291300	245000	2536300	46.64	3.49
<b>(2) Foreign</b>									
a) NRIs –Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2)</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Total shareholding of Promoter (A) = (A)(1)+ (A)(2)</b>	2101500	245000	2346500	43.15	2291300	245000	2536300	46.64	3.49
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	99500	0	99500	1.83	99500	0	99500	1.83	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1)</b>	99500	0	99500	1.83	99500	0	99500	1.83	0.00



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	850199	5500	855699	15.74	847384	5500	852884	15.68	(0.06)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	110662	1384800	1495462	27.50	124649	1189000	1313649	24.16	(3.34)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	11900	620300	632200	11.63	11900	620300	632200	11.63	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing member	7989	0	7989	0.15	66	0	66	0.00	0.00
Non Resident Indians (Repat)	650	0	650	0.01	1500	0	1500	0.03	0.02
Sub-total (B)(2)	981400	2010600	2992000	55.02	987400	1814800	2802200	51.53	(3.49)
Total Public shareholding (B)= (B)(1)+(B)(2)	1080900	2010600	3091500	56.85	1086900	1814800	2901700	53.36	(3.49)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>3182400</b>	<b>2255600</b>	<b>5438000</b>	<b>100.00</b>	<b>3378200</b>	<b>2059800</b>	<b>5438000</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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.	Narendra Kumar Gorani	801800	14.74	0	801800	14.74	0	0.00
2.	Sanjay Gorani	649300	11.94	0	649300	11.94	0	0.00
3.	Shanta Devi Gorani	285200	5.24	0	285200	5.24	0	0.00
4.	Balkishan Gorani	150100	2.76	0	150100	2.76	0	0.00
5.	Anil Gorani	115100	2.12	0	304900	5.61	0	3.49
6.	Manju Gorani	40100	0.74	0	40100	0.74	0	0.00
7.	Sadhna Mandovra	25000	0.46	0	25000	0.46	0	0.00
8.	Kiran Kawar Chordia	10000	0.18	0	10000	0.18	0	0.00



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	
9.	Harimohan Laddha	20000	0.37	0	20000	0.37	0	0.00
10.	Rekhadevi Laddha	20000	0.37	0	20000	0.37	0	0.00
11.	Dinesh Ajmera	17500	0.32	0	17500	0.32	0	0.00
12.	Brijmohan Ladha	10000	0.18	0	10000	0.18	0	0.00
13.	Manoj Kumar Jain	10000	0.18	0	10000	0.18	0	0.00
14.	Pramod Kumar Agarwal	10000	0.18	0	10000	0.18	0	0.00
15.	Vijay Jethani	10000	0.18	0	10000	0.18	0	0.00
16.	Safiya Bai Jawadwala	7000	0.13	0	7000	0.13	0	0.00
17.	Suresh Kumar Mohta	6000	0.11	0	6000	0.11	0	0.00
18.	Kanta Maloo	5000	0.09	0	5000	0.09	0	0.00
19.	Komal chand Jain	5000	0.09	0	5000	0.09	0	0.00
20.	Koshalya Devi Wadhvani	5000	0.09	0	5000	0.09	0	0.00
21.	Leena Dixit	5000	0.09	0	5000	0.09	0	0.00
22.	Lokesh Wadhvani	5000	0.09	0	5000	0.09	0	0.00
23.	Mohammad Afaq	5000	0.09	0	5000	0.09	0	0.00
24.	Narendra Khatri	5000	0.09	0	5000	0.09	0	0.00
25.	Omprakash Mittal	5000	0.09	0	5000	0.09	0	0.00
26.	Padma Davi Dhamala	5000	0.09	0	5000	0.09	0	0.00
27.	Quality Agencies	5000	0.09	0	5000	0.09	0	0.00
28.	Saifuddin Chakera	5000	0.09	0	5000	0.09	0	0.00
29.	Shivshankar Heda	5000	0.09	0	5000	0.09	0	0.00
30.	Sita Devi Heda	5000	0.09	0	5000	0.09	0	0.00
31.	Sumit Heda	5000	0.09	0	5000	0.09	0	0.00
32.	Vijay Lalwani	5000	0.09	0	5000	0.09	0	0.00
33.	Vishnumal Wadhvani	5000	0.09	0	5000	0.09	0	0.00
34.	Asha Narang	4400	0.08	0	4400	0.08	0	0.00
35.	Anand Bangar	5000	0.09	0	5000	0.09	0	0.00
36.	Anis Jafri	2500	0.05	0	2500	0.05	0	0.00
37.	Anwar Hussain	2500	0.05	0	2500	0.05	0	0.00
38.	Brijlata Nawal	2500	0.05	0	2500	0.05	0	0.00
39.	Dheeraj Jain	2500	0.05	0	2500	0.05	0	0.00
40.	Dinesh Gupta	2500	0.05	0	2500	0.05	0	0.00
41.	Firoza Sultana	2500	0.05	0	2500	0.05	0	0.00



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	
42.	Geetesh D Jain	2500	0.05	0	2500	0.05	0	0.00
43.	Gyarsibai Khandelwal	2500	0.05	0	2500	0.05	0	0.00
44.	H C Jain	2500	0.05	0	2500	0.05	0	0.00
45.	Hema Gorani	2500	0.05	0	2500	0.05	0	0.00
46.	Jagdishbhai Patel	2500	0.05	0	2500	0.05	0	0.00
47.	Krishna Vashishtha	2500	0.05	0	2500	0.05	0	0.00
48.	Laxmikanta Ajmera	2500	0.05	0	2500	0.05	0	0.00
49.	Madhukar Rao	2500	0.05	0	2500	0.05	0	0.00
50.	Najmuddin Saify	2500	0.05	0	2500	0.05	0	0.00
51.	Nandkishore Gupta	2500	0.05	0	2500	0.05	0	0.00
52.	Neena Devi Maheshwari	2500	0.05	0	2500	0.05	0	0.00
53.	Neeraj Sureshkumar Jain	2500	0.05	0	2500	0.05	0	0.00
54.	Pradeep Patel	2500	0.05	0	2500	0.05	0	0.00
55.	Pushpanjali Maheshwari	2500	0.05	0	2500	0.05	0	0.00
56.	Rajesh Gupta	2500	0.05	0	2500	0.05	0	0.00
57.	Rakesh D Jain	2500	0.05	0	2500	0.05	0	0.00
58.	Ramgopal Gupta	2500	0.05	0	2500	0.05	0	0.00
59.	Sanjay Maheshwari	2500	0.05	0	2500	0.05	0	0.00
60.	Sukaniyaben Patel	2500	0.05	0	2500	0.05	0	0.00
61.	Suman Nawal	2500	0.05	0	2500	0.05	0	0.00
62.	Usha Devi Vashishta	2500	0.05	0	2500	0.05	0	0.00
63.	Vijay Kumar Puranik	2500	0.05	0	2500	0.05	0	0.00
	<b>Total</b>	<b>2346500</b>	<b>43.15</b>	<b>0</b>	<b>2536300</b>	<b>46.64</b>	<b>0</b>	<b>3.49</b>

NOTE: The Company has got the Approval Letter from BSE dated 1st July, 2016 for Reclassification of shares under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Anil Gorani</b>	115100	2.12	115100	2.12
	Increase/Decrease in shareholding during the year	189800	3.49	189800	3.49
	At the end of the year	304900	5.61	304900	5.61

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):**

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Online Appliances Limited</b>				
	At the beginning of the year	790600	14.54	790600	14.54
	Increase/Decrease in shareholding during the year	50000	0.92	50000	0.92
	At the end of the year (or on the date of separation, if separated during the year)	890600	15.46	890600	15.46
2.	<b>Pukhraj Soni</b>				
	At the beginning of the year	189000	3.48	189000	3.48
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	189000	3.48	189000	3.48
3.	<b>Madhya Pradesh Financial Corporation</b>				
	At the beginning of the year	99500	1.83	99500	1.83
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	99500	1.83	99500	1.83
4.	<b>Dinesh Kumar Maheshwari</b>				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
5.	<b>Ashok Kumar Daga</b>				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
6.	<b>Farokh Pavri</b>				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
7.	<b>Shirin Pavri</b>				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
8.	<b>Rajendra Jain</b>				
	At the beginning of the year	22800	0.42	22800	0.42
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	22800	0.42	22800	0.42





Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9.	<b>Urmila Modi</b>				
	At the beginning of the year	16700	0.31	16700	0.31
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	16700	0.31	16700	0.31
10.	<b>Lalita Jhawar</b>				
	At the beginning of the year	13800	0.25	13800	0.25
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	13800	0.25	13800	0.25

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>A</b>	<b>Directors</b>				
1.	Sanjay Gorani Managing Director	649300	11.94	649300	11.94
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	649300	11.94	649300	11.94
2.	Anil Gorani Whole Time Director	115100	2.12	115100	2.12
	Increase/Decrease in shareholding during the year	189800	3.49	189800	3.49
	At the end of the year 31.03.2016	304900	5.61	304900	5.61
3.	Shayam Sunder Jhawar Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	0	0.00	0	0.00
4.	Sandeep Kumar Jain Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	0	0.00	0	0.00
5.	Nakul Gorani Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	0	0.00	0	0.00



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6.	Komal Motwani Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	0	0.00	0	0.00
<b>B.</b>	<b>Key Managerial Personnel</b>				
1.	Shivangi Gupta Company Secretary	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	0	0.00	0	0.00
2.	Chandrasekhar Sharma Chief Financial Officer	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2016	0	0.00	0	0.00

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	7484631.00	40813034.00	0.00	48297665.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>7484631.00</b>	<b>40813034.00</b>	<b>0.00</b>	<b>48297665.00</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	0.00	1100000.00	0.00	1100000.00
• Reduction	(625516.00)	0.00	0.00	(625516.00)
<b>Net Change</b>	<b>(625516.00)</b>	<b>1100000.00</b>	<b>0.00</b>	<b>474484.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6859115.00	41913034.00	0.00	48772149.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>6859115.00</b>	<b>41913034.00</b>	<b>0.00</b>	<b>48772149.00</b>

**Note: - Whatever interest has been due is paid and no interest is accrued but not due.**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sanjay Gorani	Anil Gorani	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,50,000.00	6,00,000.00	14,50,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	<b>Total A.</b>	<b>8,50,000.00</b>	<b>6,00,000.00</b>	<b>14,50,000.00</b>

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shayam Sunder Jhawar	Sandeep Kumar Jain	Komal Motwani	Rashi Joshi	
1.	<b>Independent Directors</b>					
	• Fee for attending board / committee meetings	3000.00	3000.00	1500.00	1500.00	9000.00
	• Commission					
	• Others, please specify					
	<b>Total B (1)</b>	<b>3000.00</b>	<b>3000.00</b>	<b>1500.00</b>	<b>1500.00</b>	<b>9000.00</b>
2.	<b>Other Non-Executive Directors</b>	<b>Nakul Gorani</b>				
	• Fee for attending board / committee meetings				0.00	0.00
	• Commission				0.00	0.00
	• Others, please specify				0.00	0.00
	<b>Total B(2)</b>				<b>0.00</b>	<b>0.00</b>
	<b>Total (B)=B(1) +B(2)</b>	<b>3000.00</b>	<b>3000.00</b>	<b>1500.00</b>	<b>1500.00</b>	<b>9000.00</b>

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Arpita Jain Company Secretary	Shivangi Gupta Company Secretary	Chandrasekhar Sharma CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,28,000.00	64,000.00	1,32,000.00	3,24,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission as % of profit others, specify...	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>1,28,000.00</b>	<b>64,000.00</b>	<b>1,32,000.00</b>	<b>3,24,000.00</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty			None		
Punishment			None		
Compounding			None		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment			None		
Compounding			None		



Information on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under section 134 of the Companies Act, 2013 read with rules the Companies (Accounts) Rules, 2014 are provided hereunder:

**1. CONSERVATION OF ENERGY**

**(i) Steps taken or impact on conservation of energy:**

Our focus on the impact of our operations on climate change leads to our energy conservation strategy where we can best evaluate our performance through measurement of emission to the atmosphere.

- a. Additional power capacitors and power factor control equipments are installed to limit down demand.
- b. Changeover switch system has been employed to avoid electricity wastage.

**Additional investments and proposal, if any, being implemented for reduction of consumption of energy:**

Due to effective steps already taken to conserve energy, there is no immediate scope.

**Impact of above measures:**

Efficient utilization of power and consumption of electricity per unit of production has decreased.

Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the schedule thereto.

Particulars		Unit	2015-16	2014-15
a.	Electricity			
	Purchased unit	KWH	340640	332166
	Total amount	Rs.	2963460.00	2835152.00
	Rate per unit	Rs./KWH	8.70	8.54
b.	Own generation			
	Units	KWH	2980	1760
	Units/ Ltr. of Diesel	KWH	2.02	1.50
	Cost per Unit	Rs./KWH	26.23	40.19
	Electricity consumed	KWH	0.99	0.99

**(ii) Steps taken by the company for utilising alternate sources of energy;**

As there has been satisfactory power supply from the Electricity Board, there appears no scenario for such situation.

**(iii) Capital investment on energy conservation equipments;**

Due to adequate arrangement, existing there is no further requirement of such investment considering the estimated production in near future.

**2. TECHNOLOGY ABSORPTION, REASERCH & DEVELOPMENT (R&D)**

**(i) Efforts made towards technology absorption**

Company is manufacturing ISI-Certified Gas Geysers which have thermal efficiency of 82% plus, thereby reducing the carbon footprint compared to electric geyser by 40% resulting into environmental energy conservation and emission of carbon-di-oxide and carbon-mom-oxide like harmful gases.



**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.**

The team of Whole time director as supported by Managing Director have a vast experience of 30 years in the field of Kitchen wears ,has helped practically to understand the requirement of modified, improvised and more beautified user friendly product for which main customers are ladies, housewives, students. The continuous leaning and development process in last 10 years has helped to become safer, easy to handle products.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)--**

**(a) the details of technology imported**

**(b) the year of import;**

**(c) whether the technology been fully absorbed**

**(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof**

No technology as such is imported. The practical experience gained in travelling to and fro China by the directors while their frequent trips to the country for understanding the needs of the customers has resulted into improvised technical durability of the product.

**(iv) Expenditure on R&D:**

So far as the current products namely LPG Stoves, Kitchen Chimney & Gas Geysers are concerned the minor technology specifications and beautifying modification have been obtained through the continuous manufacturing experience during last 10 years under the control of technical team headed by whole time technical director of the company. The ultimate object has been to make the above products more user (housewives) friendly from safety and handling point of view. Therefore relevant expenses have been absorbed by the yearly Income & Expenditure accounts.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars		2015-16	2014-15
a.	Earnings FOB value of exports Freight Charges	Nil	Nil
b.	Outgo Import Expenses	1,25,97,597	2,09,37,958

By **Order of the Board**

Anil Gorani

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: 1st August, 2016

Regd. Office:

Plot No. 32-33, Sector F,

Sanwer Road, Industrial Area,

Indore-452015 (M.P.)

**DETAILS PERTAINING TO 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**

- 1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director	Designation	Remuneration for F.Y. 2015-16 (Amount in Rs.)	Remuneration for F.Y. 2014-15 (Amount in Rs.)	Increase in remuneration from previous year	Ratio
Sanjay Gorani	Managing Director	8,50,000.00	6,00,000.00	2,50,000.00	9:1
Anil Gorani	Whole Time Director	6,00,000.00	6,00,000.00	0.00	9:1
Arpita Jain	Company Secretary	1,28,000.00 (8 Months)	80,000.00 (8 Months)	0.00	-
Shivangi Gupta	Company Secretary	64,000.00 (4 Months)	—	0.00	-
Chandrasekhar Sharma	CFO	1,32,000.00	1,32,000.00	0.00	-

- 2) The median remuneration of employees of the Company during the financial year was Rs. 7156/-.
- 3) In the financial year, there was no increase of in the median remuneration of employees;
- 4) There were 120 permanent employees on the rolls of Company as on March 31, 2016;
- 5) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16: No such increase hence no explanation required.
- 6) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees: No such components availed by the Directors .
- 7) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



## 8) Details of top ten employees of the Company:

Sr. No.	Name of the Employee	Designation of the Employee	Remuneration Received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) above, and	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1.	Chandrashekhar Sharma	C.F.O.	132000.00	Contractual	M. Com	1-Aug-99	55 yrs	Jayant Vitamins Ltd	Nil	NA
2.	Arpita Jain (8 months)	CS and Compliance Officer	128000.00	Contractual	CS	31-Jul-2014	30 yrs	-	Nil	NA
	Shivangi Gupta (4 months)	CS and Compliance Officer	64000.00	Contractual	CS	1-Dec-15	22 yrs	-	Nil	NA
3.	Vinod Sharma	Production Incharge	117000.00	Contractual	Bsc	15-Sep-00	53 yrs	Nevo Control	Nil	NA
4.	Antony P. J	Tool Room Incharge	117000.00	Contractual	Diploma in Mechanical Engineering	13-Jul-05	56 yrs	Super Steel Mfg Co	Nil	NA
5.	Premnarayan Nagar	Paint Section Incharge	117000.00	Contractual	B.Com	11-Oct-09	48 yrs	Super Steel Mfg Co	Nil	NA
6.	Neelkanth Badve	Labour Officer	132000.00	Contractual	M. Com, 24 yr experience	2-Sep-96	51 yrs	None	Nil	NA
7.	Mohammed Ahmed Khan	Dispatch Incharge	117000.00	Contractual	M. Com, LLB	2-Sep-96	58 yrs	Madala Steel	Nil	NA
8.	D. Sushila Rao	Back Office Assistant	120000.00	Contractual	B.Com	2-Sep-96	43 yrs	None	Nil	NA
9.	Subodh Laad	Purchase Manager	117000.00	Contractual	M. Com	2-Sep-97	48 yrs	None	Nil	NA
10.	Shailendra Yadav	Store Keeper	117000.00	Contractual	B. Com	16-Jul-97	41 yrs	None	Nil	NA





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments

The Economy of India is the seventh-largest economy in the world measured by nominal GDP and the third-largest by purchasing power parity (PPP). The country is classified as a newly industrialized country, one of the G-20 major economies, a member of BRICS and a developing economy with an average growth rate of approximately 7% over the last two decades.

The long-term growth prospective of the Indian economy is positive due to its young population, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. The outlook for short-term growth is also good as according to the IMF, the Indian economy is the "bright spot" in the global landscape. India also topped the World Bank's growth outlook for 2015-16 for the first time with the economy having grown 7.6% in 2015-16 and expected to grow 8.0%+ in 2016-17. Data released by the Central Statistics Office projected a growth of 7.6% in 2015-16 against the government's more modest expectation of 7-7.5% growth. This despite growth decelerating to 7.3% in the quarter ended December from 7.7% in the previous quarter.. ). India's economy became the world's fastest growing major economy from the last quarter of 2014, replacing the People's Republic of China

In 2015, global economic activity remained subdued, with world output slowing down further to 3.1%<sup>1</sup>. Emerging markets and developing economies grew 4%, a year-on-year deceleration for the fifth consecutive year. Steep falls in oil prices, continued weakness in commodity prices, a slowdown in China and deep recessions in some large emerging market economies more than offset strong growth in India and some of the ASEAN economies. All these have led to the emergence of a series of new trends in kitchenware that are exclusively based on class and functionality thereby limiting the customer base.

The company is in the business of production and sales of Kitchen appliances and Kitchenwares Manufacturing and retailing is one such sector within the overall household segment, which has been in the limelight in recent past.

Recent monetary easing along with rise in demand is likely to provide some support to consumption of company's product in the financial year 2015-16 followed by demands emerging from the newly constructed residential projects creating the fixed requirements in modular kitchens more particularly the chimneys. This is also the reason why the company has gone for the expansion of the product range of chimneys for skimmed market. same is the case with gas geysers the another product of the company. All products of the Company are ISI certified and are sophisticated to bring the age old domestic appliances to a new height. The legendary products of the Company like an BLOWHOT, ONLINE reflect the sophistication of the products and the reliability as well as exquisite look due to changes brought in in the presentation in last couple of years.

The discussion on the financial performance of the Company is covered in the Board's Report.

### Opportunities and Threats

The company is in the process of implementing strategies to capitalize available opportunities. The long term growth of home appliances is secure given India's low ownership of appliances even in urban markets. Kitchen appliances are manufactured where intelligence embraces style, where brains collide with beauty, where quality and safety is controlled with utmost simplicity, where the ultimate in practicality is encapsulated by breathtaking designs. India's consumer pyramid offers opportunities to ladder products across capacities, formats and prices. Given the dependence of a large fraction of the population on the rural economy and the fact that a number of product markets are under-penetrated, it provides opportunities for sustained growth for the company.

The threat in the domestic market continues from the unorganized players and regional brands that compete with the unviable low pricing strategies. The free distribution of certain products by state government is expected to create a decent replacement market in the years to come. The Company has been adopting the strategy of continuously offering innovative, newer and improved products as well as marketing strategies to stay above competition whether organized or unorganized.



### Segment wise Performance

The company has only one segment of Home Appliances and the products considered as part of the segment are, LPG stoves, Gas Hobs, Gas geysers, water Heaters and Kitchen Chimneys.

The company is hopeful that through a combination of powerful marketing strategies, innovative new products and market development and expansion activities, it would increase its share in the domestic market of most of its products.

### Outlook

Both global and Indian economies are on the path of recovery. The rate of growth in the domestic economy has been continuously falling over the last three years. However, persistent high level of inflation in the long run can impact the disposable income and hence the purchasing power. However, the overall market sentiment is positive and your Company expects to maintain its growth rates aided by the new range of products, barring unforeseen circumstances.

### Risk and Concerns

The overall inflationary trend in general and the food inflation and rise in commodity prices have been major concerns for most part of last fiscal and remain a concern as we start the new financial year. The significant and steady increase of key metal prices is a matter of concern which may have some impact on margins of your Company if it is not in a position to pass on the increase in input costs to the customers. However, with improved efficiencies and economies of scale your Company is hopeful of maintaining a healthy margin and return on capital employed. Efficient working capital/ asset management, cash generation and robust stewardship will continue to be our focus areas as in the past.

Risks identified through our risk management processes are prioritized and, depending on the probability and severity of the risk. We have general response strategies for managing risks, which categorize risks according to whether the company will avoid, transfer, reduce or accept the risk.

### Internal Control

The company has adequate system of management-supervised internal control, which is aimed at achieving efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws. These ensure that all corporate policies are strictly adhered to an absolute transparency is followed in accounting and all its business dealings.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The company ensures adherence to all internal control policies and procedures. A qualified and independent audit committee of the Board, comprising the independent directors reviews the adequacy of internal control.

### Human Resources/ Industrial Relations Front

The Company fully values the Human Capital and continued to have the cordial and harmonious relations with its employees. The company continues to focus on training employees on a continuous basis. The Company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent. The company maintains a strong business linkage to all human resource and initiatives.

### Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, predictions & contains forward looking statements within the meaning of applicable rules and regulations. It contains forward looking statements which are made in good faith based on the information available at the time of its approval. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a number of risks and uncertainties that are inherent in any forward looking statement which could cause actual results to differ materially from those currently anticipated.



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Gorani Industries Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Gorani Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's board of directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation and presentation of these standalone 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.

### **Auditors' Responsibility**

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

We conducted our audit in accordance with the Standards on Auditing specified under Sec 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2016 and its Profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we enclosed 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 informations 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone 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 the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
- 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 explanation given to us:
  - i. There is no pending litigation which impact the financial position of company and to be included in financial statements;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; hence no provision was required to be made; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For: **B.D. SHARDA & CO.**  
Chartered Accountants  
Firm Reg. No. 00161C

Place: Indore

Date : 30/05/2016

**(B.D. SHARDA)**  
Proprietor  
Membership No. 070209

## **Annexure-A to the Independent Auditors' Report**

**(Referred to in our report of even date)**

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 10 to the standalone financial statements, are held in the name of the Company.
- (ii) In respect of its inventory:
  - (a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
  - (b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In our opinion and according to information and explanations given to us, 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, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and explanations given to us, the Company has not granted



- any loans or provided any guarantees or security to the parties covered under Section 185 or 186. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The company has not accepted any deposits from public during the year. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2016 for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institution, bank, Government or dues to debenture holders.
- (ix) According to the records of the company, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. In our opinion the term loans raised during the year were applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no material fraud on the Company by its officers or employees nor any fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For: **B.D. SHARDA & CO.**  
Chartered Accountants  
Firm Reg. No. 00161C

Place: Indore  
Date : 30/05/2016

**(B.D. SHARDA)**  
Proprietor  
Membership No. 070209



## **Annexure-B to the Independent Auditors' Report**

(Referred to in our report of even date)

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

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

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 ("the Act").

#### **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 were established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For: **B.D. SHARDA & CO.**  
Chartered Accountants  
Firm Reg. No. 00161C

Place: Indore  
Date : 30/05/2016

**(B.D. SHARDA)**  
Proprietor  
Membership No. 070209

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH' 2016**

CIN - L28121MP1995PLC009170

PARTICULARS	Note No.	As at 31/03/2016		As at 31/03/2015	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
1. Shareholders' funds					
(a) Share Capital	2	48,933,000		48,933,000	
(b) Reserves and Surplus	3	(23,798,952)	25,134,048	(25,786,432)	23,146,568
<b>2 Non- current liabilities</b>					
(a) Long-term borrowings	4	41,913,034		40,813,034	
(a) Other Long-term Liabilities	5	10,000	41,923,034	10,000	40,823,034
<b>3 Current Liabilities</b>					
(a) Short term borrowings	6	6,859,115		7,484,631	
(b) Trade payables	7	22,903,301		15,878,953	
(c) Other current liabilities	8	1,542,770		1,501,550	
(d) Short term provisions	9	1,310,798	32,615,984	1,334,260	26,199,394
<b>TOTAL</b>			<b>99,673,066</b>		<b>90,168,996</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets	10				
(i) Tangible assets		21,065,405		14,037,778	
(b) Long-term loans and advances	11	820,363		399,966	
			21,885,768		14,437,744
<b>2. Current assets</b>					
(a) Inventories	12	59,245,543		59,380,470	
(b) Trade receivables	13	7,217,612		7,254,876	
(c) Cash and Bank Balances	14	10,176,782		7,702,895	
(d) Short-term loans and advances	15	1,147,361	77,787,298	1,393,011	75,731,252
<b>TOTAL</b>			<b>99,673,066</b>		<b>90,168,996</b>
Significant accounting policies and the accompanying notes are an integral part of these financial statements	1				

For and on behalf of the Board

As per our report of even date  
For **B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531**(Anil Gorani)**  
Whole Time Director  
DIN : 00055540**(Nakul Gorani)**  
Director**(Shivangi Gupta)**  
Company Secretary**(C.S. Sharma)**  
C.F.O.**(B. D. Sharda)**  
M.No. 070209Place : Indore  
Date : 30.05.2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING ON 31<sup>st</sup> MARCH 2016**

CIN - L28121MP1995PLC009170

PARTICULARS	Note No.	Year Ended 31/03/2016		Year Ended 31/03/2015	
		Rs.	Rs.	Rs.	Rs.
<b>I Revenue from operations:</b>	16				
Gross Sales		65,192,511		69,069,388	
Less: Excise Duty		7,174,669		6,862,622	
Net Sales		58,017,842		62,206,766	
<b>II Other Income</b>	17	63,172		30,145	
<b>III Total Revenue (I + II)</b>			58,081,014		62,236,911
<b>IV Expenses</b>					
Cost of Materials Consumed	18	30,317,085		29,720,950	
Purchases of Stock in Trade	19	69,827		-	
Changes in inventories of finished goods, work in progress and Stock-in- trade	20	2,919,753		6,872,396	
Employee benefits expense	21	13,536,305		12,999,619	
Finance Costs	22	115,020		268,976	
Depreciation and amortization expense	10	1,595,866		1,533,167	
Other expenses	23	7,539,678		8,282,292	
Total Expense			56,093,534		59,677,400
<b>V Profit / (Loss) before tax (III-IV)</b>			<b>1,987,480</b>		<b>2,559,511</b>
<b>VI Tax expense:</b>					
(1) Current tax		-		-	
(2) Deferred tax		-		-	
<b>VII Profit/(Loss) for the year ( V-VI)</b>			<b>1,987,480</b>		<b>2,559,511</b>
<b>VIII Earnings per equity share:</b>					
(1) Basic			0.37		0.47
(2) Diluted			0.37		0.47
Significant accounting policies and the accompanying notes are an integral part of these financial statements	1				

For and on behalf of the Board

As per our report of even date  
For **B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531**(Anil Gorani)**  
Whole Time Director  
DIN : 00055540**(Nakul Gorani)**  
Director**(Shivangi Gupta)**  
Company Secretary**(C.S. Sharma)**  
C.F.O.**(B. D. Sharda)**  
M.No. 070209Place : Indore  
Date : 30.05.2016



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2016**

CIN - L28121MP1995PLC009170

(Rs. in Lacs)

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	19.87	25.60
Ad : Non-Operating/Non-Cash Expenses		
Depreciation	15.96	15.33
Loss on Sale of Fixed Assets	-	0
Interest received	(0.32)	(0.22)
Interest Paid	0.36	1.79
<b>Operating Profit before Working Capital Changes</b>	<b>35.87</b>	<b>42.50</b>
Change in Working Capital		
Decrease /(Increase) in Inventories	1.35	(76.86)
Decrease/(Increase) in Trade & Other Receivables	0.37	38.77
Decrease/(Increase) in Loans & Advances	2.46	9.30
Decrease/(Increase) in Other Current Assets	(1.20)	(1.30)
Increase/(Decrease) in Trade Payable & Other Liabilities	70.42	17.29
<b>Cash Generated from Operation</b>	<b>109.27</b>	<b>29.71</b>
FBT Tax Paid	-	-
<b>Cash Flow before Extraordinary Items</b>	<b>109.27</b>	<b>29.71</b>
Extraordinary Items prior year tax	-	-
<b>Net cash flow from operating activities</b>	<b>109.27</b>	<b>29.71</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(86.23)	(27.82)
Decrease / Increase in Capital WIP	(3.00)	-
Sale of Fixed Assets	-	-
Interest Income	0.32	0.22
<b>Net Cash Flow from Investing Activities</b>	<b>(88.91)</b>	<b>(27.60)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Calls Unpaid	-	-
Increase/(Decrease) in Short term Borrowings	(6.26)	74.57
Increase/(Decrease) in Long term Borrowings	11.00	(5.00)
Interest Paid	(0.36)	(1.79)
<b>Net Cash Flow from Financing Activities</b>	<b>4.38</b>	<b>67.78</b>
<b>NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>24.74</b>	<b>69.89</b>
Opening Balance of Cash and Cash Equivalents	77.03	7.14
Closing Balance of Cash and Cash Equivalents	101.77	77.03

For and on behalf of the Board

As per our report of even date  
For **B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531**(Anil Gorani)**  
Whole Time Director  
DIN : 00055540**(Nakul Gorani)**  
Director**(Shivangi Gupta)**  
Company Secretary**(C.S. Sharma)**  
C.F.O.**(B. D. Sharda)**  
M.No. 070209

Place : Indore

Date : 30.05.2016



## Notes forming part of Financial Statements

CIN - L28121MP1995PLC009170

### Note: 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

###### A] Basis of Accounting:

The financial statements of Gorani Industries Limited have been prepared to comply with the generally accepted accounting principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on accrual basis. The accounting policies have been consistently applied by the company unless otherwise stated.

###### B] Sales:

The sales of goods are recognized at the point of dispatch of the finished to the customers.

###### C] Income:

The Income is accounted for on accrual basis.

###### D] Fixed Assets:

Fixed Assets are stated at cost. The cost of an asset comprises its purchase price/cost of construction and any directly attributable expenses for bringing the assets to their working condition for its intended use. Expenditure for additions, modifications, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Profit & Loss Account.

###### E] Depreciation:

Depreciation on Fixed Assets has been provided on useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013 on straight line method (SLM). Assets which are purchased, sold or scrapped during the year, depreciation has been provided on pro-rata basis.

###### F] Borrowing Cost:

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

###### G] Foreign Currency Transaction:

The transactions in foreign currencies are recorded at the rate prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange gains/ losses on settlement and on conversion of monetary items denominated in foreign currency are dealt with in the profit and loss account.



**H] Inventories:**

Inventories are stated at the lower of cost or net realizable value. Cost is determined on the basis of FIFO method. The cost of work in progress and finished goods comprise direct material, direct labour, and other direct cost and related production overheads.

**I] Contingent Liabilities:**

Contingent liabilities as defined in Accounting Standard 29 on "Provisions, contingent liabilities and contingent assets" are disclosed by way of notes to the accounts. Disclosure is not made if the possibility of an outflow of future economic benefits is remote. Provision is made if it is probable that an outflow of future economic benefits will be required to settle the obligation.

**J] Retirement Benefits:**

- i] The Company accounts for group gratuity for the eligible employees on the basis of payments to Life Insurance Corporation of India as actuarially determined with reference to agreement between them.
- ii] Leave encashment liability is accounted on actual payment basis as per the rules applicable to the company.
- iii] Company's contribution to Provident Fund and ESIC are charged to Profit and Loss Account.

**K] Research & Development:**

Capital expenditure on research and development is treated in the same way as expenditure on Fixed Assets. The revenue expenditure on Research & Development is written off in the year in which it is incurred.

**L] Accounting on Taxes:**

Tax Expenses comprises current tax and deferred tax.

Deferred tax is recognized on timing difference being the difference between taxable income and accounting income originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

As explained by the management, the brought forward business loss and unabsorbed depreciation are more than timing difference between tax depreciation and book depreciation; therefore the provision as stipulated by AS- 22 is not required. Company shall recognize deferred tax assets in succeeding years only when there is certainty that sufficient taxable income will be available.

**M] Impairment of Fixed Assets:**

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them, as impairment loss and the same is charged to profit & loss account. Based on the aforesaid review, the Company is of opinion that there is no impairment of any of its fixed assets as at 31st March 2016.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars		On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE `2'</b>			
<b>SHARE CAPITAL</b>			
<b>-Authorised</b>			
6000000 Equity Shares of Rs. 10/- each [Previous Year : 6000000 Equity Shares of Rs. 10/- each]		60,000,000	60,000,000
<b>-Issued and Subscribed</b>			
* 5438000 Equity Shares of Rs. 10/- each. [Previous Year : 5438000 Equity Shares of Rs. 10/- each]		54,380,000	54,380,000
	<b>TOTAL</b>	<b>54,380,000</b>	<b>54,380,000</b>
<b>-Paid up</b>			
5438000 Shares of Rs.10/- each fully paidup	54,380,000	54,380,000	
Less:- Calls in Arrears on 1142300 Shares	5,447,000	5,447,000	
	<b>TOTAL</b>	<b>48,933,000</b>	<b>48,933,000</b>

	Nos	Amt(Rs)	Nos	Amt(Rs)
<b>- Reconciliation of Shares:</b>				
Opening Share Capital	5,438,000	54,380,000	5,438,000	54,380,000
Less: Unpaid Calls		(5,447,000)		(5,447,000)
Closing Share Capital		48,933,000		48,933,000
<b>-List of Share holders having 5% or more Shares (In Nos)</b>				
<b>Name Of Shareholders</b>	<b>In Nos</b>	<b>In %</b>	<b>In Nos</b>	<b>In %</b>
Narendra Kumar Gorani	801,800	14.74	801,800	14.74
Online Appliances Ltd. (Formerly known as Rahu Ketu Finance & Investments Ltd.)	840,600	15.46	790,600	14.53
Sanjay Gorani	649,300	11.94	649,300	11.94
Shanta Devi Gorani	285,200	5.24	285,200	5.24
Anil Gorani	304,900	5.61	115,100	2.12

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees	Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE `3'</b>			<b>NOTE `4'</b>		
<b>RESERVES AND SURPLUS</b>			<b>LONG TERM BORROWINGS</b>		
<b>Surplus (Deficit) in Statement of Profit &amp; Loss</b>			<b>Unsecured</b>		
Opening Balance	(25,786,432)	(23,895,155)	From Directors	10,378,799	9,278,799
Less:- Adjustment relating to Fixed Assets (refer Note 11)	-	(4,450,788)	From Promoters	31,534,235	31,534,235
Add: Profit/(Loss) During The Year	1,987,480	2,559,511	(As per Stipulation of the sanction of CC limit by Central bank of India)		
			<b>TOTAL</b>	<b>41,913,034</b>	<b>40,813,034</b>
<b>Closing Balance</b>	<b>(23,798,952)</b>	<b>(25,786,432)</b>			



Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE '5'</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Earnest Money Deposit	10,000	10,000
	<b>10,000</b>	<b>10,000</b>

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE '6'</b>		
<b>SHORT TERM BORROWINGS</b>		
<b>- Secured</b>		
Banks- Cash Credit (Repayable on Demand)	6,859,115	7,484,631
(The working capital loan is secured by a first charge on all the current assets Hypothecation of Stock & Book Debts of the company. And by way of second charge on fixed assets loans are also guaranteed by the Directors.)		
	<b>6,859,115</b>	<b>7,484,631</b>

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE '7'</b>		
<b>TRADE PAYABLES</b>		
Total Outstanding dues of Micro and Small Enterprises	-	-
Total Outstanding dues of Creditors other than Micro and Small Enterprises	22,903,301	15,878,953
<b>TOTAL</b>	<b>22,903,301</b>	<b>15,878,953</b>

**NOTE '10' FIXED ASSETS**

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2015	ADDITIONS	AS ON 31.03.2016	AS ON 01.04.2015	FOR THE YEAR	TRANSFER TO RESERVE	UPTO 31.3.2016	AS ON 31.03.2016	AS ON 31.03.2015
Lease Hold Land	465016	-	465016	-	-	-	-	465016	465016
Building	17589755	745240	18334995	10331391	619143	-	10950534	7384461	7258364
Plant & Machinery	26113919	7453475	33567394	22402857	494323	-	22897180	10670214	3711062
Dies & Tools	4634915	357247	4992162	4115800	47678	-	4163478	828684	519115
Office Equipments	763315	-	763315	644226	66433	-	710659	52656	119089
Laboratory Equipment	312701	29881	342582	281032	17372	-	298404	44178	31669
Electrical Installation	3669318	-	3669318	3548749	30609	-	3579358	89960	120569
Furniture & Fixture	4715481	-	4715481	4665066	7545	-	4672611	42870	50415
Computer	388884	37650	426534	371172	19728	-	390900	35634	17712
Air Conditioner	278492	-	278492	255371	3797	-	259168	19324	23121
ETP	715979	-	715979	715978	0	-	715978	1	1
Vehicles	3019104	-	3019104	1297460	289238	-	1586698	1432406	1721644
Fire Fighting Equipments	78261	-	78261	78260	0	0	78260	1	1
<b>Total</b>	<b>62745140</b>	<b>8623493</b>	<b>71368633</b>	<b>48707362</b>	<b>1595866</b>	<b>0</b>	<b>50303228</b>	<b>21065405</b>	<b>14037778</b>
Previous Year	59963444	2781696	62745140	42723407	1533167	4450788	48707362	14037778	17240036

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
1. Trade Payables includes Rs. NIL (Previous Year Rs. NIL) due to creditors registered with the Micro, Small and Medium Enterprises Development Act,2006		
2. No Interest is Paid/ Payable during the year to Micro, Small and Medium Enterprises.		
3. The Above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of the supplier under the MSME Act.		

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE '8'</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Advances From Customers	248,065	407,950
Sundry Creditors for Expenses	113,405	344,570
Taxes Duties and Other Payables	1,181,300	749,030
<b>TOTAL</b>	<b>1,542,770</b>	<b>1,501,550</b>

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE '9'</b>		
<b>SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits	1,038,112	1,054,593
Provision for Other Expenses	272,686	279,667
<b>TOTAL</b>	<b>1,310,798</b>	<b>1,334,260</b>



Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE `11'</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
(unsecured Considered good)		
Security Deposits with Government authorities	493,463	373,066
Security Deposits with Others	26,900	26,900
Capital Advance	300,000	-
<b>TOTAL</b>	<b>820,363</b>	<b>399,966</b>

<b>NOTE `12'</b>		
<b>INVENTORIES</b>		
(at lower of cost or net realisable value)		
Raw Material	41,136,282	38,429,249
Finished Goods	3,338,675	5,035,303
Work In Process	14,297,089	15,676,740
Stock-in-Trade	82,824	12,997
Stores and Spares	202,752	124,959
Scrap	187,921	101,222
<b>TOTAL</b>	<b>59,245,543</b>	<b>59,380,470</b>

<b>NOTE `13'</b>		
<b>TRADE RECEIVABLES</b>		
(unsecured Considered good)		
Outstanding for a Period Exceeding Six Months	415,936	272,452
Others	6,801,676	6,982,424
<b>TOTAL</b>	<b>7,217,612</b>	<b>7,254,876</b>

<b>NOTE `14'</b>		
<b>CASH AND BANK BALANCES</b>		
Cash and Cash Equivalents	353,692	253,635
Balance In Current Accounts with Scheduled Bank	9,823,090	7,449,260
<b>TOTAL</b>	<b>10,176,782</b>	<b>7,702,895</b>

<b>NOTE `15'</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
(unsecured Considered good)		
Advances to Suppliers	100,000	633,700
Amount lying with Government Authorities	851,200	530,142
Prepaid Expenses	196,161	229,169
<b>TOTAL</b>	<b>1,147,361</b>	<b>1,393,011</b>

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>NOTE `16'</b>		
<b>REVENUE FROM OPERATION</b>		
<b>Sales</b>		
Manufactured Goods	58,017,842	62,206,766
Traded Goods	-	-
<b>TOTAL</b>	<b>58,017,842</b>	<b>62,206,766</b>
<b>Details of Sales (Manufactured Goods)</b>		
Steel Frame	4,210,000	-
L.P.G. Stoves	48,444,242	60,327,716
Gas Geysers	5,169,900	1,794,550
Rangehood (Chimney)	193,700	84,500
<b>TOTAL</b>	<b>58,017,842</b>	<b>62,206,766</b>
<b>(Traded Goods)</b>		
Others	--	--

<b>NOTE `17'</b>		
<b>OTHER INCOME</b>		
Interest	31,647	22,383
VAT refund	-	6,663
Entry Tax Refund	13,670	-
Sundry balances written off	-	1,099
Foreign exchange gain	17,855	-
<b>TOTAL</b>	<b>63,172</b>	<b>30,145</b>

<b>NOTE `18'</b>		
<b>COST OF MATERIAL CONSUMED</b>		
<b>Raw Materials' Consumed</b>		
Stock at the beginning of the year	38,429,248	23,916,871
Add: Purchases	33,024,118	44,233,327
Less : Stock at the end of the year	(41,136,281)	(38,429,248)
<b>TOTAL</b>	<b>30,317,085</b>	<b>29,720,950</b>

<b>Details of Raw Material Consumed</b>		
Iron & Steel	9,284,894	6,559,794
Other Raw Materials	234,751	247,890
Components & Stores	18,324,900	20,079,090
Packing Materials	2,472,540	2,834,176
<b>TOTAL</b>	<b>30,317,085</b>	<b>29,720,950</b>



## Gorani Industries Ltd.

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
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### NOTE `19'

#### PURCHASE OF STOCK IN TRADE

Purchases of Trading Goods	69,827	-
<b>TOTAL</b>	<b>69,827</b>	<b>-</b>

### NOTE `20'

#### Change in Inventories

##### Inventories at the Beginning of the Year

Work-in Process	15,676,740	19,017,019
Finished Goods	5,035,303	8,668,642
Traded Goods	12,997	12,997
Scrap	101,222	-
	<u>20,826,262</u>	<u>27,698,658</u>

##### Less: Inventories at the End of the Year

Work-in-Process	14,297,089	15,676,740
Finished Goods	3,338,675	5,035,303
Traded Goods	82,824	12,997
Scrap	187,921	101,222
	<u>17,906,509</u>	<u>20,826,262</u>

Decrease /( Increase ) in Stock	<u>2,919,753</u>	<u>6,872,396</u>
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### NOTE `21'

#### EMPLOYEE BENEFITS EXPENSES

Salaries, Wages, Bonus etc.	9,718,675	9,322,337
Contribution to PF, ESIC & Other Statutory Funds	1,832,057	1,923,193
Workmen and Staff Welfare Expenses	535,573	554,089
Director Remuneration	1,450,000	1,200,000
<b>TOTAL</b>	<b>13,536,305</b>	<b>12,999,619</b>

### NOTE `22'

#### FINANCE COSTS

##### Interest Expense

Bank Charges	78,816	89,885
Interest Expenses	36,204	179,091
<b>TOTAL</b>	<b>115,020</b>	<b>268,976</b>

Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
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### NOTE `23'

#### OTHER EXPENSES

##### Direct Expenses

Consumptions Of Store and Spares	403,295	413,150
Power and Fuel	3,036,338	2,957,146
Freight on Purchases	-	37,996
Repairs To - Plant & Machinery	366,946	336,417
Repairs To - Dies	120,582	159,807
Repairs To - Electric	27,905	70,826
Entry Tax	368,038	415,659
Laboratory Expenses	19,909	18,264
Other Factory Expenses	44,063	51,848

**SUB TOTAL** 4,387,076 4,461,113

##### Administrative and Other Expenses

Insurance	64,393	66,363
Rent,Rates and Taxes	278,204	132,190
Office Expenses	130,576	24,910
ISO 9000 & Certification	7,442	7,303
Legal & Professional Charges	459,829	403,170
Books & Periodicals	5,950	4,980
CST	1,923	-
Share listing, Demat & Registrar Exp.	305,311	172,158
Postage & Courier	36,855	18,249
Telephone Expenses	172,430	166,893
Stationery & Printing	118,720	82,502
Director's Travelling & Conveyance	2,574	102,486
Payment to Auditors:		
For Statutory Audit	45,000	40,000
For Tax Audit	5,000	5,000
For Others	18,000	18,000
Director Sitting Fees	9,000	9,000
Registration & Fees	74,149	96,168
Vehicle Running & Maintenance	78,090	66,932
CST for 12-13 (on Assesment)	28,648	31,774
Sundry balances written off	762	-

**SUB TOTAL** 1,842,856 1,448,078



Particulars	On 31.03.2016 Rupees	On 31.03.2015 Rupees
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Publicity	62,393	62,530
Marking Fee	38,200	38,200
Foreign Exchange Loss	-	97,510
Frieght expenses on consignment	769,600	1,063,000
Commission on consignment sales	439,553	1,111,861
<b>SUB TOTAL</b>	<b>1,309,746</b>	<b>2,373,101</b>
<b>TOTAL</b>	<b>7,539,678</b>	<b>8,282,292</b>

**Note: 24 Earnings Per Share :**

The basic earning per share and diluted earning per share are calculated as under :-

	2015-2016	2014-2015
i] Net Profit as per Profit & Loss		
Account available for Equity		
Share holders.	Rs. 1987480	2559511
ii] Weighted average number of Equity		
Share for Earning per Share Computation		
A] For Basic Earnings per		
Share (No.)	5438000	5438000
B] For Diluted Earning per		
Share (No.)	5438000	5438000
iii] Earning per Share for Basic		
& Diluted	Rs. 0.37	Rs. 0.47

**Note: 25 Segment Reporting Policies**

Identification of segments:

**a] Primary Segments**

Business segment: The Company has only one segment of Home Appliances and the products considered as part of the segment are LPG Stove, Range hood (Chimney) and Gas Geysers. Since inherent nature of all activities of the company is governed by the same set of risks and returns and also all the products are falling in the same category in trade parlance therefore as per the guidelines of the AS-17 no primary segment is reporting required for the year.

**b] Secondary Segment**

Geographical Segment: The analysis of geographical segment is based on the geographical location of the customers. The following is the distribution of the Company's consolidated sales by geographical market:-

Sales to Domestic		
Market (Mfg)	Rs. 5,80,17,842	6,22,06,766/-
Sales to Domestic		
Market (Trd)	Rs. ---	---
Sales to Overseas		
Market	---	---
	<u>Rs.5,80,17,842/-</u>	<u>6,22,06,766/-</u>

**Note: 26 Disclosure of Related party /Related Party Transactions****Name of the related parties and relationship****(a) Associates Companies**

M/s Blow Hot Kitchen Appliances Private Limited.

**(b) Key Management Personnel and their relatives**

Mr. Sanjay Gorani	Managing Director
Mr. Anil Gorani	Whole Time Director
Mr. Nakul Gorani	Director
Mr. Narendra Gorani	Relative of Director
Mrs. Manju Gorani	Relative of Director
Mr. C.S. Sharma	CFO
Ms. Arpita Jain	Company Secretary (Resigned on 1.12.2015)
Ms. Shivangi Gupta	Company Secretary (Appointed from 1.12.2015)

(c) The transactions entered into with the related parties during the year along with related balances as at 31st march 2016 are as under:

NATURE OF TRANSACTION	RELATED PARTIES REFERED ABOVE IN	
	(a)	(b)
RENT	36,000	-
	(36,000)	-
LOAN TAKEN	-	-
		(11,00,000)
AMOUNT OUTSTANDING	-	4,19,13,034
AS AT BALANCE SHEET DATE		(4,08,13,034)
MANAGERIAL	-	14,50,000
REMUNERATION		(12,00,000)



**Note: 27**

Contingent Liabilities

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil. (Previous Year Rs. NIL)

**Note: 28**

In the opinion of the management and to the best of their knowledge and belief the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet. No provision has been made for the long outstanding debtors considered doubtful because it is still under negotiation stage.

**Note: 29**

Additional Information pursuant to provisions of paragraph 5 (VIII) of part II of schedule III to the companies act as certified by the Directors:

**a) Details of Imported and Indigenous Raw Material, Stores & Spares Consumed:**

	Current	Year	Previous	Year
Imported	2,21,42,537	72.08%	2,02,02,006	67.04%
Indigenous	85,77,844	27.92%	99,32,095	32.96%
	<b>3,07,20,381</b>	<b>100.00%</b>	<b>3,01,34,101</b>	<b>100.00%</b>
	<b>Current Year</b>		<b>Previous Year</b>	

**b) Value of Imports Calculated on CIF Basis:**

Raw Material\Components	2,10,61,916	2,00,65,393
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**c) Expenditure in Foreign Currency**

Foreign Travelling	0	0
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**d) Earning in Foreign Exchange:**

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**Note: 30**

The Balances in the accounts of debtors, creditors, loans, advances and others are subject to confirmation and reconciliation. But no confirmation is called in last year by the company.

**Note: 31**

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year figures.

For and on behalf of the Board

As per our report of even date  
For **B. D. Sharda & Company**  
Chartered Accountants  
Firm Reg. No. 00161C

**(Sanjay Gorani)**  
Managing Director  
DIN :- 00055531

**(Anil Gorani)**  
Whole Time Director  
DIN : 00055540

**(Nakul Gorani)**  
Director

**(Shivangi Gupta)**  
Company Secretary

**(C.S. Sharma)**  
C.F.O.

**(B. D. Sharda)**  
M.No. 070209

Place : Indore

Date : 30.05.2016





**ATTENDANCE SLIP ATTENDANCE SL**

**Form No. MGT-11**

**Proxy form**

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

**CIN:** L28121MP1995PLC009170

**Name of the company:** Gorani Industries Limited

**Registered office:** 32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No/Client Id:
DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

- |                                  |                                  |                                  |
|----------------------------------|----------------------------------|----------------------------------|
| 1. Name: .....                   | 2. Name: .....                   | 3. Name: .....                   |
| Address:                         | Address:                         | Address:                         |
| E-mail Id:                       | E-mail Id:                       | E-mail Id:                       |
| Signature: ....., or failing him | Signature: ....., or failing him | Signature: ....., or failing him |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty First Annual General Meeting/ Extraordinary general meeting of the Company, to be held on the 30th day of September, 2016 At 04.00. p.m. at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore (M.P.).and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	
1.	Consider and adopt Audited Financial Statement, reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2016.
2.	Appointment of Mr. Anil Gorani (Holding DIN 00055540) who retires by rotation and being eligible, offers himself for reappointment.
3.	Ratification of Appointment of Auditor and Fixing their remuneration thereon.
4.	Appointment of Ms. Komal Motwani (Holding DIN- 07302550), as an Independent Woman Director of the Company.
5.	Appointment of Mr. Nakul Gorani (Holding DIN- 06543317) As Whole Time Director of the Company.
6.	Re-Appointment of Mr. Sanjay Gorani (Holding Din- 00055531) As Managing Director of the Company.
7.	Serving of Documents under section 20 of Companies Act, 2013.

Signed this ..... day of ..... 20.....

Signature of shareholder

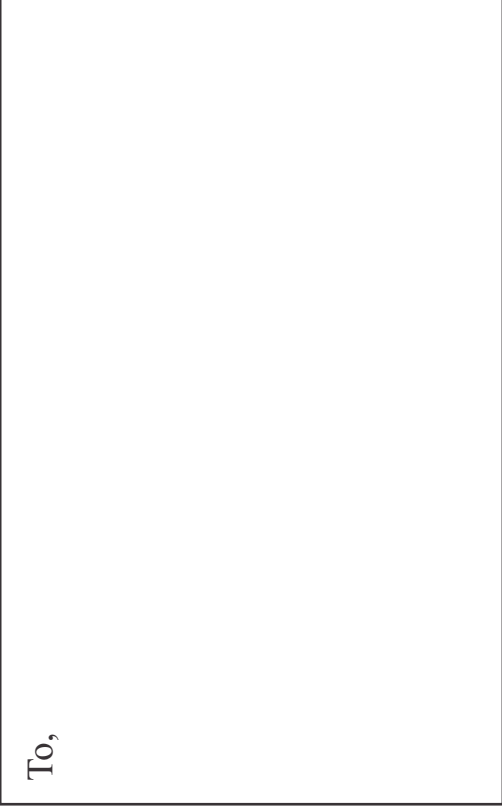
Signature of Proxy holder(s)

Affix a Re. 1 Revenue Stamp
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**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**BOOK - POST**

To,



*If Undelivered, please return to*  
**Gorani Industries Ltd.**  
Reg. Office : Plot No. 32-33, Sectr F,  
Sanwer Road, Industrial Area, INDORE - 452 015 (M.P.)