

GUJARAT PETROSYNTHESIS LIMITED



ISO COMPANY

**TWENTYTHIRD ANNUAL REPORT
1999-2000**

**Gujarat Petrosynthese Limited**

BOARD OF DIRECTORS	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.

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

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of Gujarat Petrosynthese Limited will be held at 11.00 a.m. on Friday the 29th September, 2000 at Auditorium Hall of Federation of Gujarat Industries, Federation Building, Alkapuri, Vadodara 390 005 to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2000 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 Mr. V.H. Pandya, who retires by rotation and being eligible, offers himself for re- appointment.
4. To appoint a Director in place of Mr. Adhik Shirodkar who retires by rotation and being eligible, offers himself 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.

Registered Office:
Petrochemical Complex Area,
P.O. Petrofils, Pin 391347,
Dist. Vadodara
Place : Mumbai
Date: 14th August, 2000

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 26.09.2000 To 30.09.2000 (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 31st 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. Rupal 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 Dividend for the year ended 31st March, 1996 and subsequent years 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 29th September, 2000.
8. 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.
9. 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.

Gujarat Petrosynthese Limited



10. 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 6

Dr. S. P. Adarkar was appointed as an additional Director by the Board of Directors of the Company on 31.07.2000, 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 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.

Dr. S. P. Adarkar is on the Board of various well known companies. The Directors recommend the appointment of Dr. S. P. Adarkar, as Director liable to retire by rotation.

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

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Petrochemical Complex Area,
P.O. Petrofils, Pin 391347,
Dist. Vadodara
Place : Mumbai
Date: 14th August, 2000

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 Third Annual Report of Company together with the Audited Statement of Accounts for the year ended 31st March 2000

FINANCIAL RESULTS

Rs. in Lacs

Particulars	1999-00	1998-99
sales turnover	1,354.96	1,242.96
Operating profit	315.92	320.94
Less : Interest	(21.26)	(51.04)
Depreciation	(39.83)	(117.15)
Profit before tax	254.83	152.75
Less : Provision for tax	(98.00)	(68.00)
Profit after tax	156.83	84.75
Prior period adjustments	26.13	(4.53)
Add : Balance in profit & loss account	110.30	27.65
Transfer from general reserve	0.00	0.00
Transfer from investment allowance (utilized) reserve	58.06	21.59
Transfer from debenture redemption reserve	66.67	66.67
Balance available for appropriation	417.99	196.13
APPROPRIATIONS		
Reserve for doubtful debts	0.00	1.30
Debenture redemption reserve	25.00	25.00
Provision for dividend	51.84	31.11
Provision for dividend tax	11.40	3.42
Transfer to general reserve	25.00	25.00
Balance carried to balance sheet	304.75	110.30
	417.99	196.13

DIVIDEND :

The Directors are pleased to recommend a stepping up dividend of Rs.1.00 per Equity Share of Rs. 10/- each, which, if approved, will absorb Rs. 51.84 Lacs on which tax liability inclusive of surcharge of 10% will be Rs.11.40 Lacs.

OPERATIONS :

Through in-house debottlenecking efforts the Company had achieved a production of 6878 M.T. and with the further efforts in that direction this year the production reached 8668 M.T. This was made possible with co-operation and assistance of Indian Petrochemical Corporation Limited and the dedication of the employees at all levels. The Company's Plant is 16 years old and there has been obsolescence in Control Instrumentation and as well as on line analytical instrumentation. In the case of control instrumentation spares were not available and there had been no option but to revamp this system. This delicate task has been completed with care and sophistication but at a cost. Control Systems had to be replaced at a cost of approx Rs.1.70 Crores. While this will not increase production capacity the plant life is rejuvenated. In view of the further availability of C4 Raffinate we are in discussion with IPCL to increase the Plant Capacity and we are pursuing this matter.

DIRECTORS

At this Annual General Meeting Mr. Adhik Shirodhkar and Mr. V. H. Pandya 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 reappointment. During the year Dr. S. P. Adarkar was appointed as an additional director.



Gujarat Petrosynthese Limited

OTHER ACTIVITIES

KARNATAKA PETROSYNTHESIS LIMITED

This year Karnataka Petrosynthese Limited achieved a Sales Turnover of Rs.216.42 Lacs as compared to Rs.90.75 Lacs last year. Superior technical strength in compounding, colouring, and application alloys has enabled the company to secure volume orders from reputed end users. The Company has drawn up strategies to achieve production of over 600 M.T. during the year 2000 - 2001.

SOUTHERN AGROSYNTHESIS LIMITED

Operations of the company stands suspended during the year.

GPL FINANCE AND INVESTMENTS LIMITED

GPL Finance and Investments Limited a subsidiary of your Company has achieved a turnover of Rs. 5.22 Lacs and Net Profit of Rs.0.25 Lacs.

HEALTH, SAFETY AND ENVIRONMENT

Your Company is conscious of its responsibility towards creating, maintaining and ensuring safe and clean environment as well as health and safety of all employees.

Your Company is committed to designing Plant with safety feature in mind. Periodic preventive maintenance of equipments is undertaken to avoid failures. All employees are trained to create and maintain safety awareness and emergency preparedness through regular fire and safety programmes, celebration of safety week, Fire Day as well as regular mock drills to ensure continuing emphasis on safety.

Your Company continues to meet the applicable statutory requirements in all respects and having pre-employment and periodic medical check ups of employees for the early identification of occupational health hazards.

FIXED DEPOSIT

During the year Company has not accepted or renewed Fixed Deposits, as well as deposits accepted in earlier years has been repaid and no deposit is outstanding.

OTHER INFORMATION

The information in respect of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 217 (2)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board Of Directors) Rules, 1988 is given in Annexure - I forming part of this report.

PARTICULARS OF EMPLOYEES

As required by the provisions of Section 217 (2A) of the Companies Act, 1956 read with (Companies Particulars of Employees) Rules, 1975, as amended the names and other particulars are set out in the Annexure II of the Directors' Report.

INDUSTRIAL RELATIONS

Relations between employees at all levels and management continue to remain cordial. The Directors place on record their appreciation of the efficient, loyal and devoted services rendered by the employees of the Company at all levels.

ACKNOWLEDGEMENT

Your Directors are grateful to Indian Petrochemicals Corporation Limited for the successful operation of the Conversion Contract. Your Directors also gratefully acknowledge the support and assistance of Bankers of the Company.

For and on behalf of the Board Of Directors

Place : Mumbai
Date : August 14, 2000

DR. R.M.THAKKAR
Chairman & Managing Director