

GUJARAT PETROSYNTHESIS LIMITED



**THIRTY NINTH ANNUAL REPORT
2015-16**

BOARD OF DIRECTORS

Dr. R.M. THAKKAR

Chairman and Non-Executive Director

Ms. URMI N. PRASAD

Joint Managing Director

Ms. CHARITA THAKKAR

Joint Managing Director

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

NOTICE

NOTICE IS HEREBY given that the 39th 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, Bangaluru 560048 on Wednesday, the 10th August, 2016 at 3.00 PM to transact the following business;

ORDINARY BUSINESS

1. To receive, consider and adopt : (a) 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; and
(b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016.
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 Annual General Meeting (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, traveling 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 an **ORDINARY RESOLUTION**.

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and 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 consent of the shareholders be and is hereby accorded for the terms of appointment of Ms. Urmi N. Prasad as Joint Managing Director of the Company at a remuneration of Rs. 1,25,000/- per month along with perquisites with the condition that the aggregate of Remuneration and Perquisites shall not exceed the ceilings prescribed by Section II of Part I of Schedule V to the Companies Act, 2013 for a period of three years with effect from April 1, 2016.”

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and 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 consent of the shareholders be and is hereby accorded for the terms of appointment of Ms. Charita Thakkar as Joint Managing Director of the Company at a remuneration of Rs. 1,25,000/- per month along with perquisites with the condition that the aggregate of Remuneration and Perquisites shall not exceed the ceilings prescribed by Section II of Part I of Schedule V to the Companies Act, 2013 for a period of three years with effect from April 1, 2016.”

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

Place : Mumbai
Date : 27th May, 2016

Mr. R. M. Thakkar
Chairman & Non-Executive Director
DIN No. 00248949

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 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting in respect of item No. 4 to 6 is annexed hereto and forms part of notice.
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 Regulation 46 of the SEBI Listing Regulations, 2015 the Company is updating information on its website 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 details 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 03rd August, 2016 to 10th August, 2016 (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 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies are allowed to send communication to shareholders electronically. Members holding shares in demat form are requested to register their email address with the Depository Participant(s) only. In case of physical shares, register/update your email ids with the Company's registrar and Share Transfer Agent. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
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

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 regulation 44 of the SEBI Listing Regulations, 2015 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. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, 07th August, 2016 (9.00am) and ends on Tuesday, 09th August, 2016 (5.00pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, 03rd August, 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.
- (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:

For Members holding shares in Demat Form and Physical Form

PAN	<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"> 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 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 sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	<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"> 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 (iv).

- (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 the 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 <Company Name> 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) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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.
- 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 emailed to 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.

(xxi) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

- The e-Voting period commences on Sunday, 07th August, 2016 (9.00 a.m) and ends on Tuesday, 09th August, 2016 (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 03rd August, 2016 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.
- The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.
- 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.
- 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 consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company.
- The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gpl.in and on the website of 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.
- For Members holding shares in physical form, the password and details can be used only for e-Voting on the resolutions given in this notice.

Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 4 : Appointment of Ms. Urmi N. Prasad as an Joint Managing Director of the Company.

The term of office of Ms. Urmi N. Prasad as Whole-Time Director expires on 31st March, 2017. But due to the re-organisation of the Management, the Nomination and Remuneration Committee at its meeting held on 05th February, 2016 recommends the appointment of Ms. Urmi N Prasad as Joint Managing Director of the Company for a period of 3 years w.e.f. form 1st April, 2016, subject to the approval of the Share holders of the Company. The Board of Directors of the Company at its meeting held on 05th Feb, 2016 appointed Ms. Urmi N Prasad as Joint Managing Director of the Company for a period of 3 years w.e.f. form 1st April, 2016.

Ms. Urmi N Prasad, B.Com, A.C.A., M.B.A. (INSEAD France) is having more than 24 years of experience in accounts, finance, corporate administration and strategic business planning. The draft of the agreement to be entered into between the Company and Ms. Urmi N Prasad, is placed before the meeting and is available for inspection by the shareholders of the Company and contains inter-alia the following main terms and conditions:

TERMS OF APPOINTMENT

Period of Appointment: Three years with effect from 1st April, 2016

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

Commission: 1% on the net profits of the company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Perquisites:

- Housing I : The expenditure incurred by the company on hiring unfurnished accommodation for the Joint Managing Director will be subject to a ceiling of sixty percent of the salary, over and above ten percent payable by the Joint Managing Director.
- Housing II : If accommodation in the company owned house is provided, ten percent of salary of the Joint Managing Director shall be deducted by the company.
- Housing III : If the company does not provide accommodation, the Joint 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 Joint Managing Director.

- ii) Reimbursement of medical and hospitalization expenses of the Joint Managing Director and her family subject to a ceiling of one month salary in a year.
- 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) Ms. Urmi N Prasad 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. (Family includes dependent parents, spouse and children who are dependent on him)

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 Joint Managing Director's remuneration or perquisites as aforesaid;

- i) The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961
- ii) Gratuity payable at the rate not exceeding half a 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 Joint Managing 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 Joint 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 Joint Managing Director, the Company has no profits or its profits are inadequate.

Compensation : If before the expiry of the Agreement, the tenure of her office as Joint Managing Director is terminated, she 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 her for the business of the Company.

Ms. Urmi N Prasad satisfies all the conditions mentioned in Part I of Schedule V to the Act and also satisfies the conditions mentioned under section 196(3) of the Companies Act, 2013. She is not disqualified from being appointed as a Director under section 164 of the Companies Act, 2013. The Joint 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 the duties of Directors.

The particulars set out above, may be treated as an abstract of the terms of contract for the remuneration/ appointment of Ms Urmi N Prasad as Joint 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.

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

Item No. 5 : Appointment of Ms. Charita Thakkar as an Joint Managing Director of the Company.

Ms. Charita Thakkar has been associated with the Company since 1984. She holds a Bachelor's Degree from the Bombay University in chemistry and physics and Master of Business Administration in strategy and Finance from Texas Christian University, USA. She also holds the degree of Master in Management Science from the Sloan Program, Graduate school of Business, Stanford University, USA. She has held the position of Finance Manager, General manager operations, Executive Director & Director of the Company and was in charge of the commissioning and operations of the polymer blends and alloys facilities

Her deep knowledge of polymer and polybutene business coupled with experience in finance, operations, general management, exposure to international business negotiation and strategic planning will be very valuable to the Company.

The Nomination and Remuneration Committee at its meeting held on 05th February, 2016 recommends the appointment of Ms. Charita Thakkar as Joint Managing Director of the Company for a period of 3 years w.e.f. from 1st April, 2016, subject to the approval of the Share holders of the Company. The Board of Directors of the Company at its meeting held on 05th Feb, 2016 appointed Ms. Charita Thakkar as Joint Managing Director of the Company for a period of 3 years w.e.f. from 1st April, 2016. The draft of the agreement to be entered into between the Company and Ms. Charita 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 1st April, 2016

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

Commission: 1% on the net profits of the company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Perquisites:

- i) Housing I : The expenditure incurred by the company on hiring unfurnished accommodation for the Joint Managing Director will be subject to a ceiling of sixty percent of the salary, over and above ten percent payable by the Joint Managing Director.
 - Housing II : If accommodation in the company owned house is provided, ten percent of salary of the Joint Managing Director shall be deducted by the company.
 - Housing III : If the company does not provide accommodation, the Joint 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 Joint Managing Director.
 - ii) Reimbursement of medical and hospitalization expenses of the Joint Managing Director and her family subject to a ceiling of one month salary in a year.
 - 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) Ms. Charita 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. (Family includes dependent parents, spouse and children who are dependent on her)
- 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 Joint Managing Director's remuneration or perquisites as aforesaid;
- i) The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961
 - ii) Gratuity payable at the rate not exceeding half a 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 Joint Managing 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 Joint 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 Joint Managing Director, the Company has no profits or its profits are inadequate.

Compensation : If before the expiry of the Agreement, the tenure of her office as Joint Managing Director is terminated, she 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 her for the business of the Company.

Ms. Charita Thakkar satisfies all the conditions mentioned in Part I of Schedule V to the Act and also satisfies the conditions mentioned under section 196(3) of the Companies Act, 2013. She is not disqualified from being appointed as a Director under section 164 of the Companies Act, 2013. The Joint 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 the duties of Directors.

The particulars set out above, may be treated as an abstract of the terms of contract for the remuneration/ appointment of Ms. Charita Thakkar as Joint 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.

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

Mr. R. M. Thakkar

Chairman & Non-Executive Director
DIN No. 00248949

Place : Mumbai

Date : 27th May, 2016

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 31.03.2016.

(₹ in Lacs)

Particulars	2015-16	2014-15
Sales Turnover	1117.93	877.93
Other Income	16.29	111.74
Total	1134.21	989.67
Less : Exp. other than Finance Cost and Depreciation	1257.48	1037.77
Operating Profit	(123.27)	(48.10)
Less : Finance Cost	0.23	0.00
Depreciation	32.32	50.14
Profit before exceptional & extraordinary items	(140.11)	(98.24)
Add : Extraordinary items	0.00	47.11
Add : Exceptional items	148.93	7.46
Profit before tax	8.82	(43.67)
Add/(Less): Profession for tax / Deferred tax	(39.99)	(4.16)

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

II. Information about the Joint Managing Directors:

1. Background Details – Ms. Urmi N Prasad, B.Com, A.C.A., M.B.A. (INSEAD France) is having more than 24 years of experience in accounts, finance, corporate administration and strategic business planning and Ms Charita Thakkar, B.Sc, M.B.A (TCU, USA), M.M.S (Stanford, USA) has experience in finance, operations, general management, exposure to international business negotiation and strategic planning
2. Past Remuneration – Ms. Urmi N Prasad is appointed under the same terms and conditions with regards to the remunerations and perquisite as at the time of her holding the position of Whole-Time Director in the Company.
3. Job profile and her suitability – Ms. Urmi N Prasad & Ms. Charita Thakkar will render the services as Joint Managing Director of the Company.
4. Remuneration proposed –

Salary: Rs. 1,25,000/- (Rupees One Lac Twenty Five Thousand Only) per month.

Commission: 1% 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 & 5 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 them, 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 Joint Managing Director does not have any other pecuniary relationship with the Company. Mr. R M Thakkar, Director and non-executive chairman of the Company is relative of the appointees.

III. Other information:

1. Reasons for loss or inadequacy of profit – During the year some of our major customers lost business with the OEMs. However due to our persistent efforts in capturing new customers we were able to maintain the sales at last year's level
2. Steps taken or proposed to be taken for improvement – The company has introduced measures to enhance the productivity and efficiency of the plant machinery and equipment. Efforts to widen the customer base and add new products to the portfolio continue.
3. Expected increase in productivity and profits in measurable terms

(₹ in Lacs)

Particulars	2015-16	2016 -17
Sales	1117.92	1939.00
Other Income	16.29	250.00
Net Profit / Loss	(31.17)	110

Details of Directors seeking appointment in the forthcoming Annual General Meeting (in pursuance of Regulation 36 of the SEBI(LODR) Regulations, 2015.

Name of Directors	Ms. Urmi N Prasad	Ms. Charita Thakkar
Date of Birth	26.09.1964	01.11.1960
Date of Appointment	01.04.1993	28.09.1990
Expertise in specific functional areas	Accounts, finance, corporate administration and strategic business planning	Finance, operations, general management, exposure to international business negotiation and strategic planning
Qualifications	B.Com, A.C.A., M.B.A. (INSEAD France)	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 Regulation 36 of the SEBI(LODR) Regulations, 2015.

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

BOARDS' REPORT

To the Members of,
Gujarat Petrosynthese Limited

The Directors have pleasure in presenting the 39th Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2016 is summarised below:

(₹ in Lacs)

Particulars	2015-16	2014-15
Sales Turnover	1117.93	877.93
Other Income	16.29	111.74
Total	1134.21	989.67
Less: Exp. other than Finance Cost and Depreciation	1257.48	1037.77
Operating Profit	(123.27)	(48.10)
Less: Finance Cost	0.23	0.00
Depreciation	32.32	50.14
Profit before exceptional & extraordinary items	(140.11)	(98.24)
Add: Extraordinary items	0.00	47.11
Add : Exceptional items	148.93	7.46
Profit before tax	8.82	(43.67)
Add/(Less): Provision for tax / Deferred tax	(39.99)	(4.16)
Profit after tax	(31.17)	(47.83)
Add: Balance brought forward from earlier period	1123.97	1171.80
Balance available for appropriations	1092.80	1123.97

Dividend

Your Directors are unable to recommend any dividend.

Performance & Future Outlook

The current year has seen a rise in the sales turnover from 877.93 lakhs to 1117.92 lakhs due to a change in the method of sales of our major customer from subcontract to direct sales. The overall sales have remained at the same level in terms of tonnage. During the year some of our major customers lost business with the OEMs. However due to our persistent efforts in capturing new customers we were able to maintain the sales at last year's level. The company has introduced measures to enhance the productivity and efficiency of the plant machinery and equipment. We expect the industry to do better in the coming year and hope to reach a profitable position by the end of the year.

Performance of the Subsidiary

Our subsidiary company has been suffering from differential pricing of feedstock and return stream. We have been working with a Government company for supply of raw material and return stream at the same price like our competitor but the issue was not resolved. This has resulted in our inability to compete with our Indian competitor as well as imports. We have therefore suspended our operations from February 2016 and are looking at different avenues to restart our operations. We are hopeful to tide over these difficulties.

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)	3,90,00,000