



**GULSHAN**  
**POLYOLS LIMITED**

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**EXPANDING POTENTIAL**

ANNUAL REPORT 2021

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# Chairman's Statement



**Dr. Chandra Kumar Jain**  
*Chairman & Managing Director*

## Dear and Esteemed Fellow Shareowners,

My sincere wishes and hopes that each one of you is safe and sound.

We are living through a difficult time as COVID-19 pandemic has left no one untouched. The virus is not only claiming human lives — it is subjecting individual countries and the global political order to extraordinary stress, rarely seen in peacetime. But these challenges only reinforce our resolution to continue working. The challenges are unique as COVID-19, induced lockdowns, have disrupted the economic activity.

The Indian GDP, after a steep fall of 24.4% and 7.3% in Q1 and Q2 of FY 2020-21 respectively, has shown recovery with 0.4% growth in Q3. Based on this recovery trend, the GDP for 2021 is estimated to be contracting by 8% which is a clear outcome of the efforts undertaken in minimizing the impact of Covid-19 on the economy.

Going forward, for GPL, Employee wellbeing is of paramount importance and we have had multiple interventions in this regard including facilitating vaccination for them and their dependents.

We are grateful to the frontline healthcare workers and other support teams who are selflessly and fearlessly serving humanity during these challenging times. The silver lining is the success of large-scale vaccination in controlling the pandemic that is giving hope to humanity at large.

Due to lockdowns and restrictions imposed to prevent the spread of COVID-19, our performance was impacted upto June quarter. However, with the relaxations provided by the Government of India for essential services, our Company got the requisite permissions from respective State Governments to operate most of its production facilities during the lockdown period. However, the manufacturing operations during this period were operating at scaled-down levels. Encouragingly, despite the impact, your company has started witnessing a significant revival in demand. Consumption across markets continued to strengthen on a month-on-month basis during the course of the year. In sync with revival in demand, we increased production in a staggered manner across our production facilities. Your Company has marked impeccable growth, quarter on quarter and achieved many admirable wins and milestones through the last 3 quarters of FY 2021.

Our primary focus during the year was towards undertaking all necessary measures to maintain, excel and expand our business operations, by ensuring safety of our employees and stakeholders.

Being a Chairman on the Board of Gulshan Polyols Limited, let me assure you that despite myriad challenges, your company is focused on maintaining effervescent growth and delivering value to its stakeholders. GPL has great potential to grow and is constantly scouting for opportunities arising out of **“Make in India”** and **“Aatma-Nirbhar Bharat”** calls given by Hon'ble Prime Minister.

Moving towards 'Make in India' strategy of **Government of India on 'Ethanol Blending Petroleum Program'** on petrol blending with Ethanol upto 20% by 2023 (previously it was upto 2025), the Management is very much enthusiastic about future outlook of Ethanol

Business, so it is exploring new locations and avenues alongwith expansion of existing sites.

Company is planning to expand the business and explore opportunities globally. In this regard, we have already initiated the process to incorporate a wholly owned subsidiary of the Company in International Free Zone Authority (IFZA), Dubai Silicon Oasis, Dubai, United Arab Emirates.

I am elated to announce that your company has become a Debt Free Company as on March 31, 2021. This was only possible due to sound financial controls and management.

### **Dividend**

We manage our business efficiently to give advantage to all our shareholders. A key component of delivering value to our shareholders and winning their confidence is the steady return on capital. GPL is a constant dividend payee company who always kept the trust of their shareholders reposed into the working of the Company by paying the dividend since inception of the company. The Company's Board of Directors in the tune of progressive Dividend Policy, had declared and paid an interim dividend @ 60% in November, 2020 and further recommended the Final Dividend @40% in the ensuing 21<sup>st</sup> Annual General Meeting of the Company on the paid up equity share capital of the company.

### **Company's Overall Performance:**

It gives me immense pleasure to share with you an update on the overall performance of your Company during 2020-21. Despite, it was yet another difficult year for the global economy, characterized by low growth and geopolitical uncertainties, we outshined and broken all previous records.

During the financial year ended March 31, 2021,

Revenue from operations increases to ₹ 766.03 crores from ₹ 620.79 crores in the previous year showing a remarkable growth of 23%. Similarly, Net Profit grow by 203% from 20.58 crore in FY 20 to 62.45 crore in FY 21.

Your Company is also committed to its social responsibility agenda and contributes meaningfully to the communities that it operates in. Your Company continues to focus in the areas of Health, Community Welfare, Education, Health & Hygiene, Rural development to enhance the livelihoods of people in its operating communities. These initiatives, along with several others, reaffirm our belief that addressing societal needs and business growth goes hand-in-hand.

On behalf of the Board of Gulshan Polyols Limited, I would like to take this opportunity to acknowledge and thank our bankers and vendors for their trust and support. I am deeply thankful to the continued support of our esteemed consumers, business associates, suppliers and legal authorities for their loyalty and trust in all our activities. I would like to express my sincere gratitude to all the members of our board for their continued insights and invaluable guidance as we explore new opportunities and move ahead with confidence. Most importantly, also my sincere appreciation to all the shareholders for the trust reposed by them in the Management of the Company and also for continued support in our journey to create long-term value.

**Jai Hind!!**



Dr. Chandra Kumar Jain  
Chairman & Managing Director  
DIN: 00062221



# Board of Directors



**Dr. C. K. Jain**

*Chairman & Managing Director,  
Gulshan Polyols Limited*

Gulshan Polyols Limited is conceived and promoted by Dr C.K. Jain, who is a Sugar Technologist and has been awarded a Doctorate Degree in Chemistry. He has been leading the company with a highly experienced team of professionals for 38 years.



**Ms. Arushi Jain**

*Executive Director*

Ms. Jain is MS in marketing from City University of New York, USA and Diploma in Baking Technologist from AIB, USA. She overviews operations and technology.



**Ms. Aditi Pasari**

*Executive Director*

Ms. Pasari is MBA from Cardiff University, UK. She is actively involved in the day-to-day Financial planning, Sales and Administrations and managing Investor Relations for the company.



**Mr. Ashwani K. Vats**

*Executive Director &  
CEO*

Mr. Vats, Graduate with P.G. Diploma in Marketing and Management, has vast experience in the calcium carbonate industry and has been associated with the Company for over 3 decades.



**Mr. A. K. Maheshwari**

*Independent Director*

Mr. Maheshwari is a qualified Chartered Accountant and Company Secretary, has more than three decades of experience in various industries like Banking, Electronics, Iron & Steel, Chemicals and Infrastructure.



**Mr. J. J. Bhagat**

*Independent Director*

Mr. Bhagat is Post Graduate in Sugar Technology and having over 35 years long experience in Sugar and Allied Industries including Ethanol, Bio-poner.



**Ms. Archana Jain**

*Independent Director*

Ms. Jain is a Chartered Accountant with 10+ years of cross-functional experience in Accounts, Finance and Indirect taxation. She represents many reputed corporate houses at Service Tax/Customs Department for appeals up to CESTAT.



**Mr. R. K. Gupta**

*Independent Director*

Mr. Gupta is a Chartered Accountant with extensive experience in Finance, Taxation and Management.

**ETHANOL AND  
DISTILLERY**



**GRAIN PROCESSING  
DIVISION**



**MINERAL PROCESSING  
DIVISION**



# CREATING INGREDIENTS FOR A GOOD LIFE

## LEGACY RELATIONSHIP WITH ESTEEMED CLIENTELE

**FMCG**



**FOOD**



**PAPER**



**PETROCHEMICALS**



**PHARMA**



**FOOTWEAR**



**I.P.B. PLASTICS WITH  
SCJ PLASTICS**

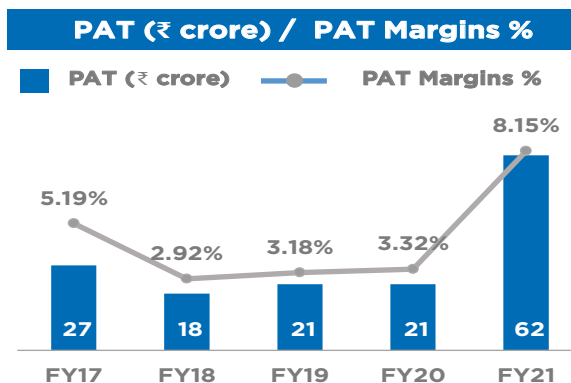
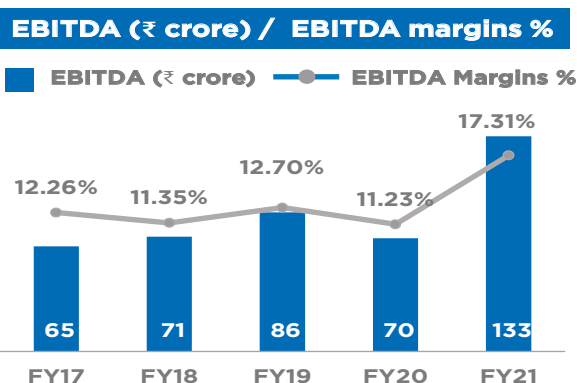
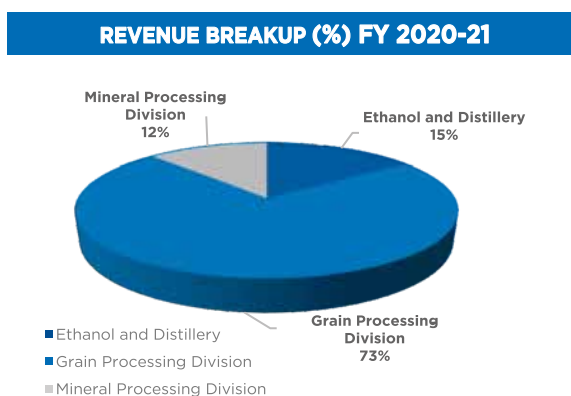
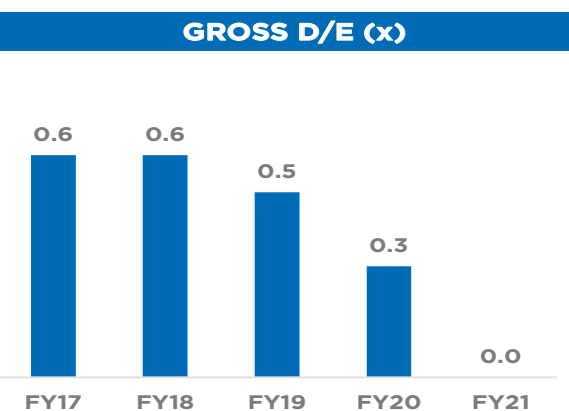
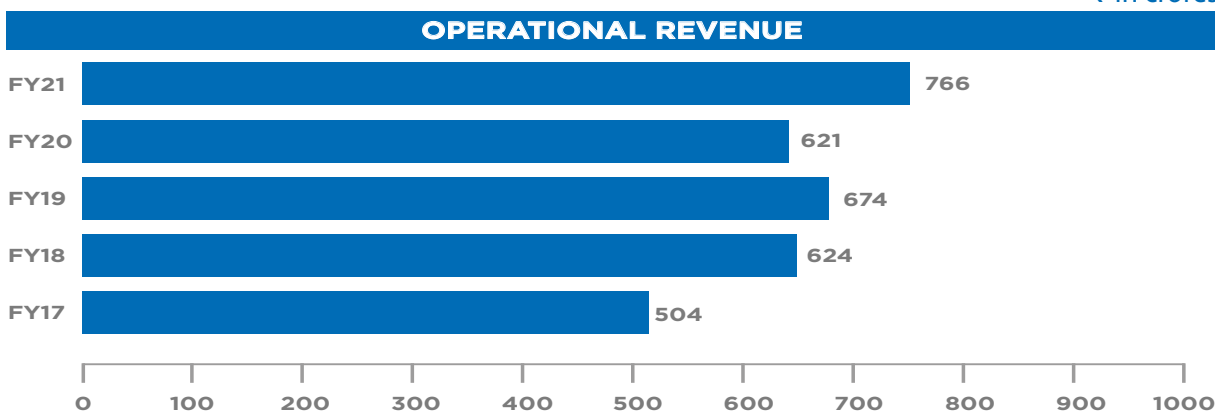


**PRINTING**



# FINANCIAL HIGHLIGHTS FY 2020-21

₹ in crores



# Corporate Overview

## Board's Committees

### Audit Committee

**Mr. Rakesh Kumar Gupta**, Chairman  
**Mr. Akhilesh Kumar Maheshwari**, Member  
**Dr. Chandra Kumar Jain**, Member

### Stakeholders Relationship Committee

**Mr. Akhilesh Kumar Maheshwari**, Chairman  
**Ms. Aditi Pasari**, Member  
**Mr. Jeewan Jyoti Bhagat**, Member

### Nomination, Remuneration & Compensation Committee

**Mr. Jeewan Jyoti Bhagat**, Chairman  
**Mr. Akhilesh Kumar Maheshwari**, Member  
**Mr. Rakesh Kumar Gupta**, Member

### Corporate Social Responsibility Committee

**Mr. Jeewan Jyoti Bhagat**, Chairman  
**Ms. Arushi Jain**, Member  
**Ms. Aditi Pasari**, Member

## Auditors

### Statutory Auditors

**M/s. Rajeev Singal & Co., Chartered Accountants, Muzaffarnagar**

### Internal Auditors

**M/s. Pankaj K. Goyal & Co., Chartered Accountants, Muzaffarnagar**  
(For All units except Bharuch)

**M/s. Svaraj & Associates, Chartered Accountants, New Delhi**  
(For Bharuch Unit)

### Secretarial Auditors

**M/s. RMG & Associates Company Secretaries, Delhi**

### Cost Auditors

**M/s. MM & Associates, Cost Accountants, Delhi**

## Key Managerial Personnel

### Chief Financial Officer

**Mr. Rajiv Gupta**

### Company Secretary & Compliance Officer

**Ms. Asha Mittal**

## Listed at

**BSE Limited**  
**National Stock Exchange of India Limited**

## Bankers

**State Bank of India**  
**HSBC Bank**

## Registrar & Share Transfer Agent

**M/s Alankit Assignments Limited**  
4E/2, Alankit Heights, Jhandewalan Extension,  
New Delhi - 110055  
Ph. No: 011-42541234/ 955 Fax No: 011-42541201  
E-mail: rta@alankit.com

## Plant Locations

- 9th K.M., Jansath Road, Muzaffarnagar- 251001, Uttar Pradesh
- 9th K.M., Silverton Pulp and Papers Bhopa Road, Muzaffarnagar- 251001, Uttar Pradesh
- Plot no. 762, Jhagadia Industrial Estate, Bharuch - 393110, Gujarat
- Village Rampur Majri, Dhaura Kuan, Distt Sirmour -173001, Himachal Pradesh
- E-21/22, RIICO Growth Centre, Phase- II, Abu Road, Disst. Sirohi-307026, Rajasthan
- Plot No.9, 10 & 11, Borgaon Industrial Growth Centre, Tehsil Sausar, Distt. Chhindwara-480108, Madhya Pradesh
- On-site plant of PCC at DSG Papers Pvt. Ltd., Patiala, Punjab
- On-site plant of PCC at ITC Ltd., Hooghly, West Bengal
- On-site plant of PCC at Orient Paper Mills, Amlai, Madhya Pradesh

## Registered Office

9th K.M., Jansath Road, Muzaffarnagar, Uttar Pradesh - 251001  
Tel: 0131-32958800, Fax: 0131 - 2661378  
Email: cs@gulshanindia.com Website: www.gulshanindia.com  
CIN: L24231UP2000PLC034918

## Corporate Office

G-81, Preet Vihar, Delhi- 110092  
Tel: 011-49999200  
Fax: 011-49999202

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIRST (21<sup>ST</sup>) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF GULSHAN POLYOLS LIMITED ("the Company") WILL BE HELD ON SATURDAY ON 18<sup>TH</sup> DAY OF SEPTEMBER, 2021 AT 4.00 P.M (IST) AT THE SOLITAIRE INN HOTEL, 6 MILE STONE, MEERUT ROAD, NATIONAL HIGHWAY 58, MUZAFFARNAGAR, UTTAR PRADESH-251002 TO TRANSACT THE FOLLOWING BUSINESSES:**

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. Ashwani Kumar Vats (DIN: 00062413), who retires by rotation, and being eligible, offers himself for re-appointment as a Director.
3. To declare Final Dividend on Equity Shares for the financial year ended March 31, 2021.

### **SPECIAL BUSINESS:**

#### **4. RATIFICATION OF REMUNERATION OF COST AUDITOR APPOINTED BY THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR 2021-2022**

To consider and if thought fit, to pass with or without modification(s), 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 the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), the remuneration of M/s MM & Associates, Cost Accountants (Firm Registration No. 000454), appointed by the Board of Directors of the Company as Cost Auditor to conduct the audit of the cost records of the Company, as applicable, for the financial year 2021-2022 amounting to Rs. 60,000 (Rupees Sixty Thousand Only) plus applicable taxes as approved by the Board of Directors be and is hereby ratified."

#### **5. APPOINTMENT OF MS. ARCHANA JAIN (DIN: 09171307) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1)(b) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company and the Nomination and Remuneration Policy of the Company, Ms. Archana Jain (DIN:09171307) who was appointed as an Additional Director in the category of Independent Director of the Company with effect from May 22, 2021 by the Board of Directors based on recommendation of Nomination, Remuneration and Compensation Committee and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Act and Articles of Association of the Company and who has submitted a declaration that she meets the criteria for independence as provided under the Act and Listing Regulations and who is eligible for appointment and whose period of office is not liable to retire by rotation and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a **Non-Executive & Woman Independent Director** to hold office for a term upto March 31, 2023."

#### **6. APPROVAL OF CHARGES FOR SERVICE OF DOCUMENTS ON THE SHAREHOLDERS**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 20 of Companies Act, 2013 and all other applicable provisions, if any, made therein, the consent of the members be and is hereby accorded for service of document(s) to member(s) of the Company by post or by registered post or by speed post or by courier, or by such electronic or other mode as prescribed / may be prescribed under the Act, from time to time.

**RESOLVED FURTHER THAT** upon request of member(s) for delivery of any document(s) through a particular mode of delivery, the Company do serve / deliver document(s) to such member(s) through that particular mode and / or charge such fees in advance which is equivalent to the amount charged to the Company by the Department of Post or the Service Provider(s) including related handling charges, if any, to deliver the documents in a particular mode and that the fees so charged shall be paid by the member to the Company in ten days advance.

**RESOLVED FURTHER THAT** any of the Director(s) and/or Company Secretary of the Company be and are hereby severally authorised to do all the acts, things and deeds which may be necessary for giving effect to this resolution."

#### **7. PAYMENT OF COMMISSION TO MR. ASHWANI KUMAR VATS (DIN: 00062413) WHOLE TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER (CEO) OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and rules framed there under, read with Schedule V of the Companies Act, 2013 (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and in furtherance of the special resolution passed in the 20th Annual General Meeting held on September 19, 2020 (“20th AGM”), and the Articles of Association of the Company, based on the recommendation of Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for payment of commission upto ₹ 25,00,000/- (Rupees Twenty Five Lakhs Only) to Mr. Ashwani Kumar Vats (DIN: 00062413), Whole Time Director and Chief Executive Officer (CEO) of the Company, for the Financial Year 2020-2021, calculated with reference to net profits of the Company, subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** save and except as aforesaid, all the existing terms and conditions of the appointment and remuneration of Mr. Ashwani Kumar Vats approved at the 20th AGM shall continue to remain in full force and effect.

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all the acts, things and deeds which may be necessary for giving effect to this resolution and to file necessary forms with the concerned Registrar of Companies (ROC) on MCA portal.”

#### **8. REVISION IN TERMS OF REMUNERATION OF MR. ASHWANI KUMAR VATS (DIN: 00062413) WHOLE TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER (CEO) OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:-**

**“RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and rules framed there under, read with Schedule V to the Companies Act, 2013 (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, based on the recommendation of Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to revise the terms of remuneration of **Mr. Ashwani Kumar Vats (DIN: 00062413)**, Whole Time Director and Chief Executive Officer (CEO) of the Company who is liable to retire by rotation, effective from April 1, 2021 until his remaining tenure i.e. upto March 31, 2024, on the following terms and conditions:

##### **1. Basic Salary per month:**

Basic Salary: ₹ 3,50,000/- per month w.e.f. April 01, 2021 upto March 31, 2024 (with such annual increments as may be decided upto maximum 8% per annum)

##### **2. Perquisites and allowances:**

House Rent Allowance : 45% of Basic  
Medical Allowance : 5% of Basic  
Ex-Gratia : 8.33% of Basic

##### **3. Commission on Profits**, as decided by the Board of Directors upon the recommendation of Nomination, Remuneration and Compensation Committee subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Companies Act, 2013 for each financial year calculated with reference to net profits of the Company.

##### **4. Other perquisites**

In addition to the perquisites and allowances as aforesaid, he shall also be entitled to the following benefits which will not be included in computation of the ceiling of remuneration specified in Para 1, 2 and 3 above.

- Gratuity: Gratuity payable as per the rules of the Company.
- Leave: Leaves as per the rules of the Company.
- Company Car and telephone: Use of the Company's Car, and telephone at the residence for official purposes as per rules of the Company.
- Other benefits as per rules of the Company

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination, Remuneration and Compensation Committee be and are hereby severally authorized to revise, amend, alter and vary such terms of re-appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed by the Board of Directors and Mr. Ashwani Kumar Vats, without any further reference to the shareholders in general meeting.

**RESOLVED FURTHER THAT** the remuneration by way of Salary, Perquisites and Allowances, as approved in the aforesaid resolution, shall be treated as minimum remuneration with effect from April 01, 2021 for the period of his tenure ending on March 31, 2024 and in case where in any financial year, during the currency of the tenure of Mr. Ashwani Kumar Vats as Whole Time Director & CEO, if the Company has no profits or its