

"Reviving Nature, Enriching Lives"

61st ANNUAL REPORT

2022
2023



GUJARAT STATE FERTILIZERS
& CHEMICALS LIMITED

APPLICATION DEVELOPMENT CENTRE

GSFC is market leader in value chain of Caprolactam, Nylon 6 virgin polymer & its compounds. The compounds of Nylon 6 are used in diverse performance applications ranging from consumer durables to Automotive.

Application Development Centre (ADC), a growth engine for Nylon 6 business, works on development of premium compounds of Nylon 6 largely for original equipment manufacturers (OEMs) in automotive, luggage, furniture, power, textile, packaging, defense etc. industrial segments. Developed compounds of Nylon 6 possess unique attributes like weather resistance, toughness, fire resistance, anti - hydrolysis, rigidity, dimensional stability etc. to meet specific performance requirements of various applications.

Team of highly qualified scientist, technologist and development engineers effectively steer compound development programs and commercialization thereof for propelling business growth. The center houses state of art development facilities and advanced characterization instruments for quicker response to development needs of Market. ADC also renders various technical services to customers viz. processing guidelines, new color shade evolution, compound selection, regulatory compliances, material characterization etc.

Some of the recently developed compounds for premium applications:



Cable Tie for Electrical/Power/Consumer Durable Segment



Engine Cover of Automotive



Oil Sump Cover of Automotive



Wheel Cap of Automotive

APPLICATION DEVELOPMENT CENTRE



Electrical/Power/Automotive Application for Flame Retardancy



Wheel Cap of Automotive



Visco Fan of Automotive



ORVM Actuator Motor Base of Automotive



Ever since its inception in 1962, Gujarat State Fertilizers and Chemicals (GSFC) Limited is serving the community towards enriching lives of all its stake holders. We at GSFC have always considered CSR as an integral part of our business activity and have taken up the social cause under theme of “Human Development Index (HDI)”.

We are working on multi-faceted CSR projects covering areas like education, sanitation, health, environment, nutrition, rural development, providing clean drinking water, support to NGOs, woman empowerment etc much before the concept of Corporate Social Responsibility (CSR) got clad into legal frame-work through Companies Act 2013, there existed a Village Development Cell which served the community with great commitment.

Major projects in the FY 2022-23 are Support to GSFC University and GSFC run schools, providing safe drinking water facility to nearby community, projects in association with local administration, infrastructure development, farmer development, and projects under Azadi ka Amrut Mohatsav Campaign etc.

The numerous steps taken are a testimony to how much GSFC cares for its society. The company's importance towards the betterment of the society even in these tough times shows its commitment and has kept no stone unturned to keeping its nation healthy, happy and safe.



RESEARCH & DEVELOPMENT

- To promote Organic fertilizers for reduced health hazard and sustainable agriculture, an organic fertilizer product named “Sardar SUDHAN” developed by fortification and granulation of the material derived from dung based gobargas plants. These gobargas plants are installed in villages under GOBAR (Galvanizing Organic Bio-Agro Resources) – DHAN scheme as a part of Manure management program of NDDDB. MoU with NDDDB is also executed for further research inputs and marketing of product.
- Liquid fertilizers are gaining more importance day by day because of its easy application through foliar spray, fast response and less logistics cost. A product to this segment is added by developing a FCO grade Calcium Nitrate Suspension, fortified with Magnesium. This product is a nitrogen fertilizer with added nutrients like calcium and magnesium and can be used in fruit and vegetable crop.
- As a part of contributing towards cleaner future, various green initiatives were taken for effective waste management practices across the complex. For the effective use of food waste, a biogas pilot plant is installed at township nursery to generate bio methane and electricity. The generated biogas is being utilized at guesthouse for cooking purpose. Alternatively biogas can also be used to generate electricity and slurry/remains can be used as fertilizer. To address horticulture waste, a process for converting it into biocoal/briquettes is also developed.

Technology absorption

1. Commissioning of plant for bulk production of Phosphogypsum Granules.
2. A Bio-Methane pilot plant installed at Fertilizernagar, Vadodara to process food waste (Max 500 kg/Day) for Production of biogas (up to 20 kg/Day) and Power generation (up to 50 kw/Day). Slurry remains of plant can be utilized as organic fertilizer.
3. Large scale production of FCO grade Calcium Nitrate Suspension has been started at WSF Plant, Vadodara.



PERFORMANCE HIGHLIGHTS

Production (Fertilizers)



Production (Caprolactum)



Gross Sales



Operating Profit



PERFORMANCE HIGHLIGHTS

Market Price Per Share

Face Value ₹ 2/- per share



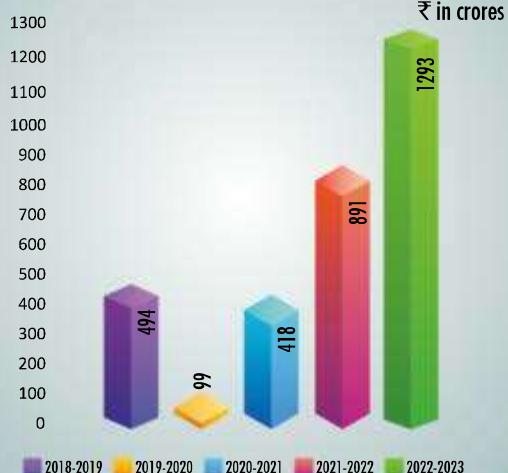
Earning Per Share

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]

61ST ANNUAL GENERAL MEETING

Date : 22nd September, 2023
Day : Friday
Time : 11:00 a.m.
Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

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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

REGISTRARS & SHARE TRANSFER AGENT

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
Fax : (0265) 2356791
Email : vadodara@linkintime.co.in

BOARD OF DIRECTORS (As on 22-08-2023)

SHRI RAJ KUMAR *Chairman*
PROF. RAVINDRA DHOLAKIA
SHRI TAPAN RAY
SMT. GAURI KUMAR
DR. SUDHIR KUMAR JAIN
SHRI JAGDISH PRASAD GUPTA
SMT. MAMTA VERMA
SHRI MUKESH PURI *Managing Director*

EXECUTIVE DIRECTOR (FINANCE) & CFO

SHRI V D NANAVATY

EXECUTIVE DIRECTORS

SHRI S V VARMA
SHRI H N GURJAR

SR. VICE PRESIDENTS

SHRI D V PATHAKJEE
SHRI S H PUROHIT
SHRI S K BAJPAI
SHRI R S ERANDE

COMPANY SECRETARY & VICE PRESIDENT (LEGAL)

CS V V VACHHRAJANI (upto 10/02/2023)
SMT. NIDHI PILLAI

VICE PRESIDENT

DR. P B VAISHNAV

BANKERS

Bank of Baroda
State Bank of India
Axis Bank Ltd.
HDFC Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.

LEGAL ADVISORS AND ADVOCATES

Shardul Amarchand Mangaldas & Co., Mumbai
Nanavati Associates, Advocates, Ahmedabad
Gandhi Law Associates, Advocates, Ahmedabad
Kunan Naik Associates, Advocates, Ahmedabad
Jaideep B. Verma, Advocate, Vadodara
Anand Majmudar, Advocate, Vadodara

STATUTORY AUDITORS

M/s Parikh Mehta & Associates, Vadodara

COST AUDITORS

M/s Diwanji & Company, Vadodara

SECRETARIAL AUDITORS

Shri Niraj Trivedi, Vadodara

NOTICE

NOTICE is hereby given that the **Sixty First Annual General Meeting** of the Members of Gujarat State Fertilizers & Chemicals Limited will be held at 1100 hours (IST) on **Friday, the 22nd September, 2023** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business

1. To receive, consider and adopt the:
 - a) audited financial statements of the Company for the financial year ended 31st March, 2023, together with the reports of the Board of Directors and Auditors thereon; and
 - b) audited consolidated financial statements of the Company for the financial year ended 31st March, 2023 together with report of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri J. P. Gupta, IAS (DIN 01952821), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.

Special Business

4. Ratification of remuneration to Cost Auditor.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of 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), the remuneration payable to M/s Diwanji & Company, Cost Accountants, Vadodara (Firm Registration No. 000339), appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, as cost auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2024, amounting to Rs. 4,40,000 (Rupees Four Lakh Forty Thousand only) excluding applicable taxes and reimbursement of out of pocket expenses, at actuals, if any incurred in connection with the aforesaid audit, be and is hereby ratified.

By Order of the Board

Sd/-

Nidhi Pillai

Company Secretary &
Vice President (Legal)
Membership No. A15142

Place: Vadodara
Date: 22.08.2023

NOTICE (Contd..)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 04

Ratification of remuneration to Cost Auditor.

Section 148 of the Companies Act, 2013 ("Act") read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 ("Audit Rules") provides for:

- appointment of a Cost Accountant in practice, to conduct audit of cost records of a company, by the board of directors on the recommendation of audit committee; and
- ratification of remuneration payable to him by the members of the company.

The Board, on recommendation of the Audit Committee, has approved the appointment of and remuneration payable to M/s Diwanji & Company, Cost Accountants, Vadodara (Firm Registration No. 000339), as cost auditor of the Company for the financial year 2023-24. The remuneration fixed for conducting the audit of the cost records of the Company for the financial year ending on 31st March, 2024 is Rs. 4,40,000 (Rupees Four Lakh Forty Thousand Only) plus applicable taxes and reasonable out of pocket and traveling expenses.

In view of the above - mentioned provisions of the Act and Audit Rules, the Members are requested to consider and ratify the remuneration payable to M/s Diwanji & Company for the financial year ending 31st March, 2024, as set out at item no. 4 of the Notice.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 4 of the Notice for approval of the Members.

By Order of the Board

Sd/-
Nidhi Pillai

Company Secretary &
Vice President (Legal)
Membership No. A15142

Place: Vadodara
Date: 22.08.2023

NOTICE (Contd..)

Annexure – I

DETAILS OF DIRECTOR(S) SEEKING APPOINTMENT / REAPPOINTMENT BY THE SHAREHOLDERS OF THE COMPANY AT THE ENSUING ANNUAL GENERAL MEETING IN PURSUANCE OF REGULATIONS 26 (4) & 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND APPLICABLE SECRETARIAL STANDARDS

Name of Director	Shri J. P. Gupta, IAS
DIN	01952821
Date of Birth	01/07/1965
Date of first appointment	14/12/2021
No. of Shares held by self or on beneficial basis for any other person	Nil
Relationship with other Directors / Key Managerial Personnel	Nil
Qualifications	Shri J. P. Gupta is a senior IAS officer of 1991 batch. He holds Bachelors Degree in Engineering (Mechanical) from Jodhpur University and Masters of Technology from IIT, New Delhi.
Nature of Expertise/ Experience	Shri Gupta joined the Indian Administrative Service in 1991. He has wide experience of various departments such as Land Revenue, Urban Development, Transport, Education Department and Commercial Tax, Government of Gujarat. He has also served in various PSUs like Gujarat Water Infrastructure Limited, The Gujarat State Civil Supplies Corporation Limited, Gujarat Medical Services Corporation Limited, Gujarat State Investment Limited, Gujarat Urban Development Company Limited etc. Presently, he is Additional Chief Secretary, Finance Department, Government of Gujarat.
Names of other Companies in which Directorship is held	<ul style="list-style-type: none"> ➤ Gujarat Alkalies and Chemicals Limited ➤ Gujarat Narmada Valley Fertilizers & Chemicals Limited ➤ Gujarat State Petronet Limited ➤ Gujarat State Petroleum Corporation Limited ➤ Sardar Sarovar Narmada Nigam Limited ➤ Gujarat Metro Rail Corporation (GMRC) Limited ➤ Gujarat State Investment Limited ➤ Gujarat State Financial Services Ltd ➤ Gujarat Livelihood Promotion Company Limited
Names of the Committees of the Board of Companies in which Membership/ Chairmanship is held at GSFC Limited	Finance-cum-Audit Committee – Member Risk Management Committee – Member Corporate Social Responsibility Committee - Member

*For details regarding the number of meetings of the Board / Committees attended by the above Director(s) during the year and remuneration drawn / sitting fees received, please refer to the Board's Report and the Corporate Governance Report forming part of the Annual Report for the FY 2022-23.

By Order of the Board

Sd/-

Nidhi Pillai

Company Secretary &
Vice President (Legal)
Membership No. A15142

Place: Vadodara
Date: 22.08.2023