

# **GUJARAT PETROSYNTHESE LIMITED**



**THIRTY EIGHT ANNUAL REPORT  
2014 - 2015**

**BOARD OF DIRECTORS**

Dr. R.M. THAKKAR

Chairman and Managing Director

Ms. URMI N. PRASAD

Executive Whole Time

Ms. CHARITA THAKKAR

Mr. T.N.R. RAO

Mr. M.D. GARDE

Mr. V. RAGHU

**BANKERS**

AXIS BANK LTD.

STATE BANK OF INDIA

BANK OF BARODA

HDFC BANK

**LEGAL ADVISOR**

KANGA & Co.,  
Mumbai,

**AUDITORS**

SJH & Co.  
Bengaluru.

**COMPANY SECRETARY**

SHWETA KALGUTKAR

**REGD. OFFICE  
&  
WORKS**

NO. 24, II MAIN PHASE I,  
DODDANEKKUNDI INDUSTRIAL AREA,  
MAHADEVPURA POST, BENGALURU - 560 048  
Ph No. : 080-28524133, E-mail : info@gpl.in

**CIN No.**

L23209KA1977PLC043357

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**NOTICE**

**NOTICE IS HEREBY** given that the 38<sup>th</sup> ANNUAL GENERAL MEETING of the Members of Gujarat Petrosynthese Limited will be held at the Registered office of the Company at 24, II Main, Doddanekkundi Industrial Area, Bengaluru 560048 on Wednesday the 23<sup>rd</sup> September, 2015 at 3.00 PM to transact the following business;

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Financial Statement of the Company for the financial year ended on 31<sup>st</sup> March, 2015, together with the reports of the Directors and Auditor's thereon and the consolidated audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2015.
2. To appoint a Director in place of Ms. Charita Thakkar, (DIN 00321561) who retires by rotation and being eligible, offers herself for reappointment.
3. To re-appoint Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee, M/s S J H & Co., Chartered Accountants be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM on such remuneration as may be mutually agreed upon between the auditors and Chairman of the Company and in addition the said auditors be entitled to out of pocket, travelling and living expenses to be incurred in connection with audit work of the Company.”

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**.

“**RESOLVED THAT** in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014, and such other approvals, as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Mr. R.M. Thakkar as Managing Director of the Company for a further period of three years with effect from 11<sup>th</sup> October, 2014 upon terms and conditions as approved by the Board of Directors at its meeting held on 30<sup>th</sup> May, 2015 and as set out in the draft agreement to be entered into by the Company with Mr. R.M. Thakkar, and submitted to this meeting is hereby specifically approved and sanctioned with a liberty to the Board of Directors, to grant increments and to alter and vary the terms and conditions of the said appointment and / or remuneration and perquisites so as not to exceed the limits of remuneration as specified in Schedule V to the Companies Act, 2013 as may be agreed to between the Board of Directors and Mr. R.M. Thakkar .

By order of the Board of Directors  
For **Gujarat Petrosynthese Limited**.

Place : Mumbai  
Date : 25<sup>th</sup> July, 2015

**Mr. R. M. Thakkar**  
Chairman & Managing Director

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies should be deposited at the Registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies/body corporate etc. must be supported by an appropriate resolution/authority, as applicable.
3. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business mentioned under item No. 4 of this notice is annexed hereto.
5. Members desirous of getting any information about the accounts and operations of the company are requested to send their query addressed to the Compliance Officer at the Registered Office at least 7 days before the date of the meeting to enable the Management to keep the information readily available at the meeting.
6. As per the requirement of the clause 54 of the Listing Agreement the Company is updating information on its website [www.gpl.in](http://www.gpl.in). This portal contains along with business information, quarterly unaudited results, Financial Statements containing Notice, Directors Report, Auditors Report, quarterly shareholding pattern, contact detail of the Compliance Officer for communicating investor grievances.
7. Member are requested to :
  - a) Notify immediately any change in their residential address.
  - b) Quote the Registered Folio Number in every correspondence with the Company.
  - c) Bring their copies of the Annual Reports along with the duly filled in attendance slip at the meeting.
8. The Register of Members and share transfer books of the Company will remain closed from 16<sup>th</sup> September, 2015 to 23<sup>rd</sup> September, 2015 (both days inclusive) for the purpose of the Annual General Meeting.
9. As per the Circular of the Ministry of Corporate Affairs of "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21-04-2011 and Circular No. 18/2011 dated 29/04/2011) allowing paperless compliances by Companies through electronic mode, companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Members are requested to register their email id with the Company.
10. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send communication to shareholders electronically. We thus request you to kindly register/update your email ids with your respective depository participant. In case of physical shares, register/update your email ids with the Company's registrar and share transfer agent.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate risks associated with physical shares and better management of the securities. Members can write to the Company's registrar and share transfer agent in this regard.
12. The Company has appointed M/s. Bigshare Services Pvt. Ltd. as its Registrar and Share Transfer Agent for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents related to transfers, demat requests, change of address intimations and other communications in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly at their following address quoting folio no., full name and name of the Company as Unit: Gujarat Petrosynthese Ltd.

### **M/s. Bigshare Services Pvt. Ltd.**

E 2, Ansa Industrial Estate, Near Marwah Centre,  
Saki Vihar Road, Sakinaka, Mumbai - 400072  
Phone : (022) 28470652, (022) 40430200  
Email : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

### **13. Voting Options**

- i. The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and clause 35B of the Listing Agreement with the Stock Exchange. Accordingly, a member may exercise his vote by electronic means and the Company may pass all resolutions by electronic voting system in accordance with the above provisions.
- ii. A shareholder can opt for only one mode of voting. In case a shareholder votes through remote e-voting as well as sends his/her vote through ballot form, the vote cast through remote e-voting shall be considered and the voting through physical ballot shall not be considered by the scrutinizer.

The shareholders who have cast their votes either through remote e-voting or ballot shall be entitled to attend the meeting, however, shall not be allowed to cast their vote again at the venue of the annual general meeting.

## 14. INSTRUCTIONS FOR E-VOTING PROCESS

- Step 1 : Open your web browser during the voting period and log on to the e-Voting Website: [www.evotingindia.com](http://www.evotingindia.com).
- Step 2 : Click on “Shareholders” tab to cast your vote(s)
- Step 3 : Select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- Step 4 : Please enter User ID –  
a. For account holders in CDSL :- Your 16 digits beneficiary ID.  
b. For account holders in NSDL :- Your 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.
- Step 5 : Enter the Image Verification as displayed and Click on Login.
- Step 6 : If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote for any company electronically, then your existing login- id & password are to be used. If you have forgotten the password then enter User ID and the image verification code and click on forgot password & enter the details as prompted by the system.
- Step 7 : If you are a first time user follow the steps given below:
- 7.1 Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.  
(Applicable for both demat shareholders as well as physical shareholders) For members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
- 7.2 Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the said demat account or folio in DD/MM/YYYY format.
- 7.3 Enter your Dividend Bank details (Account Number) as recorded in the demat account or registered with the Company for the said demat account.  
Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.
- Step 8 : After entering these details appropriately, click on “SUBMIT” tab.
- Step 9 : Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach “Password Creation” menu wherein they are required to mandatorily change their login password in the new password field. Kindly note that this password can also be used by the demat holders for voting for resolution 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.
- Step 10 : For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Step 11 : Now select the relevant Electronic Voting Sequence Number (EVSN) of the Company along with “COMPANY NAME” i.e. **“Gujarat Petrosynthese Limited”** to vote.
- Step 12 : 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 and click on submit. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- Step 13 : Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution details.
- Step 14 : After selecting the resolution you have decided to vote on, click on “SUBMIT” tab. 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.
- Step 15 : Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.

### Additional instructions for non-individual shareholders and custodians

- Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and custodians voting for the first time are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. Corporates and custodians already registered with CDSL should use their existing login details.
- After registering online, 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)

## Gujarat Petrosynthese Limited

- c. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- d. The list of accounts 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.
- e. A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the custodian/ authorized person, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

### 15. COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i. The e-Voting period commences on Sunday, 20<sup>th</sup> September, 2015 (9.00 a.m.) and ends on Tuesday, the 22<sup>nd</sup> September, 2015 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date Wednesday, the 16<sup>th</sup> September, 2015 may cast their vote electronically. Thereafter, the e-Voting module shall be disabled for voting. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.
- iii. M/s J J Gandhi & Co. Practicing Company Secretary (Membership No.: 3519; CP No: 2515) having address: 231, Phoenix Complex, Besides Suraj Plaza, Sayajigunj, Vadodara - 390 005, has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv. 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 at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company.
- v. The results declared along with the scrutinizer's Report shall be placed on the company's website [www.gpl.in](http://www.gpl.in) and on the website CDSL <https://www.evotingindia.com> within two days of the passing of the Resolutions at the AGM of the Company. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
- vi. 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)

### Statement pursuant to Section 102(1) of the Companies Act, 2013

#### Item No. 4 - Appointment of Mr. R.M. Thakkar as an Managing Director

The term of office of Mr. R.M. Thakkar as Managing Director ended on 11<sup>th</sup> October, 2014. The Nomination and Remuneration Committee at its meeting held on 30<sup>th</sup> May, 2015 recommended the appointment and remuneration payable to Mr. R.M. Thakkar., Subject to the approval of the Share holders of the Company, the Board of Directors of the Company at its meeting held on 30<sup>th</sup> May, 2015 reappointed Mr. R.M. Thakkar as Managing Director of the Company for a period of three years with effect from 11<sup>th</sup> October, 2014.

Mr. R.M. Thakkar, D. Phil (Zurich) is having more than 36 years of experience as the Promoter and Managing Director of the Company since inception. The draft of the Agreement to be entered into between the Company and Mr. R.M. Thakkar, is placed before the meeting and is available for inspection by the shareholders of the Company contains inter-alia the following main terms and conditions

#### TERMS OF APPOINTMENT

**Period of Appointment:** Three years with effect from 11<sup>th</sup> October, 2014.

**Salary:** Rs. 1,25,000/- (Rupees one lac twenty five thousand only) per month.

**Commission:** 1.5% on the net profits of the company computed in the manner laid down in Section 197 of the Companies Act, 2013.

#### Perquisites:

- i) Housing I : The expenditure incurred by the company on hiring unfurnished accommodation for the Managing Director will be subject to a ceiling of sixty percent of the salary, over and above ten percent payable by the Executive Director.
- Housing II : If accommodation in the company owned house is provided, ten percent of salary of the Managing Director shall be deducted by the company.
- Housing III : If the company does not provide accommodation, the Managing Director shall be entitled to House rent allowance subject to the ceiling laid down in Housing I.
- Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent of the salary of the Managing Director.

## Gujarat Petrosynthese Limited

- ii) The Company shall pay as per the Company's policy, the Medical Expenses including such expenses as shall relate to the surgical, optical and dental treatment incurred by Mr. R.M. Thakkar, for himself and his family.
- iii) Leave Travel Concession for self and family once in a year incurred in accordance with the rules of the Company.
- iv) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) The Company shall pay the annual premium towards personal accident insurance as per the Rules of the company.
- vi) Dr. R.M. Thakkar and family shall be covered under the Mediclaim Insurance Schemes as per the rules of the company.
- vii) Encashment of leave on full pay and allowances as per the rules of the company but not exceeding one month's leave for every twelve months of service.
- viii) Such other benefits in accordance with the schemes and rules applicable to the members of the company from time to time.

For the purpose of calculating the above ceilings, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of such Rules, perquisites shall be evaluated at actual costs. The Company will pay tax on non monetary perquisites to the appointee as per amended section 10CC of the Income Tax Act, 1961.

The following shall not be included for the purposes of computation for the Managing Director's remuneration or perquisites as aforesaid:

- i) The Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act.
- ii) Gratuity payable to the Managing Director at the rate of half month's salary for each completed year of service.
- iii) Encashment of leave at the end of tenure.
- iv) Chauffeur driven company maintained car for use on Company's business and telephones facility at the residence of Wholetime Director, and reimbursement of expenses including entertainment expenses will not be considered as perquisites.

**Minimum Remuneration:** Subject to the ceiling in Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014, the Managing Director shall be paid remuneration by way of salary and perquisites (except commission specified above) notwithstanding that in the Financial Year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate.

**Compensation :** If before the expiry of the Agreement, the tenure of his office as Managing Director is terminated, he shall be entitled to compensation for the loss of office as per the provisions of Section 202 of the Companies Act, 2013.

The Director shall be entitled to the reimbursement of expenses actually and properly incurred by him for the business of the Company.

Mr. R.M. Thakkar satisfies all the conditions mentioned in Part I of Schedule V and under section 196(3) of the Companies Act, 2013. He is not disqualified from being appointed as Director under section 164 of the Companies Act., 2013. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions of Section 166 of the Companies Act, 2013 with regard to duties of Directors.

The particulars set out above, may be treated as an abstract of the terms of contract for the remuneration/ reappointment of Dr. R.M. Thakkar as Managing Director of the Company, which is required to be given to every member under the provisions of the Companies Act, 2013.

The draft of the Agreement referred to above is open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon on any working day upto the date of the Annual General Meeting.

The Board recommends the Resolution for your approval.

Mr. R M Thakkar, Ms. Urmi N Prasad and Ms. Charita Thakkar who are related to each other, are interested in the Resolution as it relates to his own/ relative's term of re-appointment/ remuneration.

None of the other Directors/ Key managerial personnel of the Company, their relatives are in any way concerned or interested in the said Resolution.

**Regd. Office:**  
24, II main, Doddanekkundi Industrial Area,  
Bengaluru 560 048

**By order of the Board of Directors**  
**For Gujarat Petrosynthese Limited.**

**Place : Mumbai**  
**Date : 25<sup>th</sup> July, 2015**

**Mr. R. M. Thakkar**  
**Chairman & Managing Director**

**Statement in terms of section II(iv) of Part II of Schedule V to the Companies Act, 2013**

**I. General Information:**

1. Nature of Industry – Polymer blend and Resin Industries
2. Date or expected date of commencement of commercial production – The Company is in operation since many years.
3. Financial performance based on given indicators – As per the Audited Financial results for the year ended on 31.03.2015.

(₹ in Lacs)

Particulars	2014-15	2013-14
Sales Turnover	877.93	899.26
Other Income	111.74	107.74
Total	989.67	1007.00
Less: Exp. other than Finance Cost and Depreciation	1037.77	1091.74
Operating Profit	(48.10)	(84.74)
Less: Finance Cost 0.00	0.00	
Depreciation 50.14	38.61	
Profit before exceptional & extraordinary items	(98.24)	(123.35)
Add: Extraordinary items	7.46	37.98
Add : Exceptional items	47.11	0.00
Profit before tax	(43.67)	(85.37)
Add/(Less): Profession for tax / Deferred tax	(4.16)	39.57

4. Foreign investments or collaborations, if any – Not Applicable

**II. Information about the Managing Director:**

1. Background Details – Mr. R.M. Thakkar, D. Phil (Zurich) is having more than 36 years of experience in the company.
2. Past Remuneration – Same as proposed in the resolution at Item No. 4. Reappointment of Mr. R.M. Thakkar is made at the same amount of remuneration and same perquisites.
3. Job profile and suitability – Mr. R.M. Thakkar renders services as Managing Director of the Company.
4. Remuneration proposed –

**Salary:** Rs. 1,25,000/- (Rupees one lac twenty five thousand only) per month.

**Commission:** 1.5% on the net profits of the company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Perquisites are mentioned in detail under the head Item No. 4 in the explanatory statement.

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person – Looking to the size of the Company, the profile of the appointee, the responsibilities shouldered by him, the above said remuneration is commensurate with the remuneration package paid to similar senior level appointees in other Companies.
6. Pecuniary relationship directly or indirectly or relationship with the managerial personnel, if any – Besides the remuneration proposed, the Managing Director does not have any other pecuniary relationship with the Company. Ms. Urmi N. Prasad, Whole Time Director and Ms Charita Thakkar, Director of the Company are relatives of the appointee.

**III. Other information:**

1. Reasons for loss or inadequacy of profit – Sluggish Economy which has not recovered from the recession. Customers are predominantly in the automobile sector in which growth has remained stagnant
2. Steps taken or proposed to be taken for improvement – Widening the customer base to achieve operational profitability and working on cost saving measures to improve the bottom line
3. Expected increase in productivity and profits in measurable terms –

(Rs. in lacs)

Particulars	2014-15	2015 -16
Sales	877.93	1053.00
Other Income	117.74	141.00
Net Profit	(47.83)	3.00

**Details of Directors seeking reappointment in the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)**

Name of Directors	Dr. R.M.Thakkar	Ms. Charita Thakkar
Date of Birth	30.09.1924	01.11.1960
Date of Appointment	14.09.1977	28.09.1990
Expertise in specific functional areas of the Company Qualifications	Mr. R.M. Thakkar is the Managing Director has business experience of D. Phil (Zurich)	Ms. Charita Thakkar has expertise in finance and over 22 years MBA (TCU) MMS ( Stanford)
Directorship held in other companies	Gujarat Polybutenes Pvt. Ltd. GPL Finance & Investments Ltd. Guardian Finance Ltd. Multichem Pvt. Ltd. Seagull Tours & Travels Pvt. Ltd. Yashashree Commercial Services Pvt. Ltd.	Gujarat Polybutenes Pvt. Ltd. GPL Finance & Investments Ltd. Guardian Finance Ltd. Multichem Pvt. Ltd. Seagull Tours & Travels Pvt. Ltd.
Committee Positions held in other Companies	NIL	NIL

**Disclosure in terms of Clause 49 (VIII) (E) of the Listing Agreement**

None of the Directors have inter-se relationship except Ms. Urmi N. Prasad, who is the daughter of Mr. R. M. Thakkar & younger sister of Ms. Charita Thakkar.



## BOARDS' REPORT

To the Members of,  
Gujarat Petrosynthese Limited

The Directors have pleasure in presenting 38<sup>th</sup> Annual Report of the Company together with the Audited Financial Statement of the Company for the year ended 31st March, 2015.

### FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2015 is summarised below:

(₹ in Lacs)

Particulars	2014-15	2013-14
Sales Turnover	877.93	899.26
Other Income	111.74	107.74
Total	989.67	1007.00
Less: Exp. other than Finance Cost and Depreciation	1037.77	1091.74
Operating Profit	(48.10)	(84.74)
Less: Finance Cost	0.00	0.00
Depreciation	50.14	38.61
Profit before exceptional & extraordinary items	(98.24)	(123.35)
Add: Extraordinary items	7.46	37.98
Add : Exceptional items	47.11	0.00
Profit before tax	(43.67)	(85.37)
Add/(Less): Provision for tax / Deferred tax	(4.16)	39.57
Profit after tax	(47.83)	(45.80)
Add: Balance brought forward from earlier period	1171.80	1217.60
Balance available for appropriations	1123.97	1171.80

### Dividend

Your Directors are unable to recommend any dividend.

### Performance & Future Outlook

The sales for the year have remained stagnant, as the economy has not recovered from the recession. Our customers are predominantly in the automobile sector and the growth has not met expectations. During the year we are aiming to widen our customer base and we hope to achieve operational profitability in the near future. We are also working on other cost saving measures which could further improve our bottom line.

### Business

During the year under review, there is no change in the business activities of the Company.

### Material changes and commitment occurred after the end of Financial Year and upto the date of Report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and upto the date of this report.

### Consolidated Financial Statement

In accordance with the provisions of Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014, statement containing salient features of the financial statements of subsidiary companies is disclosed separately in **Annexure I** and forms part of the annual report. The consolidated financial statements are prepared in accordance with the Accounting Standard (AS) - 21 issued by the Institute of Chartered Accountants of India.

### Deposits

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

### Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013

Pursuant to provisions of section 186 of the Companies Act, 2013, during the year under review, details of loans and investments by the Company to other body corporate are as follows:

Sr. No.	Particulars	Amount
1.	Gujarat Polybutene Private limited (Wholly Owned Subsidiary company)	5,75,00,000

### Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any Joint Venture Company or Associate Company. But the Company has following 100% Subsidiary Companies.

1. Gujarat Polybutenes Private Limited.
2. GPL Finance and Investments Limited

# Gujarat Petrosynthese Limited

## Share capital

During the year under review, there is no change in the Authorized share capital. The Company has allotted 3,25,000 Equity shares of Rs. 10/- each at a premium of Rs. 25/- per share on conversion of warrants to Yashashree Commercial Services Private Limited. Consequent upon the conversion of warrants, the paid-up share capital of the Company has been increased from Rs. 5,64,41,660 to Rs. 5,96,91,660.

## Transfer to Investor Education & Protection Fund.

In terms of Section 125 of the Companies Act, 2013, there is no amount required to be transferred to the Investor Education and Protection Fund established by the Central Government.

## Directors and Key Managerial Personnel

During the year under review, following changes occurred in the position of Directors/ KMPs of the Company:

- Mr. V.H. Pandya, Independent Director of the Company, due to his old age resigned on 13/02/2015. He had been associated with the Company since 16<sup>th</sup> March, 1982. The Board appreciates and takes note of the contribution made by him during his tenure as Director of the Company.
- Mrs. Mrinalini Mehta, Director of the Company, vacates her office as Director of the Company due to her absence from all the meeting of the Board of Directors held during last 12 months.
- Ms. Urmi N Prasad has been appointed as Executive Director and Chief Financial Officer of the Company and Ms. Shweta Kalgutkar as Company Secretary.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Charita Thakkar (DIN 00321561), shall retire by rotation at the ensuing annual general meeting and being eligible offer herself for reappointment.

The term of appointment of Mr. R.M. Thakkar as a Managing Director has expired. The Board of Directors at its meeting held on 30<sup>th</sup> May, 2015 reappointed him as a Managing Director for a further period of 3 years from 11/10/2014 to 10/10/2017.

## Independent Directors

The Company at its annual general meeting held on 25 September, 2014, had appointed Mr. M D Garde, Mr. T N R Rao and Mr. V Raghu, as Independent Directors of the Company. They hold office for a period upto 31 March, 2019 and shall not be liable to retire by rotation.

The Company has received declarations from all Independent Directors confirming that they meet with the criteria of independence as prescribed under the requirement of provisions of Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

## Independent Directors' Meeting

During the year under review, the Independent Directors met on March 6, 2015, *inter alia*, to discuss:

- Evaluation of performance of Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of quality, consent and timelines of flow of information between the Management and the Board that is necessary for the Board for effective performance of its duties.

All the Independent Directors were present at the Meeting.

## Directors' Appointment and Remuneration Policy

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company and the Company has constituted Nomination and Remuneration Committee. The Company is yet to devise policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

The Company has a Chairman cum Managing Director and one Executive Director as Whole-time Director. Non Executive Directors receives 1% commission of the net profit of the Company in addition to sitting fees for attending meetings of Board of Directors or any committee of Board.

## Board Meetings

During the year five Board Meetings were convened and held on 31.05.2014, 25.07.2014, 25.09.2014, 14.11.2014 and 13.02.2015.

## Director's Responsibility Statement

Your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures from the same;
- 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,