



**9<sup>th</sup>  
Annual Report  
2008–2009**

Report  junction.com

GULSHAN



**Gulshan Polyols Limited**  
(An ISO 9001:2000 Company)

# Gulshan Polyols Limited



## BOARD OF DIRECTORS

Mrs. Mridula Jain	: Chairperson (Non-Executive Director)
Dr. Chandra Kumar Jain	: Managing Director
Mr. Shiv Kumar Uppal	: Whole Time Director
Mr. Ajay Jain	: Non – Executive Independent Director
Mr. K. K. Pandey	: Non – Executive Independent Director
Mr. A. K. Maheshwari	: Non – Executive Independent Director
Mr. A. K. Vats	: Whole Time Director

## COMPANY SECRETARY

Ms. Nisha Gupta

## AUDITORS

M/s Shahid & Associates  
Chartered Accountants  
Muzaffarnagar (UP).

## BANKERS

Bank of Baroda

## REGISTERED OFFICE

9<sup>th</sup> K.M., Jansath Road,  
Muzaffarnagar, Uttar Pradesh – 251 001

## CORPORATE OFFICE & INVESTOR CELL

G-81, Preet Vihar  
Delhi – 110 092

## REGISTRAR & SHARE TRANSFER AGENT

M/s. Alankit Assignments Ltd.  
2E/21, Alankit House  
Jhandewalan Extension  
New Delhi – 110 055

## PLANT LOCATION

- Plot No. 762, Jhagadia Industrial Estate,  
Bharuch – 393110 (Gujarat)
- 9<sup>th</sup> K.M., Jansath Road,  
Muzaffarnagar, Uttar Pradesh – 251 001

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# Gulshan Polyols Limited



## NOTICE

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting of the Members of GULSHAN POLYOLS LIMITED will be held on Tuesday, 22<sup>nd</sup> September, 2009 at 12:00 Noon at its Registered Office at 9<sup>th</sup> K.M., Jansath Road, Muzaffarnagar, Uttar Pradesh – 251001 to transact the following business:

### ORDINARY BUSINESS

- 1) To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2009 and the Profit & Loss Account of the Company for the year ended on that date together with the Reports of Board of Directors and the Auditors thereon.
- 2) To declare a dividend on equity shares.
- 3) To appoint a director in place of Mr. A. K. Maheshwari who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint a director in place of Mr. Ajay Jain who retires by rotation and being eligible offers himself for re-appointment.
- 5) To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

- 6) To consider, and if thought fit, to pass, with or without modification, the following resolution, as an ORDINARY RESOLUTION:

**"RESOLVED THAT** Mr. K. K. Pandey, who was co-opted as an Additional Director of the Company w.e.f. 21<sup>st</sup> June, 2008 under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received notice from a member under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. K. K. Pandey for the office of Director be and is hereby appointed as a Director of the Company."

- 7) To consider and if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

**"RESOLVED THAT** pursuant to sections 198, 269, 309 and 310 read with schedule XIII and other applicable provisions of the Companies Act, 1956, approval of the shareholders be and is hereby accorded to the appointment of Dr. C. K. Jain as Managing Director of the Company for a further period of 3 years w.e.f. 1<sup>st</sup> April 2009 on the remuneration, perquisites and other benefits and amenities as set out in the resolution with a liberty to the Board of Directors to make and /or accept any variation in the terms & conditions and also to consider annual increment in remuneration within the limits specified in above sections and Schedule XIII of the Companies Act, 1956 or any other applicable provisions of the Act and guidelines issued by the Central Government from time to time."

Salary : (i) Rs. 3,50,000/- (Rupees Three Lac and Fifty Thousand only) per month with effect from 1<sup>st</sup> April, 2009 for a period of three years (subject to deduction of tax at source).

(ii) Company's contribution towards Provident Fund, Gratuity and Encashment of accumulated Leaves as per rules of the company. The Gratuity shall not exceed an amount equal to half month's salary for each completed year of service. However, all these shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

(iii) Company's Car for use on Company's business and telephone at residence and Mobile phone will be provided but shall not be considered as perquisites. Personal long distances calls and use of car (if any) for private purpose shall be billed by the Company.

- 8) To consider, and if thought fit, to pass, with or without modification, the following resolution, as an ORDINARY RESOLUTION:

**"RESOLVED THAT** pursuant to sections 198, 269, 309 and 310 read with schedule XIII and other applicable provisions of the Companies Act, 1956, approval of the shareholders be and is hereby accorded to the appointment of Mr. A. K. Vats as Whole Time Director of the Company for a period of 3 years w.e.f.

# Gulshan Polyols Limited



1st April, 2009 on the remuneration, perquisites and other benefits and amenities as set out below with a liberty to the Board of Directors to make and/or accept any variation in the terms & conditions within the limits specified in above sections and Schedule XIII of the Companies Act, 1956 or any other applicable provisions of the Act and guidelines issued by the Central Government from time to time".

Salary : Rs. 50,000/- (Rupees Fifty Thousand Only) per month with effect from 1<sup>st</sup> April, 2009 for a period of three years (subject to deduction of tax at source).

Perquisites : (i) An Amount equal to Rs. 25,000/- (Rupees Twenty Five Thousand Only) per month being House Rent Allowance.

(ii) Company's contribution towards Provident Fund, Gratuity as per prevailing laws and Encashment of accumulated leaves as per the rules of the company. The Gratuity shall not exceed an amount equal to the half-month's salary for each completed year of service. However, all these shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

(iii) Company's Car for use on Company's business and telephone at residence and Mobile phone will be provided but shall not be considered as perquisites. Personal long distance calls and use of car (if any) for private purpose shall be billed by the company.

By the order of the Board of Directors

sd/-

**Nisha Gupta**

Company Secretary

Place: Delhi

Date : May 30, 2009

## NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- The information as required to be provided under the Listing Agreement entered into with Stock Exchange regarding the directors who are proposed to be appointed/ re-appointed and the related explanatory statement pursuant to section 173(2) in respect of the business under item no. 6, 7 & 8 set out above are annexed hereto.
- The register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, August 4, 2009 to Saturday, August 8, 2009 (both days inclusive).
- In terms of provisions of section 205 A & 205 C of Companies (Amendment) Act, 1999, the dividend which has remain unpaid or unclaimed for a period of seven years has been transferred to the Investor Education and Protection Fund set up by the Government of India.
- Dividend on the Shares, if approved by the shareholders at the Meeting, will be paid to those Members/Beneficial owners whose names appear on the Company's Register of Members/Register of Beneficiaries as on Saturday, August 8, 2009.
- In view of prevailing Income Tax Laws, the dividend distributed by the Company is tax-free in the hands of the shareholders and no TDS would be deducted from the amount of the dividend.
- Members are requested to notify promptly any change in their address and to furnish dividend mandates, if any, so as to reach the Registrar & Share Transfer Agent of the Company i.e. M/s Alankit Assignments Ltd, 2E/21, Alankit House, Jhandewalan Extension, New Delhi 110 055 (Phone no 011-42541234, 23541234 and Fax No 011-41540064, and email address: rta@alankit.com) or to Share Department & Investor Cell of the Company at G-81, Prēt Vihar, Delhi - 110 092 (Phone no 011-32991997, 32508619 and Fax no. 011-22157338) and email address nishagupta@gulshanindia.com.
- The members can avail of the nomination facility by filling & filing form 2-B with the company. Blank forms will be supplied on request.
- Members/Proxies are requested to bring copy of the Annual Report with them, as copies of the Report will not be distributed at the Meeting.



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## INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/ re-appointed are given below:

- (1) Name : Mr. A.K. Maheshwari  
 Age : 44 years  
 Qualifications : B.Com, FCA, ACS  
 Experience : Over 23 years experience in Finance, Banking, Project Finance, Funds Raising, Taxation, Company Secretarial matters etc.  
 Other Directorships : Rishi Trading Co. Limited, Shekhawati Vaniya Vikas (P) Ltd. and Twinkle Traders (P) Ltd.
  
- (2) Name : Mr. Ajay Jain  
 Age : 49 years  
 Qualifications : FCA, ACS  
 Experience : Vast experience in Finance and Management.  
 Other Directorships : Genus Prime Infra Limited (Formerly Gulshan Chemfill Ltd.).  
 He is a member of Remuneration Committee, Shareholders' Grievance Committee and Chairman of Audit Committee. He also holds membership of three committees of Board of other Company and Chairmanship of one committee out of three.
  
- (3) Name : Mr. K. K. Pandey  
 Age : 65 years  
 Qualifications : M.Com, LL.B., C.A.I.I.B.  
 Experience : Over 42 years experience in Banking Sector.  
 Other Directorships : None  
 He is a member of Audit Committee and Chairman of Remuneration Committee and Shareholders' Grievance Committee.
  
- (4) Name : Dr. C. K. Jain  
 Age : 61 years  
 Qualifications : B.Sc., Ph. D. (Chemistry)  
 Experience : Vast experience in managing business affairs.  
 Other Directorships : Genus Prime Infra Limited (Formerly Gulshan Chemfill Ltd.), Gulshan Holdings Pvt. Ltd., Gulshan Lamee Pack Pvt. Ltd., Gulshan Speciality Minerals Pvt. Ltd., STM Projects Ltd.  
 He is a member of Audit Committee. He also holds membership of two committees of Board of other companies.
  
- (5) Name : Mr. A. K. Vats  
 Age : 47 years  
 Qualifications : B.Com, Diploma in Marketing and Management.  
 Experience : Over 27 years experience in matters related to marketing.  
 Other Directorships : None

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### ITEM NO. 6:

Mr. K. K. Pandey was appointed as an Additional Director of the Company in the meeting of Board of Directors held on 21<sup>st</sup> June 2008 with a view to broad base the Board by inducting Independent Director. He is having more than 42 years of experience in Banking Sector and has retired from the post of General Manager from Bank of Baroda. He will hold office of director up to the date of ensuing Annual General Meeting. The Company has received a notice from a member proposing the candidature of Mr. K. K. Pandey for the office of the director under the provisions of Section 257 of the Companies Act, 1956.

None of the Directors except Mr. K. K. Pandey being himself is interested or concerned in the proposed resolution.

Your Directors recommend the resolution for your approval

### ITEM NO 7:

The tenure of Dr. C. K. Jain, Managing Director, has expired on 31<sup>st</sup> March, 2009. The Board of Directors of your Company in the Board Meeting held on 30<sup>th</sup> May, 2009 has reviewed his performance and unanimously decided to re-appoint him as Managing Director of the Company for a further period of 3 years retrospectively w.e.f. 1<sup>st</sup> April 2009 on the terms and conditions and remuneration package as set out in the resolution above.

None of the Directors except Dr. C. K. Jain being himself and Mrs. Mridula Jain being his wife are interested or concerned in the proposed resolution.

Your directors recommend the resolution for your approval.

### ITEM NO 8:

Mr. A. K. Vats was appointed as an Additional Director of the Company, in the meeting of Board of Directors held on 30<sup>th</sup> October 2008, under Section 260 of the Companies Act, 1956. Subsequently, he was appointed as Whole Time Director of the Company w.e.f 1<sup>st</sup> April, 2009 subject to the approval of the shareholders in the Annual General Meeting for a period of 3 years on the terms and conditions and remuneration package as set out in the resolution above.

None of the Directors except Mr. A. K. Vats being himself is interested or concerned in the proposed resolution.

Your directors recommend the resolution for your approval.





# Gulshan Polyols Limited

## DIRECTORS' REPORT

Dear Members,

The Board of Directors feel great pleasure in presenting the 9<sup>th</sup> Annual Report along with Audited Accounts of your Company for the year ended 31<sup>st</sup> March 2009.

### FINANCIAL HIGHLIGHTS

(Rs. in lacs)

	CURRENT YEAR 31-03-2009	PREVIOUS* YEAR 31-03-2008
Turnover & Other Income	21769.92	18396.81
Expenditure	18220.04	15134.69
Profit before Depreciation, Finance Charges & Tax	3549.87	3262.12
Depreciation	668.70	597.89
Finance Charges	551.26	715.58
Profit Before Tax	2329.91	1948.63
Provision for Taxation		
Current Tax	161.54	221.61
Deferred Tax Liability	418.99	14.42
Fringe Benefit Tax	11.65	9.90
Net Profit after Tax	1737.72	1702.69
Prior Period Expenditure/ Extra ordinary items (Net)	4.22	14.54
Dividend & Dividend Tax	97.66	234.38
Gross Cash Accruals	2308.75	2066.20
Equity Share Capital	417.39	417.39
Par Value of Equity Share (Rs.)	5.00	5.00
Earning per Share		
Basic & diluted (Rs.)	20.82	20.40

\*The figures for the previous year are consolidated as Gulshan Sugars & Chemicals Limited (the Amalgamated Company) has been merged with Gulshan Polyols Limited w.e.f the appointed date i.e. 1<sup>st</sup> April, 2007 vide Hon'ble High Court of Allahabad Order dated 26<sup>th</sup> September, 2008.

### DIVIDEND

The Board of Directors is pleased to recommend a Tax-free dividend of 20% (Rs. 1.00 per share on an Equity Share of Rs. 5/- each) on the Equity Share Capital of the Company for the year ended 31<sup>st</sup> March 2009. The Dividend, if approved by the members at the ensuing Annual General Meeting, will be paid within stipulated period prescribed under the Companies Act, 1956.

### 2008-09 IN RETROSPECT

The Sales and Other Income for the financial year under review were Rs 21769.92 lacs (Previous year Rs. 18396.81 lacs) registering the increase of 18%. The Net Profits after tax rose marginally to Rs. 1737.72 lacs (Previous year Rs. 1702.69 lacs). The Depreciation for the year was Rs. 668.70 lacs

(Previous year Rs. 597.89 lacs). The Cash accruals were Rs. 2308.75 lacs (Previous year Rs 2066.20 lacs). The Capacity utilization during the year was 88%, 31%, 74% of the installed capacities of Sorbitol, Liquid Glucose and Calcium Carbonate Plant respectively.

The Company has set up the facilities for Onsite Precipitated Calcium Carbonate (Onsite PCC) Plant at Sahibabad (UP) for a Company in Paper Industry namely M/s Magnum Ventures Limited. The commercial operations commenced in May 2009. Further, the facilities for producing the Calcium Carbonate with a capacity of 15000 MT were set up at Ponta Sahib (Himachal Pradesh) where operations commenced in May 2009.

An amount of Rs. 200 lacs has been transferred to General Reserve Account. There have been no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report. The information about conservation of energy, technology absorption, foreign exchange earnings and outgo etc. has been incorporated in Annexure 1 forming part of this report.

The Company has no subsidiary or holding Company. During the year the business and affairs of the Company have been carried out in its normal course and no significant events have taken place, which are harmful to the business of the Company. There was no Buy-back Scheme of shares taken up by the Company during the year.

### MERGER OF GULSHAN SUGARS & CHEMICALS LTD. WITH THE COMPANY

Pursuant to a scheme of Amalgamation approved by the Hon'ble High Court of Uttar Pradesh at Allahabad vide its order dated 26<sup>th</sup> September, 2008, Gulshan Sugars & Chemicals Limited was merged with the Company w.e.f. the appointed date i.e. 1<sup>st</sup> April, 2007. The scheme was given effect to the financial statements as at 31<sup>st</sup> March, 2009. The corresponding financial data for the year 2008 represent the consolidated figures of both the Companies.

In terms of amalgamation scheme, w.e.f. the appointed date i.e. 1<sup>st</sup> April, 2007, the assets and liabilities of M/s Gulshan Sugars & Chemicals Limited, vest with the Company and difference between the carrying value of assets and liabilities under the Scheme has been adjusted to Amalgamation Reserves as on 31<sup>st</sup> March, 2008.

### SHARE CAPITAL

Your Company issued 2135407 equity shares of Rs 5/- each fully paid up to the shareholders of M/s Gulshan Sugars & Chemicals Limited in view of

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the amalgamation of M/s Gulshan Sugars & Chemicals Limited with the Company and listed the same with Bombay Stock Exchange along with existing listed shares of the Company. The paid up equity capital has increased to Rs. 4,17,38,535/- comprising of 83,47,707 Shares of Rs. 5/- each fully paid up.

The entitlement ratio for issue of equity shares of M/s Gulshan Polyols Limited to the shareholders of M/s Gulshan Sugars & Chemicals Limited as approved by Hon'ble High Court of Allahabad was 6:1 i.e. One (Rs. 5/- fully paid up) equity share of M/s Gulshan Polyols Limited for Six (Rs. 8/- fully paid up) equity shares of M/s Gulshan Sugars & Chemicals Limited. In order to deal with the remaining fractional shares, your Company had allotted 5656 equity shares of Rs. 5/- each fully paid up to GSCL's Shareholders Trust and Refund Warrants have already been dispatched to the shareholders entitled as per the data provided by the Registrar & Share Transfer Agent of the Company.

## FORFEITURE OF CONVERTIBLE WARRANTS

In October 2007, the Company had issued 21,00,000 convertible warrants at a price of Rs. 58 per warrant including premium of Rs. 53 per warrant. The allottees of the warrants had an option upon payment to convert, within 18 months from the allotment, into equal no. of shares having the face value of Rs. 5 per share. However, the allottees did not pay the allotment money and expressed their inability to pay the same. The Board of the Company decided to forfeit, the application money of 10% received. The amount so forfeited has been transferred to Capital Reserve of the Company.

## BOARD OF DIRECTORS

During the year, Mr. A. K. Vats was appointed as an Additional Director of the Company in the Board meeting held on 30<sup>th</sup> October, 2008. He was later on appointed as Whole time Director of the Company w.e.f. 1<sup>st</sup> April, 2009. Mr. K. K. Pandey was also appointed as an Additional Director of the Company in the Board meeting held on 21<sup>st</sup> June, 2008,

Mr. I. C. Agarwal resigned from the Board of the Company with effect from 21<sup>st</sup> June, 2008. The Board of Directors placed on record, its sincere appreciation and gratitude for the valuable services and counsel and contribution extended by him during his tenure as Director of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. A. K. Maheshwari and Mr. Ajay Jain, Non Executive Directors of the Board who held the office of Directors till the date of the forthcoming

Annual General Meeting are liable to retire by rotation and being eligible have offered themselves for re-appointment.

## PUBLIC DEPOSITS

The Company invited Fixed Deposits from the Shareholders & Public during the year. The Fixed Deposits mobilized and outstanding aggregated to Rs. 345.73 lacs as on 31<sup>st</sup> March, 2009 (Previous year Rs. 377.98 Lacs). There was no Fixed Deposit remained unclaimed as on 31<sup>st</sup> March, 2009. There were no delay/defaults in the payment of any of the Deposit.

The Company has complied with the provisions of section 58-A of the Companies Act, 1956 and rules made hereunder.

## CONTRIBUTION TO EXCHEQUER

Your Company has paid substantial amounts in excess of Rs. 2535 lacs to the Exchequer during the year in the form of Excise Duty, Custom Duty, Direct & Indirect taxes, levies, cess etc.

## INSURANCE

The Assets of the Company including Buildings, Plant & Machinery, and Stocks & Stores etc. have been adequately insured.

## DEMAT OF SHARES

Necessary arrangements are made for Dematerialization of Shares, including allotment of equity shares to the shareholders of M/s Gulshan Sugars & Chemicals Limited under the scheme of Amalgamation with the Company, with NSDL and CDSL. Out of the total, 93.48% of the equity shares of the Company are already in Demat form. Since the shares of the Company are traded on stock exchange in compulsory Demat form, the shareholders holding shares in physical form may avail this facility in their own interest.

## DISCLOSURE OF PARTICULARS

The information pursuant to section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and as amended and to the extent applicable to the Company are given as per prescribed Forms in Annexure-1 forming part of this report. The Company has not given any shares to any of the employees under Employees Stock Option Scheme.

## CORPORATE GOVERNANCE

As per the requirements of Clause 49 of the Listing Agreement, a report on Corporate Governance together with the following is attached to this report.



# Gulshan Polyols Limited



- a) Declaration on Code of Conduct
- b) CEO & CFO certificate
- c) Certificate from the Company Auditors

Management Discussion & Analysis on the business and operations of the Company is attached to this report.

## PERSONNEL

A statement giving the particulars of employee as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2009.

Employed for the whole of the Financial Year and in receipt of remuneration at a rate at which was not less than Rs. 24 Lacs per annum (considering from both amalgamated and amalgamating Companies), is as under :

Name	: Dr. C. K. Jain
Age	: 61 years
Designation	: Managing Director
Nature of Duty	: Overall management of the Company
Remuneration received	: Rs. 31,89,807/-
Qualification	: B. Sc. Ph. D. (Chemistry).
Experience	: Vast experience in managing business affairs.

Dr. C.K. Jain, Managing Director of the Company is related to Mrs. Mridula Jain as her husband.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii) The selected accounting policies were applied consistently and the directors made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2009 and of the profit of the company for the year ended on that date;
- iii) The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- iv) The annual accounts have been prepared on a going concern basis.

## SAFETY AND ENVIRONMENT

The Company continued to maintain a good safety record. The manufacturing units of the Company are environment friendly and maintain all safety standards and measures.

## INDUSTRIAL RELATIONS

The Company continued to maintain good industrial relations with the work force in its units and offices.

## AUDITORS AND AUDITOR'S REPORT

M/s. Shahid & Associates, Chartered Accountants, Auditors of the Company retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. They have confirmed that their appointment, if made, would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956.

All the items on which the Auditors have commented in their report are self explanatory and suitably explained in the Notes to the Accounts. The Auditors report to the shareholders does not contain any audit qualification. The accounts of the branches of the Company are also audited by the Statutory Auditors.

## ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere gratitude to the investors for their overwhelming support and confidence reposed in them. Your Directors express their appreciation of the valuable support and co-operation received from banks, financial institutions, business associates, customers, vendors and various statutory authorities. Your Directors place on record their sincere appreciation to the contribution made by all the employees in ensuring high levels of performance and growth that your company has achieved during the year at all levels through their hard work, dedication and support.

The future prospects of the Company are quite exciting in view of the product demand and capacity expansion and it would be the Company's endeavor to merit the confidence of the esteemed Shareholders on every account.

**For and on behalf of the Board of Directors**

sd/-

Place : Delhi  
Date : May 30, 2009

**Mridula Jain**  
Chairperson

# Gulshan Polyols Limited



## ANNEXURE TO DIRECTORS' REPORT

### ANNEXURE-1

#### FORM-A (See Rule-2)

Disclosure of particulars with respect to conservation of energy and Consumption per Unit of Production

#### Conservation of energy

- (i) **Energy Conservation measures taken:** The Company has realigned the existing power consuming sections to remove bottleneck and to ensure the uninterrupted and quality power supply at the minimum cost.
- (ii) **Additional investment and proposal, if any, being implemented for reduction of energy consumption:** None
- (iii) **Impact of measures (i) & (ii) above for reduction of energy consumption and consequent impact on cost of production of goods:** This would result in higher yield and reduction in power cost.
- (iv) **Total energy consumption and energy consumption per unit of production as per Form 'A':** The details are as under:

#### Disclosure of Particulars with respect to conservation of energy:

	Current Year March 31, 2009	Previous Year March 31, 2008
<b>A. Power &amp; Fuel Consumption :</b>		
<b>1. Electricity :</b>		
a) Purchased		
Units	515811	172980
Total Amount (Rs.)	3900003	1859281
Average Rate (Rs.)/ Unit	8	11
b) Own Generation:		
(i) Through Diesel Generator:		
Units	387823	487286
Units per Ltr. Of Diesel/Oil	3	4
Cost (Rs.)/unit	13	8
(ii) Through Steam turbine/Generator:		
Units	30692616	20706302
Cost (Rs.)/unit		
Cost per Ltr. of Fuel, Oil/Gas		
Turbine is operated by steam generated by boiler. All expenses of fuel used for boiler are booked under the head 'Fuels' and not under Electricity as it can not be accurately bifurcated/ascertained.		
<b>2. Coal/Coke (Used in Boiler, Microniser &amp; Gas Producer)</b>		
Qty. (Tones)	52823	61526
Total Cost (Rs.)	203061083	186025377
Average Rate (Rs.)	3844	3024
<b>3 Gas (Used in Lime Killin)</b>		
Qty. (M <sup>3</sup> )	1379457	0
Total Cost (Rs.)	15787176	0
Average Rate (Rs.)	11	0