



PROGRESSIVE FARMERS, THRIVING INDUSTRIES



57th ANNUAL REPORT
2018-19

Nurturing the Soil, Fuelling Farmers' Progress

In view of nationwide micronutrient deficiency in the soil, company has recently launched two new products which are fortified with micronutrients.

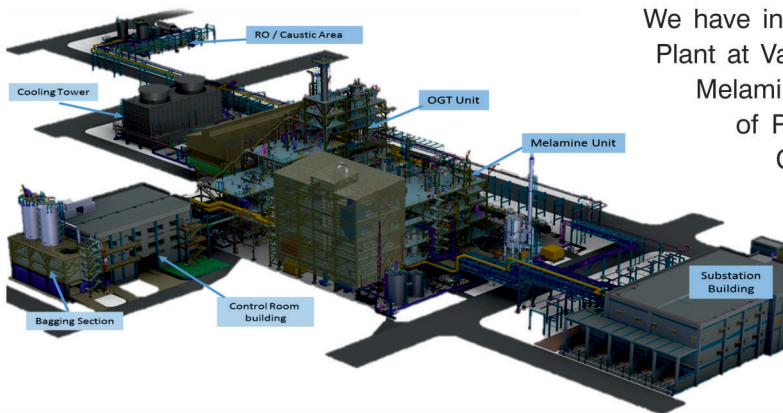
Gypsum Plus - This is basically a soil conditioner, fortified with Mg, Zn, B. It can be applied at any stage of farming. It loosens the tightness of the soil and helps reclaiming the saline and alkali soil. Additionally, micronutrients correct their deficiency in the soil.

Boronated NPK-12:32:16 - It is a complex fertilizer having all 3 major nutrients – N, P & K with additional benefit of Boron. It is fortified with 0.2-0.3% Boron. It facilitates & balances plant nutrition, also regulates NPK Ratio. Boron Increases flowering and cell division and regulates hormone production and oil production



Melamine Expansion

We have installed a High Pressure Technology based Melamine-III Plant at Vadodara complex having total Capacity of 40,000 MTPA Melamine and 50,000 MTPA Additional Molten Urea with the help of Process Licensor M/s Casale SA, Switzerland and EPC Contractor M/s Larsen & Toubro Hydrocarbon Engineering Ltd. We commissioned this Plant in March, 2019. This plant also supplies Molten Urea to existing Melamine-I and II plants for production of Low Pressure Technology based Melamine. The total Melamine Production capacity is now 55000 MTPA.



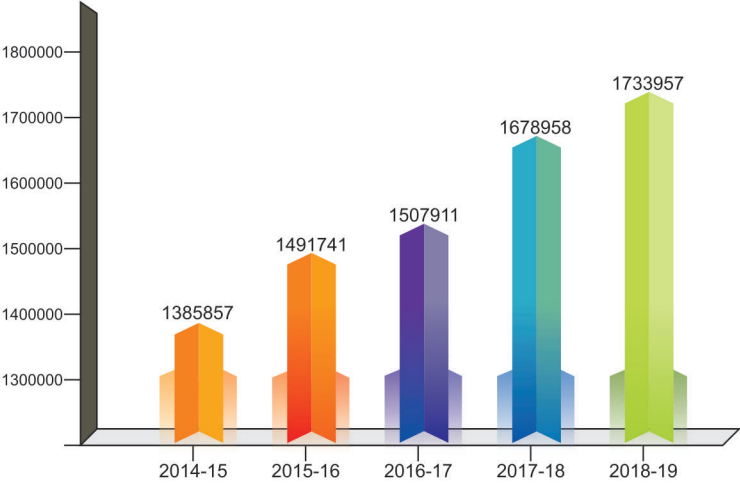
New Trading Cell, New Opportunities

We have established a new Trading Cell to capitalise on the opportunities on national and international shores for our products. This special cell comprises of professionals who are handpicked from various industries. Our Trading Cell was able to identify various markets and export around 10000 MT of fertilisers in FY 2018-19 to nearby countries like Nepal and some quantities to Africa. The Cell was also able to efficiently source Non-Bulk fertilisers/micronutrients to cater to the demand of farmers through our subsidiary company GSFC Agrotech Limited (GATL). It also enabled us in importing petrochemicals to bridge the supply gap of Industrial Products. The Cell also identified and executed opportunities under the merchant export model to facilitate exports of fertilizers and chemicals.

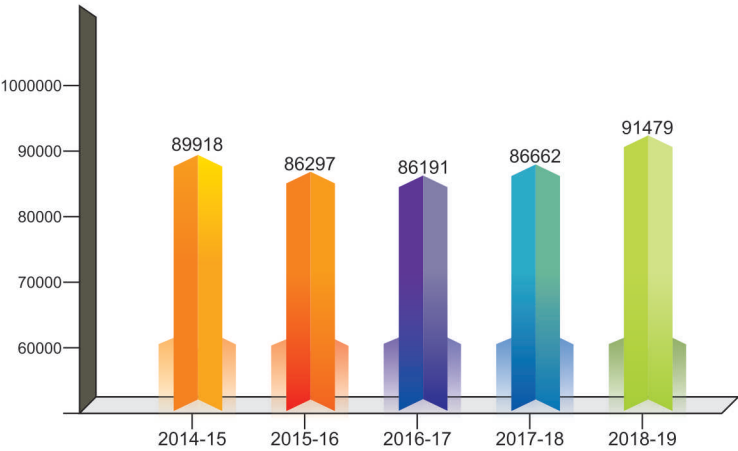


Performance Highlights

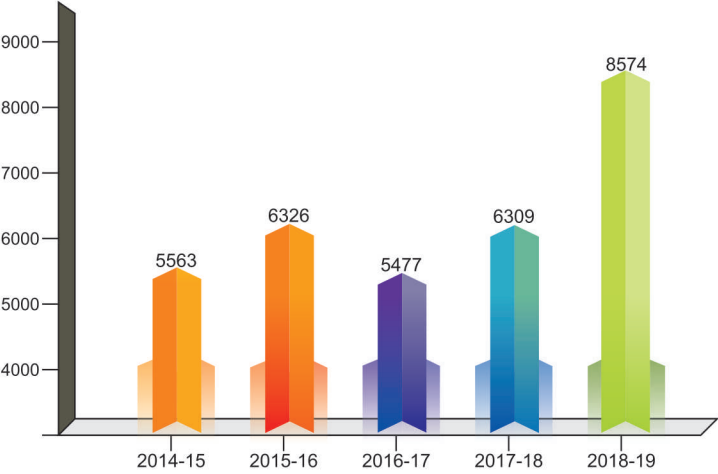
Production (Fertilizers)
in MTS



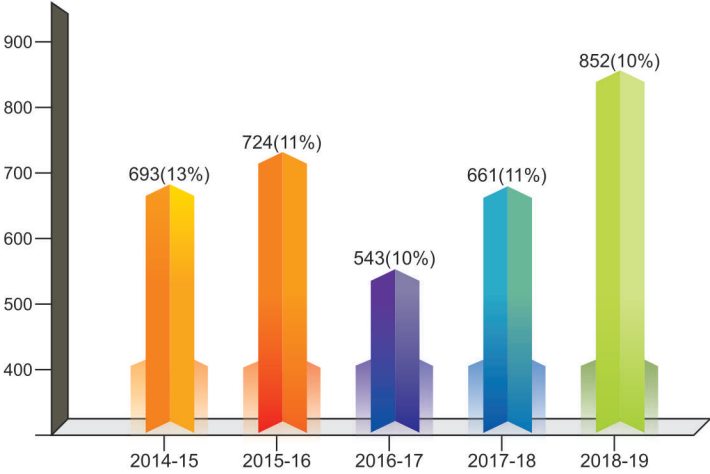
Production (Caprolactum)
in MTS



Gross Sales
(₹ Crores)

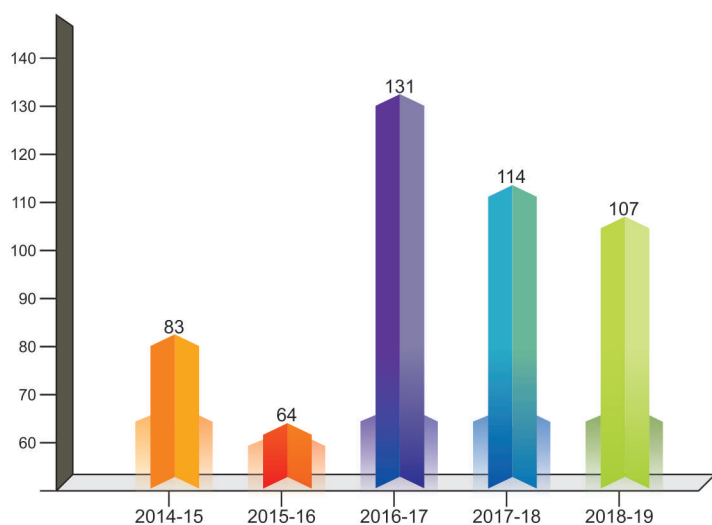


Operating Profit
(%) (₹ Crores)

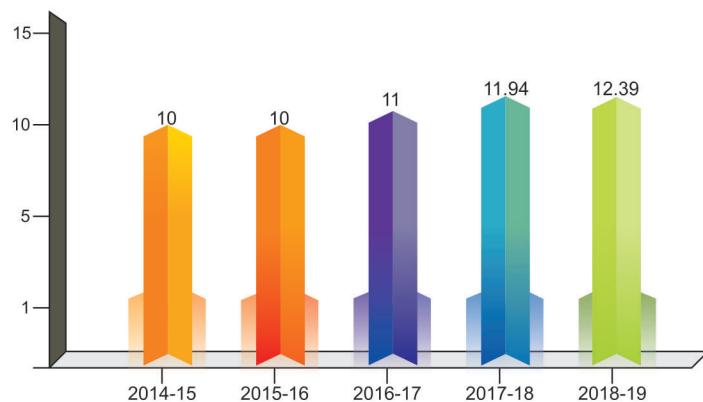


Performance Highlights

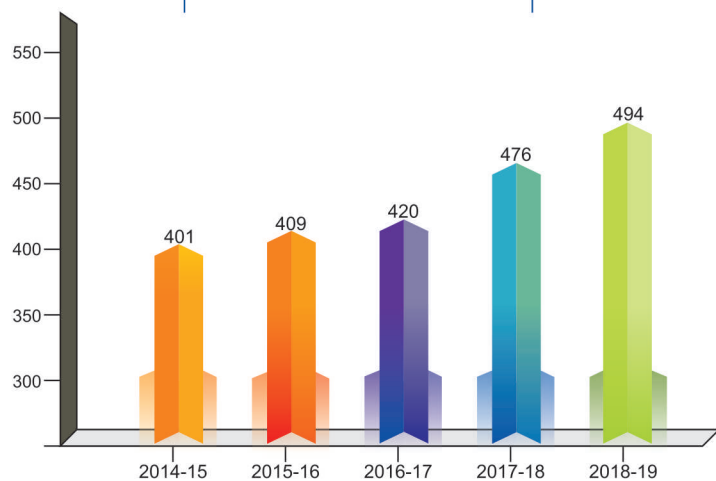
Market Price Per Share
(Face Value ₹ 2/- Per Share)
(As on 31st March of Respective Year)



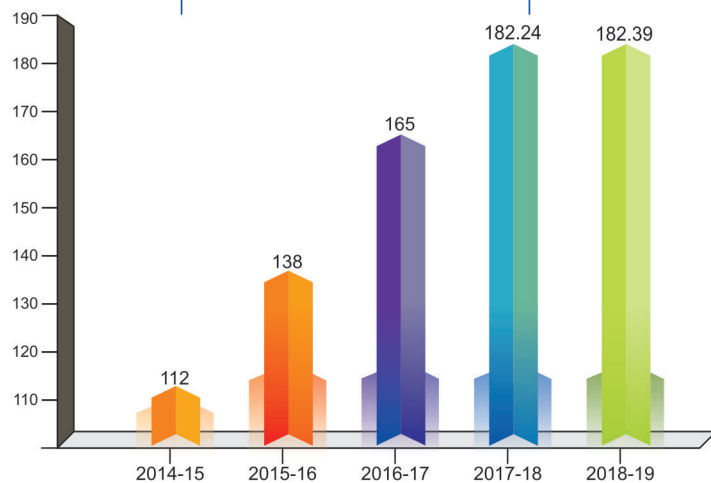
Earning Per Share
(Face Value ₹ 2/- Each)



Profit After Tax
(₹ In Crores)



Book Value Per Share
Amt in Rs. (Face Value ₹ 2/- Each)



GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

[Corporate Identity Number (CIN) : L99999GJ1962PLC001121]

57TH ANNUAL GENERAL MEETING

Date : 27th September, 2019
Day : Friday
Time : 3.30 p.m.
Place : Cultural Centre Auditorium
Fertilizernagar Township
Fertilizernagar - 391 750
District Vadodara

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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

BOARD OF DIRECTORS (As on 22-05-2019)

DR. J N SINGH *Chairman*
SHRI D C ANJARIA
PROF. VASANT P GANDHI
SHRI AJAY N SHAH
SHRI VIJAI KAPOOR
SMT. GEETA GORADIA
SHRI ARVIND AGARWAL
SHRI SUJIT GULATI *Managing Director*

EXECUTIVE DIRECTOR (FINANCE) & CFO

SHRI V D NANAVATY

EXECUTIVE DIRECTOR

SHRI S P YADAV

SR. VICE PRESIDENTS

SHRI S V VARMA
SHRI A K JAUHARI
SHRI B B BHAYANI
SHRI D B SHAH
SHRI D N THAKKER
SHRI D K GANDHI
SHRI S J PARIKH
SHRI H N GURJAR
SHRI S P BHATT
SHRI D V PATHAKJEE
SHRI S K BAJPAI
SHRI M GARG

COMPANY SECRETARY & SR. VICE PRESIDENT (LEGAL & GST)

CS V V VACHHRAJANI

VICE PRESIDENT / CHIEF

SHRI S H PUROHIT
DR. P B VAISHNAV

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 T R Chadha & Co., LLP, Ahmedabad

COST AUDITORS

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

SECRETARIAL AUDITORS

Niraj Trivedi, Vadodara

FOR MEMBERS' ATTENTION

- 1 The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, the 12th September, 2019 to Friday, the 27th September, 2019 (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 or after 07th October, 2019, 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 12th September, 2019.

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, 2019 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 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 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-seventh Annual General Meeting** of the Members of the Company will be held at the Cultural Centre Auditorium situated at the Registered Office of the Company at P. O. Fertilizernagar, Vadodara-391750 on **Friday, the 27th September, 2019 at 03:30 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, 2019, 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, 2019.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Arvind Agarwal, IAS (DIN 00122921), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider re-appointment of 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 and Board, 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, for second term of three consecutive years who shall hold office from the conclusion of this 57th Annual General Meeting (AGM) till the conclusion of 60th AGM of the Company, 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 continuation of Appointment of Shri Vijai Kapoor as Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a **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 thereunder, 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 Shri Vijai Kapoor (DIN 01084371), who has attained the age of seventy five (75) years, to continue to be a Non-Executive Independent Director of the Company till the conclusion of 58th Annual General Meeting, being the date of expiry of his current term of office."
6. To approve the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2020 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 Diwanji & 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, 2020 be paid the remuneration of Rs. 4,80,000/- plus applicable taxes and reasonable out of pocket and traveling expenses."

Place : Fertilizernagar
Date : 09/08/2019

By Order of the Board
Sd/-
CS V. V. Vachhrajani
Company Secretary &
Sr. Vice President (Legal & GST)

NOTES (Contd..)

1. **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.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
3. 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 31st 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 31-03-2011 has been transferred to the said fund.

4. **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
38	2011-12	04-08-2012	09-09-2019
39	2012-13	03-08-2013	08-09-2020
40	2013-14	08-08-2014	13-09-2021
41	2014-15	16-09-2015	22-10-2022
42	2015-16	17-09-2016	23-10-2023
43	2016-17	16-09-2017	22-10-2024
44	2017-18	28-09-2018	03-11-2025

Members who have not yet encashed their dividend warrant (s) for the Financial Year ended 31-03-2012 to 31-03-2018, are requested to lodge their claims to the Company accordingly, without any delay.

Pursuant to Section 124 and 125 of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017, and amendments thereto, the Company is mandated to transfer all such shares in respect of which dividend amount remains unclaimed/unpaid for consecutive period of seven years or more, shall be transferred to the demat account of the IEPF Authority.

The Company has accordingly, transferred the below mentioned shares to the IEPF Authority Account :

- (1) 15,17,535 Equity Shares of the Shareholders whose dividend has remained unclaimed for a period of 7 years from 2009-10 to 2015-16 in the month of December, 2017 and
- (2) 1,44,120 Equity Shares of the Shareholders whose dividend has remained unclaimed for a period of 7 years from 2010-11 to 2016-17 in the month of November, 2018

Details of the Shares Transferred to the IEPF Authority are available on the website of the Company through the link : <http://www.gsfclimited.com/IEPF.asp?mnuid=5>

Kindly note that all future benefit, accruing on such shares would also be credited to IEPF Authority Account. Further, in terms of Rule 7 of the said Rules, Shareholders may note that, both the unclaimed dividend and the shares, transferred to IEPF Authority can be claimed back from the IEPF Authority, by filing e-form IEPF-5 available at the access link on Company's website <http://www.gsfclimited.com/IEPF.asp?mnuid=5> or on website www.iepf.gov.in.

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 20, 2019.
 - 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 20, 2019 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 20, 2019, 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 and CDSL website: 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 24, 2019
End of remote e-voting: up to 5.00 P.M. on September 26, 2019.
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 and on the website of the CDSL 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 27, 2019.
 - l. **Instructions and other information relating to remote e-voting:**
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Now click on "Shareholders" tab to caste 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 and voted on an earlier voting of any company, then your existing password is to be used.

NOTES (Contd..)

- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
Permanent Account Number (PAN)	Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * For Members holding shares in demat / physical form and have not updated their PAN with the Company/ Depository Participant are requested to use the 10 digits sequence number. The Sequence Number is printed on address sticker pasted on Annual Report.
DOB #	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly to the Company Selection Screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the E- Voting Sequence Number (EVSN) 190817001 along with "Gujarat State Fertilizers & Chemicals Limited" from the drop down menu and click on "SUBMIT"
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also use Mobile app - "m-Voting" for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).
- (xviii) 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 should be mailed 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.
- (xix) 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.