

# GUJARAT PETROSYNTHESIS LIMITED

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ISO COMPANY

**TWENTY SECOND ANNUAL REPORT  
1998-99**

**Gujarat Petrosynthese Limited**

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<b>BOARD OF DIRECTORS</b>	Dr. R.M. THAKKAR	(Chairman & Managing Director)
	Dr. P.S. PALANDE	
	Mr. V.H. PANDYA	
	Dr. (Mrs.) M.H. MEHTA	
	Mr. ADHIK SHIRODKAR	
	Dr. S.P. ADARKAR	
	Mr. M. RAMADOSS	(Nominee)
	Dr. A.C. SHAH	(Alternate to Dr. Mrs. M.H. Mehta)
	Ms. CHARITA THAKKAR	(Executive Director)
	Ms. URMI N. PRASAD	(Executive Director)
	Ms. URSULA THAKKAR	(Executive Director)

**COMPANY SECRETARY** Mr. B.I. PATEL

**BANKERS** STATE BANK OF INDIA  
BANK OF BARODA

**LEGAL ADVISORS** KANGA & CO.

**AUDITORS** SURESH THAKKAR & CO.,

**REGD. OFFICE & WORKS** Petrochemical Complex Area,  
P.O. Petrofils, Pin : 391 347,  
District Vadodara

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**TWENTY SECOND ANNUAL REPORT  
OF  
GUJARAT PETROSYNTHESIS LIMITED**

*Day : Wednesday*

*Date : 29th September, 1999*

*Time : 3.00 P.M.*

*Report Junction.com*

**VENUE**

*Prabhuta Hall,  
Near Ramakaka's Deri, Chhani,  
District Vadodara - 391 740*

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**Gujarat Petrosynthese Limited****NOTICE**

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Gujarat Petrosynthese Limited will be held at 3.00 p. m. on Wednesday the 29<sup>th</sup> September, 1999 at Prabhuta Hall, Near Ramakaka's Deri, Chhani, District Vadodara - 391 740 to transact the following business.

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 1999 and Profit and Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Dr. P. S. Palande, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Ms. Ursula Thakkar who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

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

RESOLVED THAT Dr. S. P. Adarkar be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.

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

RESOLVED THAT Shri M. Ramadoss be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.

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

RESOLVED THAT pursuant to provisions of section 309 and other applicable provisions, if any of the Companies Act, 1956 and subject to all other approvals, if any necessary, consent of the Company be and is hereby accorded to the payment of, in addition to the sitting fees and reimbursement of expenses in accordance with the relevant provisions of the Articles of Association of the company and the statutory regulations for the time being in force to the Directors who are neither in the wholetime employment of the company nor Managing / whole time Directors of the Company, of commission at a rate not exceeding one percent of the net profits of the company, in each year calculated in accordance with the relevant provisions of the said Act, subject however to such ceiling, if any per annum as the Board may from time to time fix in that behalf and the same to be divided amongst them in such manner as they may from time to time determine.

Registered Office  
Petrochemical Complex Area,  
P. O. Petrofils, Pin 391 347,  
Dist. Vadodara

Place : Mumbai  
Date : 25<sup>th</sup> August, 1999

By Order of the Board of Directors  
For Gujarat Petrosynthese Limited

**B. I. Patel**  
Company Secretary



## Gujarat Petrosynthese Limited

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER.
2. The relevant explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed hereto.
3. Members desirous of getting any information about the accounts and operation of the company are requested to address their query to the Secretary at the Registered Office well in advance, so that the same may reach him at least 7 days before the date of the meeting to enable the Management to keep the information required readily available at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 27.09.99 To 30.09.99 (both dates inclusive) for the purpose of Payment of Dividend.
5. The documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days upto the date of the Annual General Meeting.
6. (a) Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends upto the Financial Year ended on 31<sup>st</sup> March, 1995 have been transferred to the General Revenue Account of the Central Government. Those Shareholders who have so far not claimed their dividends upto and including said Financial Year are requested to claim the dividend from the Registrar of Companies, GHB Building, Opp Rupai Park, Ankur Char Rasta, Naranpura, Ahmedabad 380 013 by submitting an application in the prescribed form no. II.
- (b) Shareholders who have not encashed / claimed the 11<sup>th</sup> Dividend for the year ended 31<sup>st</sup> March, 1996 are requested to approach the Company for issue of Duplicate thereof immediately. Unclaimed amount of dividend, if any will be transferred to the Central Government as provided under Section 205A of the Companies Act, 1956.
7. Dividend on shares recommended by Directors, if declared at this Annual General Meeting will be paid to those members whose names will appear in the Company's Register of Members on 30<sup>th</sup> September, 1999.
8. Please note that last year the company has shifted its Registered Office from Thakkar Building, Shivaji Road, Opp Dandia Bazar Fire Station, Baroda to the Plant at "Petrochemical Complex Area", P. O. Petrofils, Pin 391 347 Dist. Baroda, Shareholders are therefore requested to correspond at the afore stated address in future.
9. Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company alongwith Share Certificates to consolidate their holding in one folio.
10. In terms of Section 109A of the Companies Act, 1956, shareholders of the Company may nominate a person on whom the shares held by him/ them shall vest in the event of his/ their death. Share Holders desirous of availing this facility may submit nomination in Form No. 2B.
11. Members are requested to :
  - a) Notify immediately any change in their residential address.
  - b) Quote Registered Folio Number in every correspondence with the Company.
  - c) Bring their copies of the Annual Reports alongwith duly filled in attendance slip at the meeting.

### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

The following explanatory statement sets out all the material facts relating to special business mentioned in the accompanying Notice.

#### ITEM No 5

Dr. S. P. Adarkar was appointed as an additional Director by the Board of Directors of the Company on 03.03.99, who holds office of director only upto the date of this Annual General Meeting and being eligible offers himself for



## Gujarat Petrosynthese Limited

reappointment and in respect of whom the company has received notice in writing under section 257 of the Companies Act, 1956 from a member proposing Dr. S. P. Adarkar for the office of Director & recommending this appointment as Director liable to retire by rotation.

Dr. S. P. Adarkar is on the Board of various well known companies. The Directors recommend the appointment of Dr. S. P. Adarkar.

Except Dr. S. P. Adarkar, no Director is in any way concerned or interested in the Resolution at item no. 5 of the notice.

### ITEM No. 6.

Shri M. Ramadoss was nominated by General Insurance Corporation of India, since they along with LIC, UTI, and subsidiaries of GIC holds nearly 24% of the equity share capital of the company. They wanted to have their representative on the Board of the company, and accordingly Shri M. Ramadoss was appointed as an additional Director by the Board of Directors of the Company on 25.08.99, who holds office of Director only upto the date of this Annual General Meeting and being eligible offers himself for reappointment and in respect of whom company has received notice in writing under section 257 of the Companies Act, 1956 from a member proposing Shri M. Ramadoss for the office of Director & recommending his appointment as Director, liable to retire by rotation.

Shri M. Ramadoss is Assistant General Manager of the New India Assurance Company Ltd. Mumbai. The Directors recommend the appointment of Shri M. Ramadoss.

Except Shri M. Ramadoss, no Director is in any way concerned or interested in the Resolution at item no. 6 of the notice.

### ITEM No. 7

The Resolution passed at the Extraordinary General Meeting of the company held on 24<sup>th</sup> February, 1995 was effective upto 1998-99, therefore it needs renewal.

The proposed resolution authorises the company for payment of commission of 1% of the net profits of the company to non Whole Time Directors, for a further period of five financial years.

Over the past fifteen years of the company's operations, the Non Whole Time Directors have made significant contribution to the success of the company. With the increasing activities of the company, proposed diversification plans on hand and keen competition in the market because of new entrants, the Non Whole time Directors of the company have to devote much more time and attention to the company's affairs. These Directors, who also occupy prominent positions in their respective fields, deserve to be adequately compensated.

The proposed resolution is in conformity with the provisions of Section 309 of the Companies Act, 1956 and requires to be passed by members.

All the non whole time Directors, i.e. Dr. P. S. Palande, Dr. A.C. Shah, Mr. Adhik Shirodkar, Dr. S. P. Adarkar, Shri M. Ramadoss, Mr. V. H. Pandya & Dr. (Mrs) M. H. Mehta are deemed to be interested in this resolution. Dr. R. M. Thakkar may be deemed to be concerned in the resolution as he is a relative of Dr. (Mrs) M. H. Mehta, one of the Non Whole Time Directors of the Company.

Registered Office  
Petrochemical Complex Area,  
P. O. Petrofils, Pin 391 347,  
Dist. Vadodara

Place : Mumbai  
Date : 25<sup>th</sup> August, 1999

By Order of the Board of Directors  
For Gujarat Petrosynthese Limited

B. I. Patel  
Company Secretary



## Gujarat Petrosynthese Limited

### DIRECTORS' REPORT

The Directors have pleasure in placing before you the Twenty Second Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 1999.

#### FINANCIAL RESULTS

	Rs. in Lacs	
	1998-99	1997-98
Sales Turnover	1,242.96	1,182.33
Operating Profit	320.94	285.81
Less : Interest	(51.04)	(123.51)
Depreciation	(117.15)	(138.00)
Profit before Tax	152.75	24.30
Less : Provision for tax	(68.00)	(22.00)
Profit after tax	84.75	2.30
Prior Period Adjustments	(4.53)	(44.19)
Add : Balance in Profit & Loss Account	27.65	7.24
Transfer from General Reserve	0.00	100.00
Transfer from Investment Allowance (Utilised) Reserve	21.59	113.60
Transfer From Debenture Redemption Reserve	66.67	0.00
Balance available for appropriation	196.13	178.95
APPROPRIATIONS		
Reserve For Doubtful Debts	1.30	126.31
Debenture Redemption Reserve	25.00	25.00
Provision for Dividend	31.11	0.00
Provision for Dividend tax	3.42	0.00
Transfer to General Reserve	25.00	0.00
Balance carried to Balance Sheet	110.30	27.64
	196.13	178.95

#### DIVIDEND :

The Directors are pleased to recommend a dividend of Rs.0.60 per Equity Share of Rs. 10/- each, which, if approved, will absorb Rs. 31.11 Lacs on which tax liability inclusive of surcharge of 10% will be Rs.3.42 Lacs. Now your Company is back in the list of dividend paying Companies.

#### OPERATIONS :

The extensive restructuring of the activities taken by the Company in 1997-98 has borne fruit this year. During 1998-99, your Company achieved the highest production ever since inception – 6878 M.T. Due to the present increasing demand in the 2T Oil market, the scenario for the polybutene industry is very promising. To take advantage of the good market conditions and the increasing demand-supply gap, your Company is initiating steps for modernisation and expansion of the present installed capacity. This would involve a heavy outlay of funds both from borrowing and internal cash accruals.

#### DIRECTORS

At this Annual General Meeting, Dr.P.S. Palande and Ms. Ursula R. Thakkar retire by rotation as per the provisions of The Companies Act, 1956 and Articles of Association Of the Company, and being eligible offer themselves for re-appointment. During the year, Dr. S.P. Adarkar and Shri M. Ramadoss were appointed as Additional Directors and Dr. A.C. Shah was appointed as an alternate Director to Dr. (Mrs.) M.H. Mehta. Dr. N.B. Prasad resigned as Chairman and Director. The Board would like to take the opportunity to record its deep sense of appreciation for the extremely valuable counsel, guidance and co-operation extended over a long tenure by Dr. N.B. Prasad as Chairman and Director of the Company.

#### WINDFARM :

As you are aware, all the three Windmills located at our Wind Farm at Lamba Gujarat were destroyed due to Cyclonic Storm in Saurashtra, Gujarat. The Company has received claim of Rs.3.36 Crores from Insurance Company. So there is no adverse effect on the Company on this account.