

GUJARAT PETROSYNTHESIS LIMITED



**FORTY SECOND ANNUAL REPORT
2018-19**

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. M.D. Garde	Independent Director
	Mr. V. Raghu	Independent Director
	Mr. T. N. R Rao	Independent Director
	(Up to 25/07/ 2018)	
	Mr. Rajesh S. Parikh	Additional Director (Independent)
	(19/10/2018)	

BANKERS	AXIS BANK LIMITED
	STATE BANK OF INDIA
	CANARA BANK
	IDBI BANK
	BANK OF BARODA
	HDFC BANK

AUDITORS	M/S Dayal and Lohia Mumbai
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COMPANY SECRETARY	Ms. Ankita Gokani
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REGD. OFFICE	NO. 24, II MAIN PHASE I, DODDANEKKUNDI INDUSTRIAL AREA, MAHADEVPURA POST, BENGALURU - 560 048 Ph No. : 080-28524133, Email : info@gpl.in; secretarial@gujaratpetrosynthese.com
&	
WORKS	

CIN No.	L23209KA1977PLC043357
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NOTICE

NOTICE IS HEREBY given that the 42nd ANNUAL GENERAL MEETING of the Members of Gujarat Petrosynthese Limited will be held at the Registered office of the Company at 24, II Main, Phase I, Doddanekkundi Industrial Area, Mahadevapura, Bengaluru - 560048 on Wednesday, 14th August, 2019. at 3.00 PM to transact the following business;

ORDINARY BUSINESS

1. **To consider and adopt:**
 - (a) **The audited standalone financial statement of the Company for the financial year ended March 31, 2019 and 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, 2019 and the report of the auditors thereon.**
2. **To appoint Ms.Charita Thakkar, (DIN 00321561), who retires by rotation and being eligible, offers herself for re-appointment as a Director.**

SPECIAL BUSINESS:

3. **Appointment of Mr. Rajesh Parikh (DIN 08258755) as an Independent Director and in this regard to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Rajesh Parikh (DIN 08258755), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of five consecutive years with effect from 1st April, 2019 to 31st March, 2024."

4. **Re-appointment of Ms. Urmi N. Prasad as Joint Managing Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as special Resolution;

"RESOLVED THAT pursuant to 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 the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and such other approvals as may be necessary, the consent of the Shareholders be and is hereby accorded for the re-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, 2019."

5. **Re-appointment of Ms. Charita Thakkar as Joint Managing Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as special Resolution;

"RESOLVED THAT pursuant to 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 the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and such other approvals as may be necessary, the consent of the Shareholders be and is hereby accorded for the re-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, 2019."

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6. Continuation of Directorship of Mr. R.M.Thakkar (00248949) as a Chairman & non executive Director.

To consider and if thought fit, to pass with or without modification(s), the following resolution as special Resolution;

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made there under, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby granted to Mr. R.M.Thakkar (00248949) , who exceeds the age of seventy five years, to continue to be as a Chairman & Non-Executive Director of the Company.,"

Regd. Office:

24, II main, Doddanekkundi Industrial Area,
Phase I, Mahadevapura,
Bengaluru- 560 048
CIN: L23209KA1977PLC043357
Website: www.gpl.in; Email: info@gpl.in
Tel: 080-28524133

Place : Mumbai
Date : 29th May, 2019

By Order of the Board of Directors
For Gujarat Petrosynthese Limited.

(Dr. R. M. Thakkar)

Chairman & Non-Executive Director
Din: 00248949

NOTES

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

2. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is attached hereto.
3. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
4. 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.
5. 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, Auditor's Report, quarterly shareholding pattern, contact details of the Compliance Officer for communicating investor grievances.
6. In terms of Section 152 of the Act, Ms. Charita Thakkar, Director, retires by rotation at the Meeting and being eligible, offers herself for reappointment. Details of Directors retiring by rotation / re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
7. Member/Proxies/Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

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9. The Register of Members and share transfer books of the Company will remain closed from 7th August, 2019 to 14th August, 2019 (both days inclusive) for the purpose of the Annual General Meeting.
10. The Company's Registrar and Share Transfer Agent for its share registry (both, physical as well as electronic) is M/s. Bigshare Services Pvt. Ltd. (Bigshare) having its office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Phone : (022) 62638200, Email- investor@bigshareonline.com (Unit: Gujarat Petrosynthese Limited).
11. Members holding shares in physical mode:
 - a. are required to submit their Permanent Account Number (PAN) and bank account details to the Company / Bigshare, as mandated by the Securities and Exchange Board of India (SEBI) for every participant in securities market.
 - b. are advised to make nomination in respect of their shareholding in the Company.
12. Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Bigshare, for consolidation into a single folio.
13. Members who have not registered / updated their e-mail addresses with Bigshare, if shares are held in physical mode or with their DPs, if shares are held in electronic mode, are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc., electronically. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
14. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form, in order to protect the liquidity of the shares. Members can write to the Company's registrar and share transfer agent in this regard. SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. Only the requests for transmission and transposition of securities in physical form will be accepted by the listed companies / their RTAs.
- 15. Voting Options**
 - i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide to its members a facility to exercise their right to vote on resolutions proposed to be passed at the Meeting by electronic means ("e-voting"). The members may cast their vote(s) using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - ii. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again.
 - iii. A member can opt for only single mode of voting, that is, through remote e-voting or voting at the Meeting. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID"
 - iv. The Company has engaged the services of Bigshare Services Private Limited ('Bigshare') as the Agency to provide e-voting facility
- 16. The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Saturday, 10th August, 2019, 9.00 am and ends on Tuesday, 13th August, 2019, 5.00 pm. 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 7th August, 2019 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 (refer serial no. printed on the name and address sticker/ Postal Ballot Form/Email) 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 (DOB)	<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 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. 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.

17. COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING

INSTRUCTIONS

- i. The e-Voting period commences on Saturday, 10th August, 2019, 9.00 am and ends on Tuesday, 13th August, 2019, 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date 7th August, 2019 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: F-46, India Bulls Mega Mall, Besides Dinesh Mill, Nr. Jetalpur Under Bridge, Jetalpur, Vadodara – 390 007, 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 consolidated 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 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.
- vi. 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.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act")

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 3 to 6 of the accompanying Notice

Item No.3

To appoint Mr. Rajesh Parikh (DIN 08258755) as an Independent Director.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, the appointment of an Independent Director requires the approval of the members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Rajesh Parikh (DIN 08258755) subject to approval of the

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shareholders of the Company as an Independent Director on the Board of the Company. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Rajesh Parikh (DIN 08258755) for the office of Director of the Company. Mr. Rajesh Parikh (DIN 08258755) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Rajesh Parikh (DIN 08258755) that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Rajesh Parikh (DIN 08258755) fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Rajesh Parikh (DIN 08258755) is independent of the management and possesses appropriate skills, experience and knowledge.

Details of Mr. Rajesh Parikh (DIN 08258755) are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"). Copy of the draft letter of appointment of Mr. Rajesh Parikh (DIN 08258755) setting out the terms and conditions of his appointment is available for inspection by the members at the registered office of the Company.

The Board recommends the resolution for approval.

None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company are directly or indirectly interested in this resolution.

Item No.4

Re-appointment of Ms. Urmi N. Prasad as Joint Managing Director of the Company.

The term of office of Ms. Urmi N. Prasad as Joint Managing Director has expired on 31st March, 2019. The Nomination and Remuneration Committee at its meeting held on 05th February, 2019 recommended the re-appointment of Ms. Urmi N Prasad as Joint Managing Director of the Company for a period of 3 years w.e.f. from 1st April, 2019, 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, 2019 re- appointed Ms. Urmi N Prasad as Joint Managing Director of the Company for a period of 3 years w.e.f. from 1st April, 2019.

Ms. Urmi N Prasad has completed 26 years of service with the Company. She holds the B Com degree from the Bombay University and is a qualified Chartered Accountant. She obtained a Masters degree in Business administration from INSEAD in France. Having held the position of Executive Director of the Company she was elevated as the Joint Managing Director of the Company since 2016. She has knowledge and experience in accounts, finance, corporate administration and operations, insurance 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, 2019

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.

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- 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 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. 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 Directors recommend the aforesaid resolution for the approval by the members as a Special Resolution.

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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

Re-appointment of Ms. Charita Thakkar as Joint Managing Director of the Company.

The term of office of Ms. Charita Thakkar as Joint Managing Director expired on 31st March, 2019. The Nomination and Remuneration Committee at its meeting held on 05th February, 2019 recommended the re-appointment of Ms. Charita Thakkar as Joint Managing Director of the Company for a period of 3 years w.e.f. from 1st April, 2019, 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, 2019 re- appointed Ms. Charita Thakkar as Joint Managing Director of the Company for a period of 3 years w.e.f. from 1st April, 2019.

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 Christain 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 incharge 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 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 and contains inter-alia the following main terms and conditions:

Period of Appointment: Three years with effect from 1st April, 2019.

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.
- 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.