



# GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

Fertilizernagar - 391 750. Vadodara, Gujarat, INDIA.  
CIN : L99999GJ1962PLC001121

**NO.SEC/AR/2017**

**19<sup>th</sup> August, 2017**

The Corporate Relationship Department BSE Limited 1st Floor, New Trading Ring Rotunda Bldg., P.J.Towers, Dalal Street Fort, MUMBAI - 400 001	The Manager, Listing Department National Stock Exchange of India Ltd. 'Exchange Plaza', C/1, Block G Bandra-Kurla Complex Bandra (East), MUMBAI - 400 051
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SCRIP CODE : **500690**

SYMBOL : **GSFC**

**Sub : Submission of Annual Report – Clause 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

Dear Sir,

The 55<sup>th</sup> Annual General Meeting (AGM) of Gujarat State Fertilizers & Chemicals Limited will be held on 16<sup>th</sup> September, 2017 at 3.30 p.m. at Cultural Centre Auditorium situated at Fertilizernagar Township, Fertilizernagar – 391 750, Dist. Vadodara.

We are attaching herewith Annual Report 2016-17 as required under Regulation 34 of SEBI (LODR) Regulations, 2015.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**For Gujarat State Fertilizers & Chemicals Limited**

**CS V.V. Vachhrajani  
Company Secretary &  
Vice President (Legal)**

E-mail : vishvesh@gsfcltd.com



# GSFC

GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

## **THE ICONIC BANYAN TREE**

On the cover of this report, is not only a revered symbol in Vadodara, but also at GSFC. While the Banyan Tree also portrays growth, GSFC is much more than just that. As the myriad branches that sprout from its resilient trunk signify products of GSFC, that are host to many more industries and their products, symbolizes a progressive growth. This is not just for GSFC, but for other companies and for nation.

As the Banyan Tree stands tall and proud through the years, representing dependability of the ages, GSFC is a company whose foundation is built on Trustworthiness. With its branches spreading out, ever growing and expanding and its roots ever connected to the mother earth, the Banyan Tree holds a timeless integrity, a reflection of GSFC's strong and dependable eminence as a company.

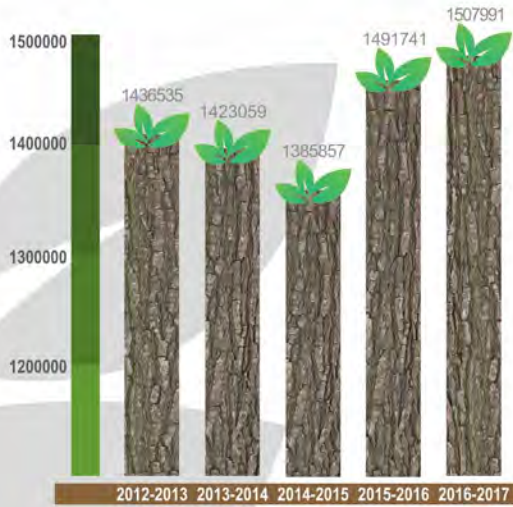


### **GSFC AT A GLANCE**

The Company, set up in early sixties, to manufacture nutrients and to aid farmers to achieve higher production and to meet the challenge of food shortages, now straddles a wider spectrum of products, prospects and vision.

With 38% stake in the Company held by GSIL, an investment arm of Government of Gujarat, Gujarat State Fertilizers & Chemicals Limited, started off initially by manufacturing Urea, its first in the series of fertilizers for use on a sustained basis by farmers. This enabled them to shift from extensive low-yield to high-yield cultivation. Hence GSFC became a catalyst for higher productivity in Indian agriculture. Over the years, GSFC, in its pursuit of excellence along the growth path, has constantly kept on increasing its product range, enhancing manufacturing and marketing processes, expanding Research & Development and triggering a legion of other activities that have made GSFC an industrial behemoth with two balanced core wings of fertilizers and chemicals. Today, GSFC is a Fortune India 500 company.

## PRODUCTION (FERTILIZERS) IN MTS



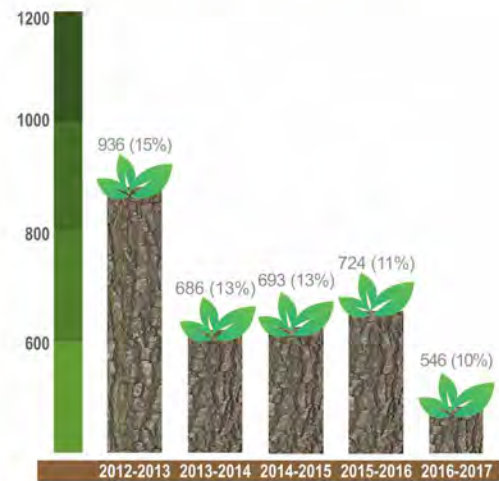
## PRODUCTION (CAPROLACTAM) IN MTS



## GROSS SALES ( ₹ CRORES )



## OPERATING PROFIT (EBIDTA) ( ₹ CRORES )





## GSFC UNIVERSITY

GSFC University has been set up as CSR initiative of the Company through GSFC Education Society which started from the Academic Year 2015-16 with School of Technology (SoT) with B. E. programs in Chemicals and Mechanical disciplines. Civil Engineering discipline was added in the subsequent year. From academic year 2016-17, School of Science (SoS) was also started offering B. Sc./M. Sc. Integrated course. From current academic year, School of Management (SoM) has been started offering BBA/MBA integrated course.

The University is a 'student focused teaching university' designed to produce industry ready manpower in various disciplines. The University also aims to provide, through its Executive Development Centre (EDC), useful in-service programs to employed professionals convertible into certificates, diplomas, degrees, etc.

The University campus provides a positive gender framework for all round development of girl students giving equal opportunity without any discrimination, while recognizing the inherent biological differences

## GSFC CSR ACTIVITIES

GSFC has been working on multifaceted CSR projects covering various areas such as education, health, centre for specially abled children, environment, nutrition, rural development, providing clean drinking water, support to NGOs etc much before CSR has been made mandatory. At GSFC, CSR does not only mean financial contributions but actually taking up and successful implementation of projects along with awareness programs, which ensures the fulfillment of prime objective. Along with GSFC University we are focusing on developing children in activities like karate. GSFC has also tied up with TENVIC Sports Education Pvt. Ltd. for training students in sports activities like football, basket ball and table tennis.

GSFC in association with VMSS and GCSRA has set up Osmosis Centre for Special Children. It is a learning centre in the vicinity of Vadodara city to help children with learning difficulties and impart education for children from 6th to 8th standard for subjects like Mathematics and English. This centre also has a library, special aids and computer lab facility for speedy learning of the children.



## EXPANSION AND DIVERSIFICATION

GSFC is contemplating to increase production capacities for Phosphoric Acid, Sulphuric Acid, Caprolactam and MMA at different locations in Gujarat. In line with Government of India's initiatives for use of renewable energy, We are in process of setting up 1 MW roof top Solar Power Project at its existing Vadodara complex and 10 MW Solar Power Plant at Gujarat Solar park, Charanka. To increase the production capacity along with improving efficiency & reliability of existing plants, revamping of Ammonia, Urea & Phosphoric Acid Plants is under active consideration.

## GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

[Corporate Identity Number (CIN) : L99999GJ1962PLC001121]

### 55<sup>TH</sup> ANNUAL GENERAL MEETING

Date : 16<sup>th</sup> September, 2017  
 Day : Saturday  
 Time : 3.30 p.m.  
 Place : Cultural Centre Auditorium  
 Fertilizernagar Township  
 Fertilizernagar - 391 750  
 District Vadodara

#### BOARD OF DIRECTORS (As on 05-08-2017)

DR. J. N. SINGH *Chairman*  
 SHRI D. C. ANJARIA  
 PROF. VASANT P. GANDHI  
 SHRI AJAY N. SHAH  
 SHRI VIJAI KAPOOR  
 SMT. GEETA GORADIA  
 SHRI ANIL MUKIM  
 SHRI SUJIT GULATI  
 SHRI A. M. TIWARI *Managing Director*

#### EXECUTIVE DIRECTOR (FINANCE) & CFO

SHRI V. D. NANAVATY

#### SR. VICE PRESIDENTS

MS. F. M. DAYAMAKUMAR  
 DR. Y. P. SINGH  
 SHRI S. P. YADAV  
 SHRI H D DALSANIA  
 SMT. A. P. GANGULI  
 SHRI S. V. VARMA  
 SHRI H K JOSHI  
 DR. D D SHAH  
 SHRI A K JOHRI  
 SHRI AJAY SIKDAR  
 SHRI B B BHAYANI  
 SHRI D B SHAH  
 SHRI D N THAKKAR  
 SHRI D K GANDHI

#### COMPANY SECRETARY & VICE PRESIDENT (LEGAL)

CS V. V. VACHHRAJANI

#### BANKERS

Bank of Baroda  
 Central Bank of India  
 Bank of India  
 Dena Bank  
 Indian Bank  
 Vijaya Bank  
 Yes Bank Ltd.  
 State Bank of India  
 Indian Overseas Bank  
 Axis Bank Ltd.  
 The Hongkong and Shanghai Banking Corporation Ltd.

#### LEGAL ADVISORS AND ADVOCATES

Nanavati Associates, Advocates, Ahmedabad  
 Trivedi & Gupta, Advocates, Ahmedabad  
 Jaideep B. Verma, Advocate, Vadodara

#### STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells, Vadodara (upto FY 2016-17)

#### COST AUDITORS

M/s. A. G. Dalwadi & Company, Ahmedabad

#### SECRETARIAL AUDITORS

Niraj Trivedi, Vadodara

### CONTENTS

### Page No.

Notice .....	03
Directors' Report .....	09
Business Responsibility Report .....	30
Management Discussion and Analysis Report .....	38
Corporate Governance Report .....	47
Financial Highlights .....	62
Auditors' Report .....	63
Balance Sheet .....	69
Statement of Profit & Loss .....	71
Cash Flow Statement .....	72
Statement of Changes in Equity (SOCIE) .....	73
Notes to the Financial Statements .....	74
Consolidated Financial Statements .....	128

### REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.  
 B-102 & 103, Shangrila Complex, First Floor,  
 Opp. HDFC Bank, Near Radhakrishna Char Rasta,  
 Akota, Vadodara - 390 020.  
 Phone : (0265) 2356573 / 2366794  
 Fax : (0265) 2356791  
 Email : vadodara@linkintime.co.in

### REGISTERED OFFICE

Fertilizernagar - 391 750  
 District Vadodara, Gujarat, India  
 Phone : (0265) 2242451/651/751  
 Fax : (0265) 2240966/2240119  
 Email : ho@gsfcltd.com  
 Website : www.gsfclimited.com

## FOR MEMBERS' ATTENTION

- 1 The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, the 02nd September, 2017 to Saturday, the 16th September, 2017 (both days inclusive) for the purpose of ascertaining the entitlement for payment of dividend.
- 2 Dividend, upon its declaration at the meeting, will be paid on Equity Shares of the Company on and from 22nd September, 2017, to those members whose names shall appear on the Register of Members of the Company on the Book Closure date.
- 3 To make the payment of dividend through ECS or to print Bank particulars of the members on the dividend warrants, members are requested to furnish their Bank particulars viz. Name of Bank with its branch and address, Bank A/c. No., 9 Digit MICR Code appearing on the MICR cheque issued by the Bank etc. Please also send a copy of the MICR Cheque together with Bank particulars to the Company latest by 02nd September, 2017.  
The shareholders who hold shares in electronic form are requested to furnish their Bank particulars as aforesaid to their Depository Participant (DP) by the stipulated date.
- 4 Members are requested to quote Folio Number or DP ID and Clients ID No. (in case of shares held in demat forms) in all correspondence and also to bring with them the Attendance Card which may be submitted at the entrance gate duly signed.
- 5 Members who are registered under two or more Ledger Folios are requested to write to the Registrars and share Transfer Agent of the Company for consolidation, giving particulars of such Folios along with the relevant Share Certificates.
- 6 Members holding shares in the Dematerialized Form are requested to intimate changes, if any, in respect of their Bank details, Mandate instructions, Nomination, Power of Attorney, Change of Address, Change of Name etc. to their Depository Participant (DP).
- 7 Ministry of Corporate Affairs (MCA) has taken a commendable decision for promoting and implementing

"Green Initiatives in the Corporate Governance" by permitting paperless compliances by Companies and has issued Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively clarified that a company would be deemed to have complied with the provisions of Section 53 and 219(1) of the Companies Act, 1956, if documents like notices, annual reports, etc. are sent in electronic form to its Members.

Keeping in view the underlying theme, we also propose to join the bandwagon and accordingly, the said documents of the Company for the financial year ended March 31, 2017 and onwards will be sent in electronic form to those members who have registered their e-mail address with their Depository Participants (DP) and made available to the Company by the Depositories.

However, in case a Member wishes to receive a physical copy of the said documents, he is requested to send e-mail to [gogreen@gsfcltd.com](mailto:gogreen@gsfcltd.com) duly quoting his DP ID and Client ID or the Folio No., as the case may be.

Members holding shares in physical form are requested to submit their e-mail address to the Registrars & Transfer Agent of the Company, duly quoting their Folio No. Members holding shares in electronic form, who have not registered their e-mail address with their DP are requested to do so at the earliest, so as to enable the Company to send the said documents in electronic form, thereby supporting the "Green Initiatives" taken by MCA and the Company's desire to participate in such initiatives. Please note that the said documents will be uploaded on the website of the Company viz. [www.gsfclimited.com](http://www.gsfclimited.com) and made available for inspection at the Registered Office of the Company during business hours.

- 8 Members are requested to send their queries, if any, at least seven days in advance of the meeting so that the information can be made available at the meeting.
- 9 As a measure of economy, the Company does not distribute the copies of Annual Report at the Meeting. Members, therefore, are requested to bring their copies with them.

### Very Important

- **Members / Proxy are requested to show their Photo Identity Card at the entry point along with the Attendance Slip duly signed by self/the proxy, failing which the entry to the Annual General Meeting shall be denied.**
- **No bags or belonging shall be permitted to be carried inside the venue of Annual General Meeting.**
- **Carrying the Camara inside the venue of Annual General Meeting is strictly prohibited.**
- **The Members may kindly note that this is being done for the security reason.**

## NOTICE

**NOTICE** is hereby given that the **Fifty-fifth Annual General Meeting** of the Members of the Company will be held at the Cultural Centre Auditorium situate at the Registered Office of the Company at Fertilizernagar – 391 750, Dist. Vadodara on **Saturday, the 16<sup>th</sup> September, 2017 at 3.30 PM** to transact the following business:

### Ordinary Business

1. To receive, consider and adopt:
  - a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon; and
  - b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Anil Mukim, IAS (DIN 02842064), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution with or without modifications, as an **Ordinary Resolution**:

“**RESOLVED** that pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of Audit Committee, M/s. T R Chadha & Co., LLP, Ahmedabad, Chartered Accountants (Firm Registration No. 006711N/N500028), be and are hereby appointed as Statutory Auditors of the Company, who shall hold office from the conclusion of this 55<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 57<sup>th</sup> AGM of the Company, in place of M/s. Deloitte Haskins and Sells, Chartered Accountants, whose one term to the office as auditors stands completed, upon such terms as to remuneration as may be determined by the Board of Directors based on the recommendation of Audit Committee plus applicable taxes and reasonable out of pocket expenses actually incurred by them during the course of Audit.”

### Special Business

5. To approve the remuneration of the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2018 and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**RESOLVED** that pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), M/s A G Dalwadi & Company, Cost Accountants, Ahmedabad (Firm Registration No. 100071), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018 be paid the remuneration of Rs. 4,80,000/- plus applicable taxes and reasonable out of pocket and traveling expenses.

Place : Fertilizernagar  
Date : 25/07/2017

By Order of the Board  
Sd/-  
**CS V. V. Vachrajani**  
Company Secretary &  
Vice President (Legal)



## NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.**

**Please bring your copy of Annual Report and attendance card at the meeting. Persons other than members or proxy will not be allowed to attend the meeting.**

- Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
- As required under the Rule 4A of the Companies Unpaid Dividend (Transfer to General Revenue Account of Central Government) Rules, 1978, the Company hereby informs its Members that all unpaid/ unclaimed dividends declared for and up to the Financial Year ended 31<sup>st</sup> March, 1994 have been transferred to the General Revenue Account of the Central Government. Members who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies (Gujarat), Housing Board Building, Opp. Roopal Park Society, Ankur Char Rasta, Naranpura, Ahmedabad - 380 013.

Members are requested to note that pursuant to the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof) and Rules made thereunder the dividend remaining unclaimed/ unpaid for a period of seven years from the date of transfer to the "Unpaid Dividend Account" shall be credited to the Investor Education and Protections Fund (Fund) set up by the Central Government. Accordingly, the unclaimed dividends for the Financial Year ended 31-03-1995 to 31-03-1999 and 31-03-2005 to 31-03-2009 has been transferred to the said fund.

- Details of dividend to be transferred to Investors' Education & Protection Fund (IEPF):**

Dividend No.	Financial Year	Date of Declaration	Due for transfer to IEPF on
36	2009-10	24-09-2010	24-10-2017
37	2010-11	17-09-2011	17-10-2018
38	2011-12	04-08-2012	03-09-2019
39	2012-13	03-08-2013	02-09-2020
40	2013-14	08-08-2014	07-09-2021
41	2014-15	16-09-2015	15-09-2022
42	2015-16	17-09-2015	16-09-2023

**Members who have not yet encashed their dividend warrant (s) for the Financial Year ended 31-03-2010 to 31-03-2016, are requested to lodge their claims to the Company accordingly, without any delay.**

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with Rule 6 of Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Amendment Rules, 2017, the Company is mandated to transfer all such shares in respect of which dividend amount remains unclaimed/ unpaid for a consecutive period of seven years or more, in the name of "Investor Education and Protection Fund" (IEPF) Demat Account to be opened by the IEPF Authority. In this regard, we have informed all those members vide our letter dated 16/02/2017, requesting to claim their dividend amount for a consecutive period of seven years from financial year 2009-10. Now, in compliance of Rule 6 as referred above, the Company shall be required to transfer equity shares of such investor to IEPF Authority, in case the unclaimed dividend is not claimed. The due date of transfer of such shares to IEPF Authority was 31/05/2017 as per MCA Circular dated 28/02/2017 which have now been extended till further amended. You are therefore, requested to claim your dividend amount as soon as possible, failing which the subject shares shall be transferred to IEPF Authority. We would like to draw your attention that subsequent to transfer of such shares to IEPF Authority, all future benefits if any, (except right issue) which may accrue on subject shares including dividend will be credited to IEPF Demat Account. Further, in terms of Rule 7 of the said Rules, shareholder may claim his shares from IEPF Authority by filing an online application in Form IEPF-5 which is available on IEPF website: [www.iepf.gov.in](http://www.iepf.gov.in). The IEPF Shares Register showing the name of shareholders whose shares are liable to be transferred to IEPF Demat Account is made available on Company's website: [www.gsfclimited.com](http://www.gsfclimited.com). For any further clarifications/ information, you may contact the Share Department of the Company at Tel. No. 0265-3093854.

## NOTES (Contd..)

5. Relevancy of questions and the order of speakers at the meeting shall be decided by the Chairman.
- 6. Voting through electronic means**
- a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote by electronic means on resolutions proposed to be passed in the Meeting by electronic means through remote e-voting. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
  - b. The facility of poll shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through poll.
  - c. The members who have casted their votes by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
  - d. The company has engaged the services of Central Depository Services Limited (CDSL) as the agency to provide e-voting facility.
  - e. The Board of Directors of the Company has appointed Shri Niraj Trivedi, a Practicing Company Secretary, Vadodara as Scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same.
  - f. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 09, 2017.
  - g. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 09, 2017 only shall be entitled to avail the facility of remote e-voting/ poll.
  - h. Any person who becomes a member of the company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. September 09, 2017, may cast their votes by following the instructions and process of remote e-voting as provided in the Notice of the AGM uploaded at our website [www.gsfclimited.com](http://www.gsfclimited.com) and CDSL website: [www.evotingindia.com](http://www.evotingindia.com). If the member is already registered with CDSL e-voting platform then he can use his existing user ID and password for casting the vote through remote e-voting.**
  - i. The remote e-voting facility will be available during the following period:  
Commencement of remote e-voting: from 9.00 A.M. on September 13, 2017  
End of remote e-voting: up to 5.00 P.M. on September 15, 2017.  
The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
  - j. The scrutinizer, after scrutinizing the votes cast at the meeting (poll) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.gsfclimited.com](http://www.gsfclimited.com) and on the website of the CDSL [www.evotingindia.com](http://www.evotingindia.com). The results shall simultaneously be communicated to the stock exchange.
  - k. Subject to receipt of requisite number of votes, the Resolution shall be deemed to be passed on the date of the Meeting, i.e. September 16, 2017.
  - l. Instructions and other information relating to remote e-voting:**
    - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
    - (ii) Now click on "Shareholders" tab to cast your vote.
    - (iii) 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.
    - (iv) Next enter the Image Verification as displayed and Click on Login.
    - (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.