

GUJARAT PETROSYNTHESE LIMITED



**THIRTY NINTH ANNUAL REPORT
2015-16**



Gujarat Petrosynthese Limited

BOARD OF DIRECTORS

Dr. R.M. THAKKAR	Chairman and Non-Executive Director
Ms. URMI N. PRASAD	Joint Managing Director
Ms. CHARITA THAKKAR	Joint Managing Director
Mr. T.N.R. RAO	
Mr. M.D. GARDE	
Mr. V. RAGHU	

BANKERS

AXIS BANK LTD.
STATE BANK OF INDIA
BANK OF BARODA
HDFC BANK

LEGAL ADVISOR

KANGA & Co.,
Mumbai

AUDITORS

SJH & Co.
Bengaluru

COMPANY SECRETARY

SHWETA KALGUTKAR

REGD. OFFICE & WORKS

NO. 24, II MAIN PHASE I,
DODDANEKKUNDI INDUSTRIAL AREA,
MAHADEVPURA POST, BENGALURU - 560 048
Ph No. : 080-28524133, E-mail : info@gpl.in

CIN No.

L23209KA1977PLC043357

NOTICE

NOTICE IS HEREBY given that the 39th ANNUAL GENERAL MEETING of the Members of Gujarat Petrosynthese Limited will be held at the Registered office of the Company at 24, II Main, Doddanekkundi Industrial Area, Bangaluru 560048 on Wednesday, the 10th August, 2016 at 3.00 PM to transact the following business;

ORDINARY BUSINESS

1. To receive, consider and adopt : (a) the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and
(b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016.
2. To appoint a Director in place of Ms.Charita Thakkar, (DIN 00321561) who retires by rotation and being eligible, offers herself for reappointment.
3. To re-appoint Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration, and in this regard 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 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee, M/s S J H & Co., Chartered Accountants be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next Annual General Meeting (AGM) on such remuneration as may be mutually agreed upon between the auditors and Chairman of the Company and in addition the said auditors be entitled to out of pocket, traveling and living expenses to be incurred in connection with audit work of the Company.”

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**.

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other approvals as may be necessary, the consent of the shareholders be and is hereby accorded for the terms of appointment of Ms. Urmi N. Prasad as Joint Managing Director of the Company at a remuneration of Rs. 1,25,000/- per month along with perquisites with the condition that the aggregate of Remuneration and Perquisites shall not exceed the ceilings prescribed by Section II of Part I of Schedule V to the Companies Act, 2013 for a period of three years with effect from April 1, 2016.”

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other approvals as may be necessary the consent of the shareholders be and is hereby accorded for the terms of appointment of Ms. Charita Thakkar as Joint Managing Director of the Company at a remuneration of Rs. 1,25,000/- per month along with perquisites with the condition that the aggregate of Remuneration and Perquisites shall not exceed the ceilings prescribed by Section II of Part I of Schedule V to the Companies Act, 2013 for a period of three years with effect from April 1, 2016.”

By order of the Board of Directors
For **Gujarat Petrosynthese Limited**.

Place : Mumbai
Date : 27th May, 2016

Mr. R. M. Thakkar
Chairman & Non-Executive Director
DIN No. 00248949

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies should be deposited at the Registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies/body corporate etc. must be supported by an appropriate resolution/authority, as applicable.
3. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting in respect of item No. 4 to 6 is annexed hereto and forms part of notice.
5. Members desirous of getting any information about the accounts and operations of the company are requested to send their query addressed to the Compliance Officer at the Registered Office at least 7 days before the date of the meeting to enable the Management to keep the information readily available at the meeting.
6. As per the requirement of the Regulation 46 of the SEBI Listing Regulations. 2015 the Company is updating information on its website www.gpl.in This portal contains along with business information, quarterly unaudited results, Financial Statements containing Notice, Directors Report, Auditors Report, quarterly shareholding pattern, contact details of the Compliance Officer for communicating investor grievances.
7. Member are requested to :
 - a) Notify immediately any change in their residential address.
 - b) Quote the Registered Folio Number in every correspondence with the Company.
 - c) Bring their copies of the Annual Reports along with the duly filled in attendance slip at the meeting.
8. The Register of Members and share transfer books of the Company will remain closed from 03rd August, 2016 to 10th August, 2016 (both days inclusive) for the purpose of the Annual General Meeting.
9. As per the Circular of the Ministry of Corporate Affairs of "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21-04-2011 and Circular No. 18/2011 dated 29/04/2011) allowing paperless compliances by Companies through electronic mode, companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Members are requested to register their email id with the Company.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies are allowed to send communication to shareholders electronically. Members holding shares in demat form are requested to register their email address with the Depository Participant(s) only. In case of physical shares, register/update your email ids with the Company's registrar and Share Transfer Agent. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate risks associated with physical shares and better management of the securities. Members can write to the Company's Registrar and Share Transfer Agent in this regard.
12. The Company has appointed M/s. Bigshare Services Pvt. Ltd. as its Registrar and Share Transfer Agent for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents related to transfers, demat requests, change of address intimations and other communications in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly at their following address quoting folio no., full name and name of the Company as Unit: Gujarat Petrosynthese Ltd.

M/s. Bigshare Services Pvt. Ltd.

E 2, Ansa Industrial Estate, Near Marwah Centre,
Saki Vihar Road, Sakinaka, Mumbai - 400072
Phone : (022) 28470652, (022) 40430200
Email - investor@bigshareonline.com

13. Voting Options

- i. The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and regulation 44 of the SEBI Listing Regulations, 2015 with the Stock Exchange. Accordingly, a member may exercise his vote by electronic means and the Company may pass all resolutions by electronic voting system in accordance with the above provisions.
- ii. A shareholder can opt for only one mode of voting. In case a shareholder votes through remote e-voting as well as sends his/her vote through ballot form, the vote cast through remote e-voting shall be considered and the voting through physical ballot shall not be considered by the scrutiner.

The shareholders who have cast their votes either through remote e-voting or ballot shall be entitled to attend the meeting, however, shall not be allowed to cast their vote again at the venue of the annual general meeting.

14. **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Sunday, 07th August, 2016 (9.00am) and ends on Tuesday, 09th August, 2016 (5.00pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, 03rd August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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 the 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xx) 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 linked in the login should be emailed 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.

(xxi) 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.

15. COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i. The e-Voting period commences on Sunday, 07th August, 2016 (9.00 a.m) and ends on Tuesday, 09th August, 2016 (5.00 p.m). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date Wednesday, the 03rd August, 2016 may cast their vote electronically. Thereafter, the e-Voting module shall be disabled for voting. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.
- iii. M/s J J Gandhi & Co. Practicing Company Secretary (Membership No.: 3519; CP No: 2515) having address: 231, Phoenix Complex, Besides Suraj Plaza, Sayajigunj, Vadodara – 390 005, has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer’s Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of the Company.
- v. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.gpl.in and on the website of CDSL <https://www.evotingindia.com> within two days of the passing of the resolutions at the AGM of the Company. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
- vi. For Members holding shares in physical form, the password and details can be used only for e-Voting on the resolutions given in this notice.

Statement pursuant to Section 102 of the Companies Act, 2013.
Item No. 4 : Appointment of Ms. Urmi N. Prasad as an Joint Managing Director of the Company.

The term of office of Ms. Urmi N. Prasad as Whole-Time Director expires on 31st March, 2017. But due to the re-organisation of the Management, the Nomination and Remuneration Committee at its meeting held on 05th February, 2016 recommends the appointment of Ms. Urmi N Prasad as Joint Managing Director of the Company for a period of 3 years w.e.f. form 1st April, 2016, subject to the approval of the Share holders of the Company. The Board of Directors of the Company at its meeting held on 05th Feb, 2016 appointed Ms. Urmi N Prasad as Joint Managing Director of the Company for a period of 3 years w.e.f. form 1st April, 2016.

Ms. Urmi N Prasad, B.Com, A.C.A., M.B.A. (INSEAD France) is having more than 24 years of experience in accounts, finance, corporate administration and strategic business planning. The draft of the agreement to be entered into between the Company and Ms. Urmi N Prasad, is placed before the meeting and is available for inspection by the shareholders of the Company and contains inter-alia the following main terms and conditions:

TERMS OF APPOINTMENT

Period of Appointment: Three years with effect from 1st April, 2016

Salary: Rs. 1,25,000/- (Rupees One lac twenty five thousand only) per month.

Commission: 1% on the net profits of the company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Perquisites:

- i) Housing I : The expenditure incurred by the company on hiring unfurnished accommodation for the Joint Managing Director will be subject to a ceiling of sixty percent of the salary, over and above ten percent payable by the Joint Managing Director.
- Housing II : If accommodation in the company owned house is provided, ten percent of salary of the Joint Managing Director shall be deducted by the company.
- Housing III : If the company does not provide accommodation, the Joint Managing Director shall be entitled to House rent allowance subject to the ceiling laid down in Housing I.
- Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent of the salary of the Joint Managing Director.

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- ii) Reimbursement of medical and hospitalization expenses of the Joint Managing Director and her family subject to a ceiling of one month salary in a year.
 - iii) Leave Travel Concession for self and family once in a year incurred in accordance with the rules of the Company.
 - iv) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
 - v) The Company shall pay the annual premium towards personal accident insurance as per the Rules of the company.
 - vi) Ms. Urmi N Prasad and family shall be covered under the Mediciam Insurance Schemes as per the rules of the company.
 - vii) Encashment of leave on full pay and allowances as per the rules of the company but not exceeding one month's leave for every twelve months of service.
 - viii) Such other benefits in accordance with the schemes and rules applicable to the members of the company from time to time. (Family includes dependent parents, spouse and children who are dependent on him)

For the purpose of calculating the above ceilings, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of such Rules, perquisites shall be evaluated at actual costs. The Company will pay tax on non monetary perquisites to the appointee as per amended section 10CC of the Income Tax Act, 1961.

The following shall not be included for the purposes of computation for the Joint Managing Director's remuneration or perquisites as aforesaid;

- i) The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961
- ii) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- iii) encashment of leave at the end of tenure.
- iv) Chauffeur driven company maintained car for use on Company's business and telephones facility at the residence of Joint Managing Director, and reimbursement of expenses including entertainment expenses will not be considered as perquisites.

Minimum Remuneration: Subject to the ceiling in Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014, the Joint Managing Director shall be paid remuneration by way of salary and perquisites (except commission specified above) notwithstanding that in the Financial Year during the tenure of the Joint Managing Director, the Company has no profits or its profits are inadequate.

Compensation : If before the expiry of the Agreement, the tenure of her office as Joint Managing Director is terminated, she shall be entitled to compensation for the loss of office as per the provisions of Section 202 of the Companies Act, 2013.

The Director shall be entitled to the reimbursement of expenses actually and properly incurred by her for the business of the Company.

Ms. Urmi N Prasad satisfies all the conditions mentioned in Part I of Schedule V to the Act and also satisfies the conditions mentioned under section 196(3) of the Companies Act, 2013. She is not disqualified from being appointed as a Director under section 164 of the Companies Act, 2013. The Joint Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions of Section 166 of the Companies Act, 2013 with regard to the duties of Directors.

The particulars set out above, may be treated as an abstract of the terms of contract for the remuneration/ appointment of Ms Urmi N Prasad as Joint Managing Director of the Company, which is required to be given to every member under the provisions of the Companies Act, 2013.

The draft of the Agreement referred to above is open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon on any working day upto the date of the Annual General Meeting.

The Board recommends the Resolution for your approval.

Ms. Urmi N Prasad, Mr. R M Thakkar and Ms. Charita Thakkar who are related to each other, are interested in the Resolution as it relates to her own/ relative's term of appointment/ remuneration.

None of the other Directors/ Key managerial personnel of the Company, their relatives are in any way concerned or interested in the said Resolution.

Item No. 5 : Appointment of Ms. Charita Thakkar as an Joint Managing Director of the Company.

Ms. Charita Thakkar has been associated with the Company since 1984. She holds a Bachelor's Degree from the Bombay University in chemistry and physics and Master of Business Administration in strategy and Finance from Texas Christain University, USA. She also holds the degree of Master in Management Science from the Sloan Program, Graduate school of Business, Stanford University, USA. She has held the position of Finance Manager, General manager operations, Executive Director & Director of the Company and was incharge of the commissioning and operations of the polymer blends and alloys facilities

Her deep knowledge of polymer and polybutene business coupled with experience in finance, operations, general management, exposure to international business negotiation and strategic planning will be very valuable to the Company.

The Nomination and Remuneration Committee at its meeting held on 05th February, 2016 recommends the appointment of Ms. Charita Thakkar as Joint Managing Director of the Company for a period of 3 years w.e.f. form 1st April, 2016, subject to the approval of the Share holders of the Company. The Board of Directors of the Company at its meeting held on 05th Feb, 2016 appointed Ms. Charita Thakkar as Joint Managing Director of the Company for a period of 3 years w.e.f. form 1st April, 2016. The draft of the agreement to be entered into between the Company and Ms. Charita Thakkar, is placed before the meeting and is available for inspection by the shareholders of the Company contains inter-alia the following main terms and conditions:

TERMS OF APPOINTMENT

Period of Appointment: Three years with effect from 1st April, 2016

Salary: Rs. 1,25,000/- (Rupees One lac twenty five thousand only) per month.

Commission: 1% on the net profits of the company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Perquisites:

i) Housing I : The expenditure incurred by the company on hiring unfurnished accommodation for the Joint Managing Director will be subject to a ceiling of sixty percent of the salary, over and above ten percent payable by the Joint Managing Director.

Housing II : If accommodation in the company owned house is provided, ten percent of salary of the Joint Managing Director shall be deducted by the company.

Housing III : If the company does not provide accommodation, the Joint Managing Director shall be entitled to House rent allowance subject to the ceiling laid down in Housing I.

Explanation : The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent of the salary of the Joint Managing Director.

ii) Reimbursement of medical and hospitalization expenses of the Joint Managing Director and her family subject to a ceiling of one month salary in a year.

iii) Leave Travel Concession for self and family once in a year incurred in accordance with the rules of the Company.

iv) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

v) The Company shall pay the annual premium towards personal accident insurance as per the Rules of the company.

vi) Ms. Charita Thakkar and family shall be covered under the Medclaim Insurance Schemes as per the rules of the company.

vii) Encashment of leave on full pay and allowances as per the rules of the company but not exceeding one month's leave for every twelve months of service.

viii) Such other benefits in accordance with the schemes and rules applicable to the members of the company from time to time. (Family includes dependent parents, spouse and children who are dependent on her)

For the purpose of calculating the above ceilings, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of such Rules, perquisites shall be evaluated at actual costs. The Company will pay tax on non monetary perquisites to the appointee as per amended section 10CC of the Income Tax Act, 1961.

The following shall not be included for the purposes of computation for the Joint Managing Director's remuneration or perquisites as aforesaid;

i) The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961

ii) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.

iii) encashment of leave at the end of tenure.

iv) Chauffeur driven company maintained car for use on Company's business and telephones facility at the residence of Joint Managing Director, and reimbursement of expenses including entertainment expenses will not be considered as perquisites.

Minimum Remuneration: Subject to the ceiling in Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014, the Joint Managing Director shall be paid remuneration by way of salary and perquisites (except commission specified above) notwithstanding that in the Financial Year during the tenure of the Joint Managing Director, the Company has no profits or its profits are inadequate.

Compensation : If before the expiry of the Agreement, the tenure of her office as Joint Managing Director is terminated, she shall be entitled to compensation for the loss of office as per the provisions of Section 202 of the Companies Act, 2013.

The Director shall be entitled to the reimbursement of expenses actually and properly incurred by her for the business of the Company.

Ms. Charita Thakkar satisfies all the conditions mentioned in Part I of Schedule V to the Act and also satisfies the conditions mentioned under section 196(3) of the Companies Act, 2013. She is not disqualified from being appointed as a Director under section 164 of the Companies Act., 2013. The Joint Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions of Section 166 of the Companies Act, 2013 with regard to the duties of Directors.

The particulars set out above, may be treated as an abstract of the terms of contract for the remuneration/ appointment of Ms. Charita Thakkar as Joint Managing Director of the Company, which is required to be given to every member under the provisions of the Companies Act, 2013.

The draft of the Agreement referred to above is open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon on any working day upto the date of the Annual General Meeting.

The Board recommends the Resolution for your approval.

Ms. Urmi N Prasad, Mr. R M Thakkar and Ms. Charita Thakkar who are related to each other, are interested in the Resolution as it relates to her own/ relative's term of appointment/ remuneration.

None of the other Directors/ Key managerial personnel of the Company, their relatives are in any way concerned or interested in the said Resolution.

Regd. Office:

**24, II main, Doddanekkundi Industrial Area,
Bengaluru 560 048**

By order of the Board of Directors
For **Gujarat Petrosynthese Limited.**

Place : Mumbai

Date : 27th May, 2016

Mr. R. M. Thakkar
Chairman & Non-Executive Director
DIN No. 00248949

Statement in terms of section II(iv) of Part II of Schedule V to the Companies Act, 2013

I. General Information:

1. Nature of Industry – Polymer blend and Resin Industries
2. Date or expected date of commencement of commercial production – The Company is in operation since many years.
3. Financial performance based on given indicators – As per the Audited Financial results for the year ended on 31.03.2016.

(₹ in Lacs)

Particulars	2015-16	2014-15
Sales Turnover	1117.93	877.93
Other Income	16.29	111.74
Total	1134.21	989.67
Less : Exp. other than Finance Cost and Depreciation	1257.48	1037.77
Operating Profit	(123.27)	(48.10)
Less : Finance Cost	0.23	0.00
Depreciation	32.32	50.14
Profit before exceptional & extraordinary items	(140.11)	(98.24)
Add : Extraordinary items	0.00	47.11
Add : Exceptional items	148.93	7.46
Profit before tax	8.82	(43.67)
Add/(Less): Profession for tax / Deferred tax	(39.99)	(4.16)

4. Foreign investments or collaborations, if any – Not Applicable

II. Information about the Joint Managing Directors:

1. Background Details – Ms. Urmi N Prasad, B.Com, A.C.A., M.B.A. (INSEAD France) is having more than 24 years of experience in accounts, finance, corporate administration and strategic business planning and Ms Charita Thakkar, B.Sc, M.B.A (TCU,USA), M.M.S (Stanford, USA) has experience in finance, operations, general management, exposure to international business negotiation and strategic planning
2. Past Remuneration – Ms. Urmi N Prasad is appointed under the same terms and conditions with regards to the remunerations and perquisite as at the time of her holding the position of Whole-Time Director in the Company.
3. Job profile and her suitability – Ms. Urmi N Prasad & Ms. Charita Thakkar will render the services as Joint Managing Director of the Company.
4. Remuneration proposed –

Salary: Rs. 1,25,000/- (Rupees One Lac Twenty Five Thousand Only) per month.

Commission: 1% on the net profits of the company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Perquisites are mentioned in detail under the head Item No. 4 & 5 in the explanatory statement

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person – Looking to the size of the Company, the profile of the appointee, the responsibilities shouldered by them, the above said remuneration is commensurate with the remuneration package paid to similar senior level appointees in other Companies.
6. Pecuniary relationship directly or indirectly or relationship with the managerial personnel, if any – Besides the remuneration proposed, the Joint Managing Director does not have any other pecuniary relationship with the Company. Mr. R M Thakkar, Director and non-executive chairman of the Company is relative of the appointees.

III. Other information:

1. Reasons for loss or inadequacy of profit – During the year some of our major customers lost business with the OEMs. However due to our persistent efforts in capturing new customers we were able to maintain the sales at last year's level
2. Steps taken or proposed to be taken for improvement – The company has introduced measures to enhance the productivity and efficiency of the plant machinery and equipment. Efforts to widen the customer base and add new products to the portfolio continue.
3. Expected increase in productivity and profits in measurable terms

(₹ in Lacs)

Particulars	2015-16	2016 -17
Sales	1117.92	1939.00
Other Income	16.29	250.00
Net Profit / Loss	(31.17)	110

Details of Directors seeking appointment in the forthcoming Annual General Meeting (in pursuance of Regulation 36 of the SEBI(LODR) Regulations, 2015.

Name of Directors	Ms. Urmi N Prasad	Ms. Charita Thakkar
Date of Birth	26.09.1964	01.11.1960
Date of Appointment	01.04.1993	28.09.1990
Expertise in specific functional areas	Accounts, finance, corporate administration and strategic business planning	Finance, operations, general management, exposure to international business negotiation and strategic planning
Qualifications	B.Com, A.C.A., M.B.A. (INSEAD France)	MBA (TCU) MMS (Stanford)
Directorship held in other companies	Gujarat Polybutenes Pvt. Ltd. GPL Finance & Investments Ltd. Guardian Finance Ltd. Multichem Pvt. Ltd. Seagull Tours & Travels Pvt. Ltd. Yashashree Commercial Services Pvt. Ltd.	Gujarat Polybutenes Pvt. Ltd. GPL Finance & Investments Ltd. Guardian Finance Ltd. Multichem Pvt. Ltd. Seagull Tours & Travels Pvt. Ltd.
Committee Positions held in other Companies	NIL	NIL

Disclosure in terms of Regulation 36 of the SEBI(LODR) Regulations, 2015.

None of the Directors have inter-se relationship except Mr. R. M. Thakkar who is the Father of Ms. Urmi N Prasad & Ms. Charita Thakkar.

BOARDS' REPORT

To the Members of,
Gujarat Petrosynthese Limited

The Directors have pleasure in presenting the 39th Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2016 is summarised below:

(₹ in Lacs)

Particulars	2015-16	2014-15
Sales Turnover	1117.93	877.93
Other Income	16.29	111.74
Total	1134.21	989.67
Less: Exp. other than Finance Cost and Depreciation	1257.48	1037.77
Operating Profit	(123.27)	(48.10)
Less: Finance Cost	0.23	0.00
Depreciation	32.32	50.14
Profit before exceptional & extraordinary items	(140.11)	(98.24)
Add: Extraordinary items	0.00	47.11
Add : Exceptional items	148.93	7.46
Profit before tax	8.82	(43.67)
Add/(Less): Provision for tax / Deferred tax	(39.99)	(4.16)
Profit after tax	(31.17)	(47.83)
Add: Balance brought forward from earlier period	1123.97	1171.80
Balance available for appropriations	1092.80	1123.97

Dividend

Your Directors are unable to recommend any dividend.

Performance & Future Outlook

The current year has seen a rise in the sales turnover from 877.93 lakhs to 1117.92 lakhs due to a change in the method of sales of our major customer from subcontract to direct sales. The overall sales have remained at the same level in terms of tonnage. During the year some of our major customers lost business with the OEMs. However due to our persistent efforts in capturing new customers we were able to maintain the sales at last year's level. The company has introduced measures to enhance the productivity and efficiency of the plant machinery and equipment. We expect the industry to do better in the coming year and hope to reach a profitable position by the end of the year.

Performance of the Subsidiary

Our subsidiary company has been suffering from differential pricing of feedstock and return stream. We have been working with a Government company for supply of raw material and return stream at the same price like our competitor but the issue was not resolved. This has resulted in our inability to compete with our Indian competitor as well as imports. We have therefore suspended our operations from February 2016 and are looking at different avenues to restart our operations. We are hopeful to tide over these difficulties.

Business

During the year under review, there is no change in the business activities of the Company.

Material changes and commitment occurred after the end of Financial Year and upto the date of Report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and upto the date of this report.

Consolidated Financial Statement

In accordance with the provisions of Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014, statement containing salient features of the financial statements of subsidiary companies is disclosed separately in **Annexure I** and forms part of the annual report. The consolidated financial statements are prepared in accordance with the Accounting Standard (AS) - 21 issued by the Institute of Chartered Accountants of India.

Deposits

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013

Pursuant to provisions of section 186 of the Companies Act, 2013, during the year under review, details of loans and investments by the Company to other body corporate are as follows:

Sr. No.	Particulars	Amount
1.	Gujarat Polybutene Private limited (Wholly Owned Subsidiary company)	3,90,00,000



Gujarat Petrosynthese Limited

Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any Joint Venture Company or Associate Company. But the Company has the following 100% Subsidiary Companies.

1. Gujarat Polybutenes Private Limited.
2. GPL Finance and Investments Limited

Share capital

During the year under review, there is no change in the share capital of the Company.

Transfer to Investor Education & Protection Fund.

In terms of Section 125 of the Companies Act, 2013, there is no amount required to be transferred to the Investor Education and Protection Fund established by the Central Government.

Directors and Key Managerial Personnel

During the year under review, the following changes have occurred in the position of the Directors/ KMPs of the Company:

- Mr. R.M.Thakkar has resigned from the position of the Managing Director and shall continue as the Non-Executive Chairman and Director of the Company.
- There has been a change in designation of Ms. Urmi N Prasad from Whole-Time Director of the Company to Joint Managing Director of the Company.
- Ms. Charita Thakkar has been appointed as the Joint Managing Director of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Charita Thakkar (DIN 00321561), shall retire by rotation at the ensuing annual general meeting and being eligible offers herself for reappointment.

Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as prescribed under the requirement of provisions of Section 149(6) of the Companies Act, 2013.

Independent Directors' Meeting

During the year under review, the Independent Directors met on March 11, 2016, *inter alia*, to discuss:

- Evaluation of performance of the Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of quality, consent and timelines of flow of information between the Management and the Board that is necessary for the Board for effective performance of its duties.

All the Independent Directors were present at the Meeting.

Directors' Appointment and Remuneration Policy

The Company has constituted a Nomination and Remuneration Committee as per the provisions of Section 178(1) of the Companies Act, 2013. The Company has adopted the Policy for the Selection of the Directors and determining the Directors Independence and remuneration for the policy for the Directors and the Key Managerial Personnel.

The Company has a Non - Executive Chairman, two Joint Managing Director and three Independent Directors.

Board Meetings

During the year five Board Meetings were convened and held on 30.05.2015, 25.07.2015, 14.11.2015, 29.12.2015 and 05.02.2016.

Director's Responsibility Statement

Your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there is no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and have made judgments 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 March 31, 2016 and of the profit and loss of the company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems are adequate and operating effectively.

Gujarat Petrosynthese Limited

Audit Committee

The Audit Committee met four times during the year under review. All the recommendations made by the Audit Committee were accepted/ approved by the Board. The compositions of the Audit Committee are as under.

1.	Mr. M.D.Garde	Chairman
2.	Mr. V.Raghu	Member
3.	Mr. R.M.Thakkar	Member

Auditors & Auditors Report

Statutory Auditor

M/s S J H & Co., Chartered Accountants, the statutory Auditors of the Company, retire at the ensuing Annual General Meeting of the Company and being eligible for re-appointment have expressed their willingness to continue. The Company has received a certificate from the Auditors that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Board recommends their re-appointment. Shareholders are requested to re-appoint the Auditors for the financial year 2016-17 and authorize the Board to fix their remuneration.

As per Section 134(3) of the Companies Act, 2013 the notes/ comments of Auditors referred to in the Auditors' Report are self explanatory and do not call for further explanation. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Internal Auditor

Your Company has adopted an internal control system, commensurate with its size. The Company has re-appointed M/s AJBS & Associates, Chartered Accountants as the Internal Auditor of the Company for the financial year 2016-17. Your Company ensures compliance and controls so that the assets and business interests of your Company are adequately safeguarded.

Secretarial Auditor

The Board has appointed M/s. J.J. Gandhi & Co., Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2015-16. The Secretarial Audit Report for the Financial Year ended March 31, 2016 is annexed herewith marked as **Annexure II** to this Report. The Secretarial Audit Report contains a qualification as mentioned below:

As per the requirements of Regulation 31(2) of the SEBI (LODR) Regulations, 2015 the 100% share holding of the promoters have not been maintained in demat form.

It is replied that the certain Promoter members having shares in physical form are British Nationals and therefore do not possess the PAN card, which is mandatory for opening up of an demat account. For other promoter members, the management is under the process of converting them into demat.

Risk Management Policy

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The operations and working of the Company can be affected on account of any of the following risk factors;

- ◆ Policy of Govt. as to excise duty etc.
- ◆ Policy of competitors
- ◆ Market conditions

Vigil Mechanism / Whistle Blower Policy

The Company has adopted Vigil Mechanism/Whistle Blower Policy to deal with fraud or mismanagement, where it has a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct / Business Ethics, if any. No personnel has been denied access to the Chairman of the Audit Committee, for making complaint on any Integrity issue.

Corporate Social Responsibility (CSR)

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 are not applicable to the Company, as the Company does not meet with the requirement of profit criteria.

Conservation of Energy, Technology Absorption and Foreign Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure III** and is attached to this Report.

Corporate Governance

The compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to the Company but your Company strives to ensure that best corporate governance practices are adopted and consistently followed.

Related Parties Transactions

The particulars of transactions or contracts entered or arrangements made with related parties pursuant to provisions of section 188 of the Companies Act, 2013 is provided in **Annexure IV** and is attached to this Report.

Extract of Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is provided in **Annexure V** and is attached to this Report.

Disclosure under the Sexual Harassment of Women at workplace (Prevention of, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Acknowledgments

The Board of Directors wish to place on record their appreciation for the continuous support of the Bankers, vendors and buyers and shareholders in the performance of the Company. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board
Gujarat Petrosynthese Limited

Place : Mumbai
Date : 27th May, 2016

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482

Annexure I

Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

Sl. No	Name of the subsidiary	GPL Finance and Investments Limited	Gujarat Polybutenes Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2016	March 31, 2016
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	₹ in lakhs	₹ in lakhs
3	Share capital	100.00	699
4	Reserves & Surplus	51.43	(811.61)
5	Total Assets	151.77	964.67
6	Total Liabilities	151.77	964.67
7	Investments	63.98	52.05
8	Turnover	6.41	956.58
9	Profit before taxation	5.73	(483.18)
10	Provision for taxation	1.95	0.29
11	Profit after taxation	3.78	(482.89)
12	Proposed Dividend	-	-
13	% of shareholding	99.99%	99.99%

Note : 1. Names of subsidiaries which are yet to commence operations NIL NIL
2. Names of subsidiaries which have been liquidated or sold during the year NIL NIL

PART "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is not applicable as the company does not have an associate or joint venture company.

For and on behalf of the Board of Directors

Mr. R.M.Thakkar
Chairman & Non-Executive Director
Din : 00248949

Ms. Urmi N Prasad
Jt. Managing Director
Din : 00319482

SECRETARIAL AUDIT REPORT

(For the Financial year ended on 31st March, 2016)

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Gujarat Petrosynthese Ltd.,
24, II main, Doddanekkundi Industrial Area,
Bengaluru 560048

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Gujarat Petrosynthese Ltd.** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2016, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. - Not Applicable to the Company during the Audit Period;
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable to the Company during the Audit Period;
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period;
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable to the Company during the Audit Period; and
 - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable to the Company during the Audit Period;
6. Further, as per representation of management letter, considering its products, process and location, following laws are specifically applicable to the Company.
 1. The Environment (Protection) Act, 1986;
 2. The Air (Prevention and Control of Pollution) Act, 1981;
 3. The Water (Prevention and Control of Pollution) Act, 1974.



Gujarat Petrosynthese Limited

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit period no Show cause notice has been received by the Company

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above except to the extent mentioned herein below;

1. As per the requirements of Regulation 31(2) of the SEBI (LODR) Regulations, 2015 the 100% share holding of the promoters have not been maintained in demat form.

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, were captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

for J J Gandhi & Co.
Practising Company Secretaries
(J J Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515

Place : Vadodara

Date : 27th May, 2016

This report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Gujarat Petrosynthese Ltd.,
24, II main, Doddanekkundi Industrial Area,
Bengaluru 560048

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

for J J Gandhi & Co.
Practising Company Secretaries
(J J Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515

Place : Vadodara

Date : 27th May, 2016

ANNEXURE III TO THE BOARD'S REPORT

Information under Section 134(3)(m) read with the Companies (Accounts) Rules, 2014 and forming part of Director's Report for the year 2015-16

I. Conservation of Energy	: Use of standard quality equipments
II. Additional Investment and proposals if any being implemented for the reduction of energy	: Proposals are under consideration
III. Impact of measures (I) and (II) above for the reduction of energy consumption and consequent impact on cost of production of goods	: Reduction in usage of electricity

A. POWER AND FUEL CONSUMPTION

I. Electricity	2015-16		2014-15
	a) Purchased Unit	KWH	594260
Total amount	₹ in '000	4,092	3,792
Rate / Unit		6.89	6.69
b) Own Generator Through Diesel Generator Units	KWH	24416	36528
Unit Per Ltr	KWH	3.27	3.21
Rate / Unit		15.27	18.55

B. CONSUMPTION PER UNIT PER PRODUCTION

Standards (If any)	2015-16		2014-15
Product/Unit : Polymer / Kg			
Electricity	KWH	0.55	0.63

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per FORM B Research and Development (R & D)

1 Specific area in which R & D was carried out by the Company	To produce high grade of polymers
2 Benefit derived as a result of R & D	Manufacture of new products and existing products at lower cost.
3 Future plan of action	Manufacture a variety of PAB
4 Expenditure on R & D	-
a) Capital	-
b) Recurring	-
c) Total	-
d) Total R & D Expenditure as a percentage of Total Turnover	0.00%

Technology absorption, adoption and innovation.

1 Efforts in brief, made towards technology absorption and innovation	Technology obtained from our collaborators has been fully absorbed. Improvements are being continuously made & have resulted in improved efficiency of operation
2 Benefits derived as a result of above efforts	
3 In case of imported technology (imported during the fast 5 years reckoned from the beginning of the financial year) following information may be furnished.	
a) Technology Furnished	
b) Year of Import	
c) Has technology been fully absorbed	
d) If not fully absorbed, areas where this has not taken place, reason therefore, any further plans of action	

III. FOREIGN EXCHANGE EARNING AND OUTGO

During the year, the Foreign Exchange outgo was ₹ Nil. The Company has earned Foreign Exchange of ₹ Nil during the year.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 27th May, 2016

Mr. R.M.Thakkar
Chairman & Non-Executive Director
Din : 00248949

Ms. Urmi N Prasad
Jt. Managing Director
Din : 00319482

FORM NO AOC-2
(Pursuant to clause (h) of sub section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014)

Form for disclosure of particulars of contract/arrangements entered into by the Company with the related parties referred to in sub section (1) of Section 188 of the Companies Act 2013 including certain arms length transactions under the third proviso thereto.

(1) Details of contracts or arrangements or transactions not at arm's length basis

Sr No	Particulars	
a)	Name(s) of the related party and nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

(2) Details of material contracts or arrangement or transactions at arm's length basis**(₹ in Lacs)**

Sr No	Particulars	(1)	
a)	Name(s) of the related party and nature of relationship:	Gujarat Polybutene Private Limited (Wholly Owned Subsidiary of the Company)	
b)	Nature of contracts/arrangements/transactions:	Management Service Fees	Transfer of Expenses
c)	Duration of the contracts / arrangements/transactions:		
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	16	36.21
e)	Date(s) of approval by the Board, if any:		
f)	Amount paid as advances, if any:	NIL	NIL
g)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	NA	NA

Note : During the year under review, no material transactions, contracts or arrangements (as defined under the listing agreement or which were above the threshold limits mentioned under Rule 15 of the Companies (Meetings of Board & its Powers) Rules, 2014) were entered with the related parties by the Company.

Form MGT- 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2016

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014

I. Registration and other details

I)	CIN:-	L23209KA1977PLC043357
II)	Registration Date	19/09/1977
III)	Permanent Account No.	AAACG8600K
IV)	Name of the Company	GUJARAT PETROSYNTHESE LIMITED
V)	Category / Sub Category of the Company	Company Limited by Shares - India non Govt. company
VI)	Address of the Registered office and Contact Details	24,II Main, Doddanekkundi Industrial Area, Phase 1, Mahadevapura, Bengaluru - 560048, Karnataka Email id: secretarial@gujaratpetrosynthese.com, info@gpl.in Website: www.gpl.in
VII)	Whether listed company	Listed Company
VIII)	Name, address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. E2/3, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (East) Mumbai 400 072. Board No 022 4043 0200. Email id: investor@bigshareonline.com

II. Principal business activities of the company

All the business activities contributing 10% or more of the total turnover of the company shall be stated;

Sr. No.	Name and Description of main products/ service	NIC code of the product/ service	% to total turnover of the company
1	Manufacture of polymer/ synthetic	22208	100%
2			
3			

III. Particulars of Holding, Subsidiary and Associate Companies

Sl.No	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associates	% of Shares	Applicable
1.	Gujarat Polybutenes Private Limited	U24200GJ2002PTC045675	Subsidiary Company	99.99%	Sec 2(87)
2.	GPL Finance and Investments Limited	U65990MH1994PLC076332	Subsidiary Company	99.99%	Sec 2(87)

IV. Share Holding Pattern (Equity share capital breakup as percentage of total equity)

i) Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	960080	8657	968737	16.23	961446	8657	970103	16.25	0.02
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1194340	0	1194340	20.00	1194840	0	1194840	20.02	0.02
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub - total (A)(1)	2154420	8657	2163077	36.23	2156286	8657	2164943	36.27	0.04
2. Foreign									
a) NRIs Individuals	0	55770	55770	0.93	0	55770	55770	0.93	0
b) other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other									
Directors Relative	485417	225840	711257	11.92	485417	225840	711257	11.92	0
Sub - total (A)(2)	485417	281610	767027	12.85	485417	281610	767027	12.85	0
Total shareholding of Promoter A = (A)(1) + (A)(2)	2639837	290267	2930104	49.08	2641703	290267	2931970	49.12	0.04
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	20300	5910	26210	0.44	18800	5910	24710	0.41	-0.03
(b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c) Alternate Investment Fund	0	0	0	0	0	0	0	0	0
(d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e) Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
(f) Financial Institutions / Banks	0	20259	20259	0.34	0	20259	20259	0.34	0
(g) Insurance Companies	812930	2430	815360	13.66	814927	463	815390	13.66	0
(h) Provident Funds/Pension Funds	0	0	0	0	0	0	0	0	0
(i) Any Others (specify)	0	0	0	0	0	0	0	0	0
j) FIs	0	60000	60000	1.01	0	60000	60000	1.01	0
Sub Total (B)(1)	833230	88599	921829	15.45	833727	86632	920359	15.42	-0.03
2. Central Government/ State Government(s)/ President of India									
Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
3. Non Institutions									
a) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	61625	1581057	1642682	27.52	97848	1552481	1650329	27.65	0.13
ii) Individual shareholders holding nominal share capital in excess of Rs. 1lakh	0	0	0	0	0	0	0	0	0
b) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
e) Any Other (specify)									
(i) Body Corporate	2829	30553	33382	0.56	2700	30320	33020	0.55	-0.01
(ii) Clearing Member	60	0	60	0.001	750	0	750	0.01	0.009
(iii) Directors Relatives	0	702	702	0.01	0	702	702	0.01	0
(iv) Non Resident Indians (NRI)	3193	436906	440099	7.37	5661	426067	431728	7.23	-0.14
(iii) Trusts	308	0	308	0.01	308	0	308	0.01	0
SUB TOTAL (B)(3)	68015	2049218	2117233	35.47	107267	2009570	2116837	35.46	-0.01
Total public Shareholding (B) = (B)(1) + (B)(2)+(B)(3)	901245	2137817	3039062	50.92	940994	2099202	3037196	50.88	-0.04
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0					
GRAND TOTAL (A+B+C)	3541082	1991230	5969166	100.00	3582697	2386469	5969166	100.00	

Gujarat Petrosynthese Limited

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2015)			Shareholding at the end of the year (As on 31.03.2016)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	YASHASHREE COMMERCIAL SERVICES PRIVATE LIMITED	AAACY6305K	800000	13.40	800000	13.40		0
2	URSULA RAMESHCHANDRA THAKKAR	AADPT0791L	352906	5.91	352906	5.91		0
3	URMI PRASAD	AAEPP3171B	487610	8.17	487610	8.17		0
4	CHARITA THAKKAR	AADPT0790M	485417	8.13	485417	8.13		0
5	MULTICHEM PRIVATE LIMITED	AACCM6800B	214442	3.59	394840	6.61		3.02
6	RAMESHCHANDRA M.THAKKAR	AAAPT9065G	0	0	1366	0.02		0.02
7	HEMCHANDRA MEHTA		128212	2.15	128212	2.15		0
8	N RAJENDER PRASAD	ABGPN5312B	119564	2.00	119564	2.00		0
9	MRINALINI MEHTA		82321	1.38	82321	1.38		0
10	RAVINDRARAI B. MEHTA		42900	0.72	42900	0.72		0
11	HEMCHANDRA MEHTA		15307	0.26	15307	0.26		0
12	RAVINDRARAI B. MEHTA		12870	0.22	12870	0.22		0
13	N ANANTHA LAXMI	ABFPN1486R	4638	0.08	4638	0.08		0.00
14	ADHIK NARAYAN SHIRODKAR	ACKPS6882J	2116	0.04	2116	0.04		0.00
15	RAJENDRA ADHIK SHIRODKAR	ALVPS5714R	845	0.01	845	0.01		0.00
16	SHAILA ARUN POWLE	AQOPP4168Q	195	0.00	195	0.00		0.00
17	SMITA PRAKASH MAYEKAR		195	0.00	195	0.00		0.00
18	VIJAY HIRALAL PANDYA	AAEPP6980A	176	0	176	0		0.00
19	PUSHPA VIJAY PANDYA	AAMP7212K	176	0	176	0		0.00
20	DEEPAK VIJAY PANDYA	AAAPP3650M	176	0	176	0		0.00
21	RAGHAVENDRA INDUKUMAR THAKKAR	ACEPT6353R	100	0	100	0		0.00
22	PUSHPA VIJAY PANDYA	AAMP7212K	20	0	20	0		0.00
23	VIJAY HIRALAL PANDYA	AAEPP6980A	20	0	20	0		0.00
								0.00
	TOTAL		2930104	49.08	2931970	49.12		0.04

(iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year 31/03/2015		Cumulative shareholding during the year 31/03/2016	
		No. of shares	% of total shares of company	No. of shares	% of total shares of company
1	At the beginning of the year	2930104		2930104	
	INCREASE 17/04/2015	1000	0.02	2931104	49.08
	INCREASE 22/05/2015	44	0.00	2931148	49.10
	INCREASE 12/06/2015	23	0.00	2931171	49.11
	INCREASE 19/06/2015	299	0.01	2931470	49.11
	INCREASE 21/08/2015	500	0.01	2931970	49.12
	At the end of the year			2931970	

(iv) Shareholding Pattern of top Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

Sl. No	Name	Shareholding at the end of the year		Increase/Decrease in Share holding	Reason	Cumulative Share holding during the year	
		No. of shares (01.04.2015)	% of total shares of the company			No of shares (31.03.2016)	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA	538758	9.0255	NIL	Movement during the year	538758	9.0255
2	GENERAL INSURANCE CORPORATION OF INDIA	276614	4.6340	NIL	Movement during the year	276632	4.6340
3	CHENGUAN CHEMICAL RESEARCH INSTITUTE	60000	1.063	NIL	Movement during the year	60000	1.063
4	LIC NOMURA MF SPECIAL UNIT SCHEME	20020	0.3547	-1500	Transfer	18520	0.3102
5	KARNATAKA STATE FINANCIAL CORPORATION	20000	0.3543	NIL	Movement during the year	20000	0.3543
6	SOUTHERN INDIA DEPOSITORY SERVICES P LTD	10000	0.1772	NIL	Movement during the year	10000	0.1772
7	BALRAM BHARWANI	4310	0.07	813	Transfer	5123	0.09
				100	Transfer	5223	0.09
				54	Transfer	5277	0.09
				330	Transfer	5607	0.09
				82	Transfer	5689	0.10
				39	Transfer	5728	0.10
				39	Transfer	5767	0.10
				1439	Transfer	7206	0.12
				8	Transfer	7214	0.12
				44	Transfer	7258	0.12
				79	Transfer	7337	0.12
				28	Transfer	7365	0.12
				-3	Transfer	7362	0.12
				133	Transfer	7495	0.13
				30	Transfer	7525	0.13
8	MAHENDRA GIRDHARILAL	7070	0.1253	56	Transfer	7070	0.1253
9	FILATEX INDIA LTD.	6500	0.1152	NIL	Movement during the year	6500	0.1152
10	LUCIENNE VIEGAS	6435	0.1140	NIL	Movement during the year	6435	0.1140

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name	Shareholding at the end of the year		Increase/Decrease in Share holding	Reason	Cumulative Share holding during the year	
		No. of shares (01.04.2015)	% of total shares of the company			No of shares (31.03.2016)	% of total shares of the company
1	Rameshchandra Thakkar	0	0	1366	Acquired from open market	1366	0
2	Urmi N. Prasad	487610	8.17	NIL	Movement during the year	487610	8.17
3	Charita Thakkar	485417	8.13	NIL	Movement during the year	485417	8.13

(V) Indebtedness

Indebtedness of the company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	NIL	NIL	NIL	NIL

(VI) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Director and/ or Manager

SI No.	Particular of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Dr. R.M.Thakkar	Mrs. Urmi N. Prasad	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	22.50	22.50	45.00
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961.	4.22	5.05	9.27
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961.	-	-	-
2	Stocks Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Other , specify	-	-	-
5	Others, Please specify Contribution to Provident and Other Funds	-	1.80	1.80
	Total (A)	26.72	29.35	56.07
	Ceiling as per the Act	Section II of Part II of Schedule V		

B. Remuneration to other Directors

(in INR lacs)

SI.No	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr. T. N. R Rao	Mr. M. D. Garde	Mr. V. Raghuram	Ms.Charita Thakkar	
1	Independent Directors					
	(a) Fee for attending board committee meetings	0.18	0.41	0.295	0.15	1.035
	(b) Commission					
	(c) Others, please specify					
	Total (1)	0.18	0.41	0.295	0.15	1.035
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify.					
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	0.18	0.41	0.295	0.15	1.035
	Total Managerial Remuneration (A+B)	57.105				
	Overall Ceiling as per the Act.					

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	*CFO	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	NIL	2.83	NIL	2.83
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961.				
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961.				
2.	Stock Option				
3	Sweat Equity				
4	Commission				
	- As % of profit				
	- Others, specify				
5	Other, Please specify				
	Total	NIL	2.83	NIL	2.83

*Same as the Whole Time Director of the company.

VII Penalties / Punishment / Compounding Offences

Type	Section of the companies Act.	Brief Description Compounding fees imposed	Details of penalty/ Punishment /	Authority (RD/ NCLT/ court)	Appeal made if any (give Details)
A. Company					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
B. Directors					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
C. Other officers in default					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-

INDEPENDENT AUDITORS' REPORTS

To,
The Members of
M/s. Gujarat Petrosynthese Ltd

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s Gujarat Petrosynthese Ltd (the Company) which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Other Matter

As per the Emphasis of matter mentioned in the independent auditor's report of M/S Gujarat Polybutenes Private Limited, a Wholly owned subsidiary of the company, has accumulated losses and the net worth is totally eroded, even after induction of fresh capital. The company has incurred net loss/net cash loss during the current & previous years. The activity of the company is closed from 15-Feb-2016. Thus indicating the uncertainty on going concern, however as per company expects to restart operations in near future to make good of the losses.

Our opinion is not modified in respect of the other matters.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B', and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us there are no other material matters to be reported.

Place : Mumbai
Date : 27th May, 2016

For **SJH & CO.**,
Chartered Accountants
Firm Regn. No. 012106S
(A. Jagannath Babu)
Chartered Accountant
M.No. 020115

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of M/s. Gujarat Petrosynthese Limited on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) In respect of Inventories:

The inventory, except goods-in-transit have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;

In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

- (iii) According to the information and explanations given to us the Company has not granted any loans to company, firm and any other parties covered in the register maintained under section 189, Other than its wholly owned subsidiary company M/S Gujarat Polybutenes Private Limited an amount of Rs. 390 Lakhs Accordingly the provisions of Section 189 have been complied.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regards to sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records by the Company under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, custom duty, excise-duty, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2016, for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, According to the information and explanations given to us, dues that have not been deposited by the Company on account of disputes are mentioned below:

Name of the Statute	Nature of dues	Financial Year	Amount under dispute	Amount paid under protest	Forum Where the Dispute is pending
Income Tax	Rectification Due	F.Y 2007-08 F.Y 2009-10 F.Y 2010-11	Rs. 94,429/- Rs. 6,332/- Rs. 32,170/-	NIL	Rectification filed with AO Rectification filed with AO Rectification filed with AO

- (c) According to the information and explanations given to us, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act and rules made there under;
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its financial institution and bankers. The Company did not have any outstanding debentures during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) To the best of our knowledge and belief and according to the information given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Mumbai
Date : 27th May, 2016

For **SJH & CO.**,
Chartered Accountants
Firm Regn. No. 012106S
(A. Jagannath Babu)
Chartered Accountant
M.No. 020115

ANNEXURE B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 ('the ACT')

We have audited the Internal financial control over financial reporting of M/s. Gujarat Petrosynthese Limited ('the Company) as of 31st March 2016 in Conjunction with our audit of the standalone financial statements of the company for the year ended on that date

Management's Responsibility for Internal Financial Controls

The company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of Internal control stated in the Guidance note on Audit of Internal Financial Controls over Financials Reporting issued by the Institute of Chartered Accountants of India(ICAI).These responsibilities include the design, implementation and maintenance of adequate internal controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies act 2013

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls based on our audit. We conducted our audit in accordance with the Guidance note on Audit of Internal financial controls over financials reporting ('the Guidance note') and the standards on auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the companies act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and ,both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance note that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial reporting was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial reporting over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statement for external purpose is accordance with generally accepted accounting principles. A company's Internal Financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of record that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company,(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the Inherent Limitations Of Internal Financial Controls Over Financial Reporting ,including the possibility of collusion or Improper management override of controls, Materials misstatements due to error or frauds may occur and not be detected Also, projections of any evaluation of the internal financial control over Financial Reporting to future periods are subject to the risk that the internal Financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

Place : Mumbai
Date : 27th May, 2016

For **SJH & CO.**,
Chartered Accountants
Firm Regn. No. 012106S
(A. Jagannath Babu)
Chartered Accountant
M.No. 020115

BALANCE SHEET AS ON 31.03.2016

(₹ in thousands)

	Note No.	As at 31.03.2016	As at 31.03.2015
I EQUITY AND LIABILITIES			
1 Shareholder's funds			
(a) Share Capital	1	59,692	59,692
(b) Reserves and Surplus	2	146,509	128,467
(c) Money received against share warrants		-	1,750
		<u>206,201</u>	<u>189,909</u>
2 Share application money pending allotments			
3 Non-current liabilities			
a) Deferred tax liabilities (Net)	3	5,938	2,096
		<u>5,938</u>	<u>2,096</u>
4 Current Liabilities			
a) Other Short-term liabilities		2,527	
b) Trade payables	4	15,140	13,980
c) Other current liabilities	5	6	127
d) Short term provisions	6	4,395	
		<u>22,068</u>	<u>3,792</u>
Total		<u><u>234,207</u></u>	<u><u>209,904</u></u>
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	40,510	43,019
(ii) Intangible assets			
b) Non-current investments	8	99,199	61,199
(i) Advance for Capital Assets		464	464
		<u>140,173</u>	<u>104,682</u>
Total		<u><u>140,173</u></u>	<u><u>104,682</u></u>
2 Current assets			
(a) Inventories	9	5,330	3,240
(b) Trade receivables	10	20,179	20,311
(c) Cash and Cash equivalents	11	12,133	6,515
(d) Short-term loans and advances	12	53,810	73,595
(e) Other current assets	13	2,582	1,561
		<u>94,034</u>	<u>105,222</u>
Total		<u><u>234,207</u></u>	<u><u>209,904</u></u>

As per our report of even date
For SJH & CO.,
 CHARTERED ACCOUNTANTS
 Firm Regn. No. 012106S

For and on behalf the Board of Directors

(A. JAGANNATH BABU)
 PARTNER
 Membership No.020115

R. M. Thakkar
 Chairman & Non-Executive Director
 DIN : 00248949

Urmi N. Prasad
 Jt. Managing Director
 DIN : 00319482

PLACE : Mumbai
 DATE : 27th May, 2016

PLACE : Mumbai
 DATE : 27th May, 2016

PLACE : Mumbai
 DATE : 27th May, 2016

PROFIT AND LOSS ACCOUNT AS AT 31.03.2016

(₹ in thousands)

	Note No.	As on 31.03.2016	As on 31.03.2015
I Revenue from operations	14	111,792	87,793
II Other Income	15	3,200	11,174
III Total Revenue (I + II)		114,992	98,967
IV Expenses:			
Cost of material consumed	16	85,372	69,770
Changes in inventories of finished goods, work in progress and Stock-in-trade	17	(96)	(52)
Employee benefits expense	18	16,614	14,919
Finance costs	19	16	-
Depreciation and amortization expense	7	3,232	5,014
Other Expenses	20	23,865	19,140
Total Expense		129,003	108,791
V Profit before exceptional and extraordinary items and tax (III - IV)		(14,011)	(9,824)
Exceptional Items		14,893	4,711
Profit before extraordinary items and tax (V - VI)		882	(5,113)
Extraordinary items		-	746
Profit before tax (VII + VIII)		882	(4,367)
Tax expense			
(1) Current tax		158	
(2) Deferred tax		3,842	416
		4,000	416
Profit/(Loss) for the period from continuing operations (after tax) (IX - X)		(3,118)	(4,783)
Profit/(Loss) for the period from discontinuing operations		(3,118)	(4,783)
Tax expense of discontinuing operations			
Profit/(Loss) from discontinuing operations (after tax) (XII - XIII)			
Profit/(Loss) for the period (XI - XIV)		(3,118)	(4,783)
Earnings per equity share:			
(1) Basic		(0.52)	(0.81)
(2) Diluted			
See accompanying notes to the financial statements			

As per our report of even date

For SJH & CO.,

CHARTERED ACCOUNTANTS

Firm Regn. No. 012106S

(A. JAGANNATH BABU)

PARTNER

Membership No.020115

For and on behalf the Board of Directors

R. M. Thakkar
 Chairman & Non-Executive Director
 DIN : 00248949

Urmi N. Prasad
 Jt. Managing Director
 DIN : 00319482

 PLACE : Mumbai
 DATE : 27th May, 2016

 PLACE : Mumbai
 DATE : 27th May, 2016

 PLACE : Mumbai
 DATE : 27th May, 2016

NOTES TO FINANCIAL STATEMENTS

(₹ in thousands)

PARTICULARS	As on 31.03.2016	As on 31.03.2015
NOTE 1 : SHARE CAPITAL		
Authorized		
80,00,000 equity shares of Rs.10/- each	80,000	80,000
Issued, Subscribed and Paid-up		
59,69,166 Equity shares of Rs.10/- each fully paid up	59,692	59,692
Total	59,692	59,692
a) Reconciliation of shares outstanding at the beginning and at the end of the year		
Equity Shares	As at 31.03.2016	As at 31.03.2015
	No of Shares ₹ '000	No of Shares ₹ '000
At the beginning of the year	59,69,166 59,692	56,44,166 56,442
Add: issued during the year	- -	3,25,000 3,250
At the end of the year	59,69,166 59,692	59,69,166 59,692
b) Details of shareholders holding more than 5% in Company		
Charita Thakkar - holds 485417 eq.shares - 8.13% (PY: 485417 - 8.13%)		
Urmi N Prasad - holds 487610 eq.shares - 8.17% (PY: 487610 - 8.17%)		
Ursula Thakkar-holds 352906 eq.shares - 5.91% (PY: 352906 - 5.91%)		
Yashashree Commercial Service Pvt Ltd-holds 800000 eq.shares - 13.40% (PY: 800000 - 13.40%)		
LIC of India - holds 537343 eq.shares - 9.52% (PY: 537343 - 9.52%)		
NOTE 2 :RESERVES & SURPLUS		
Capital Reserves		
Securities premium	20,000	20,000
Share Warrant Forfeited	1,750	-
General Reserve	108,467	117,181
Income Tax refund	19,410	
Surplus in Profit/Loss account		
Surplus in Profit/Loss account for the period	(3,118)	(4,783)
Share Premium (800000*25)	-	-
Less: Additional Depreciation	-	(3,931)
Total	146,509	128,467
NOTE 3 : NON-CURRENT LIABILITIES		
a) Deferred tax liabilities (Net)	5,938	2,096
b) Long-term provisions	-	
Total	5,938	2,096
NOTE 4 : TRADE PAYABLES		
Creditors for Expenses	1,365	947
Creditors for Goods	13,434	12,671
Creditors for Others	341	362
Total	15,140	13,980
NOTE 5: OTHER CURRENT LIABILITIES		
Advance Received from Others	-	100
Advance Received from Customers	6	27
Total	6	127
NOTE 6: SHORT-TERM PROVISIONS		
Provision for employee benefits	1,484	1,245
Provision for Others / Expenses	755	686
Others	-	
Provision for Taxation	1,847	1,689
Statutory Payables	309	171
Total	4,395	3,792

NOTE 7 - DETAILS OF FIXED ASSETS FOR THE FINANCIAL YEAR 2015-2016 (₹ in thousands)

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK				
		As at 01.04.2015	Additions before 30th Sep	Additions After 1st Oct	Additions	Deductions	TOTAL AS AT 31.03.2016	Additional Depreciation	AS AT 31.03.2016	For the Year ended 31.03.2016	Deductions	Total Deprn.	AS AT 31.03.2016	AS AT 31.03.2015
1	Leasehold Land	15,734	-	-	-	-	15,734	-	-	-	-	-	15,734	15,734
	Freehold Land	4,419	-	-	-	-	4,419	-	-	-	-	-	4,419	4,419
2	Factory Building/ Building	16,053	-	-	25	-	16,078	-	-	536	-	9,262	6,816	7,327
	Plant and Machinery	43,042	-	-	522	-	43,564	-	-	1,136	-	32,464	11,100	11,714
	Electrical Installation	2,422	-	-	-	-	2,422	-	-	121	-	2,422	-	121
3	Laboratory Equipment	2,303	-	-	-	-	2,303	-	-	219	-	2,188	115	334
4	Vehicles	3,339	-	-	-	-	3,339	-	-	317	-	2,071	1,268	1,585
5	Office Equipments	2,183	12	-	100	-	2,283	-	-	206	-	2,127	156	262
6	Furniture & Fixtures	2,187	-	-	-	-	2,187	-	-	90	-	1,903	284	374
7	Computer	1,861	28	-	28	-	1,889	-	-	186	-	1,867	22	180
8	Mobile	2,642	13	34	47	-	2,689	-	-	289	-	2,198	491	733
	Jigs and Moulds	403	-	-	-	-	403	-	-	169	-	169	234	234
	Total	96,588	53	34	722	-	97,310	-	-	3,100	-	56,671	40,639	43,017

NOTES TO FINANCIAL STATEMENTS

(₹ in thousands)

PARTICULARS	As on 31.03.2016	As on 31.03.2015
NOTE 8: NON CURRENT INVESTMENTS		
Investment in Equity Capital of 100% Subsidiary Companies		
(Un-Listed & Not traded)		
1. In GPL Finance and Investment Ltd 9,99,945 (Previous year 9,99,945) Fully paid Equity Shares of Rs. 10/- each	9,999	9,999
2. In Gujarat Polybutenes Pvt. Ltd 44,89,995 (P.Y. 34,89,995) Fully paid up equity shares - face value of Rs. 10 each, 12,50,000 Equity Shares of Rs.10/- purchased at premium of Rs. 10 per shares Preference Shares: On allotment of 25,00,000 Preference Shares of Rs.10/- each fully paid to Gujarat Petrosynthese Ltd a holding company	60,400 25,000	47,400
3. Rural Electrification Bonds	3,800	3,800
Total	99,199	61,199
NOTE 9: INVENTORIES		
(As Taken, Valued And Certified By The Management)		
Raw Material & Consumables	4,199	2,205
Finished Goods	1,131	1,035
Total	5,330	3,240
NOTE 10: TRADE RECEIVABLES		
Debtors Outstanding for more than Six Months	173	3,352
Debtors	20,006	16,959
Total	20,179	20,311
NOTE 11: CASH AND CASH EQUIVALENTS		
Cash on Hand	63	93
In Current Accounts	8,070	2,422
FD with Banks	4,000	4,000
Total	12,133	6,515
NOTE 12: SHORT TERM LOANS AND ADVANCES		
Advances recoverable in cash or kind or for value to be received	41,252	57,361
TDS, Advance Tax and Self Assessment Tax	12,464	16,148
Tax Deducted At Source F.Y.2014-15	94	87
Total	53,810	73,595
NOTE 13 : OTHER CURRENT ASSETS		
Trade Deposits	1,031	1,018
Other Deposits	100	110
Cenvat Credit	1,028	90
Prepaid Expenses	423	344
Total	2,582	1,561

NOTES TO FINANCIAL STATEMENTS

(₹ in thousands)

PARTICULARS	As on 31.03.2016	As on 31.03.2015
NOTE 14 : REVENUE FROM OPERATIONS		
Sales (Net)	105,501	78,901
Job Work Charges	6,291	8,892
Total	111,792	87,793
NOTE 15: OTHER INCOME		
Interest on Loans	937	872
Interest on Investment	228	-
Interest on Deposit	406	423
Miscellaneous Income	2	272
Service Charges	1,600	9,600
Specimen Testing Charges	14	7
Reversal of provision no longer required	13	-
Total	3,200	11,174
NOTE 16: COST OF MATERIAL CONSUMED		
Raw Materials		
Opening Stock of Materials	2,205	2,668
Add: Purchases	86,560	68,548
Less: Closing Stock	4,199	2,205
Packing Materials	805	759
Total	85,371	69,770
NOTE 17: INCREASE/DECREASE IN FINISHED GOODS		
Opening Inventories (Finished Goods)	1,035	983
Closing Inventories (Finished Goods)	1,131	1,035
Total	(96)	(52)
NOTE 18: EMPLOYEE BENEFIT EXPENSES		
Salary & Wages	8,994	8,375
Contribution to Provident and Other Funds	1,191	830
Staff Welfare Expenses	821	434
Managerial Remuneration & Perks	5,608	5,280
Total	16,614	14,919
NOTE 19: FINANCE COSTS		
Interest on loan	16	-
Total	16	-
NOTE 20 : OTHER EXPENSES		
Excise Duty	303	331
Bank charges	22	21
Power and Fuel	4,465	4,501
Repairs & Maintenance	1,991	1,070
Rates and Taxes	509	318
Insurance	621	831
Auditors Remuneration & Perks	160	160
Travelling Expenses	706	1,145
Directors Sitting Fees	155	91
Donations	5	9
General Expenses	12,102	8,552
Transportation, Freight and Octroi	698	500
Retainers Fees	1,151	852
Vehicle Expenses	977	759
Total	23,865	19,140

NOTES TO THE ACCOUNTS

21. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting:

- a) The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013, to the extent applicable.
- b) The Company generally follows the Mercantile System of accounting and recognizes significant items of the income and expenditure on accrual basis except insurance claims and refunds from Government authorities.

ii) Fixed Assets: Fixed Assets are stated at cost of acquisition including incidental expenses related to acquisition and installation.

iii) Depreciation:

- a) Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.
- b) The rates of depreciation being charged are given below

i. Jigs and moulds are charged off over a period of 3 years	
ii. Factory Building	3.33%
iii. Plant & Machinery	6.33%
iv. Electrical Installation	9.50%
v. Office Equipment	19.00%
vi. Furniture & Fixtures	9.50%
vii. Computers	31.67%
viii. Vehicles	9.50%
- c) Leasehold land and freehold land is not amortized over the period of lease.

iv) Valuation of Inventories:

- i) Raw materials and consumables are valued at lower of cost or realizable value.
- ii) Processed stock is valued at estimated cost.
- iii) Finished goods
 - a) Manufactured Goods: Manufactured finished goods are valued at lower of absorption cost or Market Value.
 - b) Trading Goods: Finished goods purchased for re-sale is valued at cost of purchase.
- v) **Investments:** Investments which are Long Term in nature are stated at the Cost of acquisition with provision where necessary for diminution, other than temporary in the value of investments. The Market value of the assets held by the Gujarat Polybutenes Pvt. Ltd is much higher than the book value, Hence Investment in Gujarat Polybutenes Pvt. Ltd, which is a 100% subsidiary of the Company is valued at book value, although the networth of Gujarat Polybutenes Pvt. Ltd is negative.

vi) Foreign Exchange Transactions:

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of such transactions.

vii) Retirement benefits:

- a) The liability of gratuity to the employees is covered under the Group Gratuity scheme with the Life Insurance Corporation of India. The annual premium is debited to the Profit and Loss Account.

- b) The liability of superannuation benefits to the wholetime Directors is covered under the Superannuation Scheme with the Life Insurance Corporation of India. The amount paid is debited to the Profit and Loss Account.
- c) The liability of leave encashment of employees is covered with LIC. The Premium paid is debited to Profit & Loss Account.

viii) Taxes on Income:

- a) Current Tax: Provision for Income Tax is determined in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred Tax Provision: Deferred Tax is recognized on the timing difference being difference between the taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent period(s).

ix) Insurance: Insurance claims are accounted on cash basis.

x) Stores, spares & Consumables:

- i) Stores and spares are charged to revenue in the year of purchase.
- ii) Consumables are charged to revenue on actual consumption basis.

xi) Research and Development: Research and Development Costs (other than cost of fixed assets acquired) are charged as expenses in the year in which they are incurred.

xii) Cenvat Benefit: Cenvat benefit is accounted on duty paid materials when credit is given in excise records by debit to Excise Duty Deposit Account. The amount of Cenvat benefit availed is treated as Deposit of Excise Duty and appropriated against excise duty payment.

xiii) Miscellaneous Expenditure:

Preliminary and Public issue expenses are written off over a period of ten years and are charged on a pro-rata basis for the period of operation.

22. "The Company had lodged claims on Axis Bank demanding repayment of fraudulent withdrawal of Rs.39,00,500/- during the year 2011-12. The adjudication complaint is pending before the Adjudicator of Karnataka and other legal proceedings to recover the amount is before the Cyber Appellate Tribunal. In the opinion of the management and legal consultant the amount is considered good for recovery through judicial process. Out of the above original Claim, the current assets include Rs.35,44,400 (previous year Rs.35,44,400) still recoverable from Axis Bank Ltd and is considered as good"

23. In the opinion of the Management:

- a) All the current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the accounts.
- b) All the known liabilities have been provided. There is no liability, contingent or otherwise, except those which are stated in the accounts.

24. Depreciation

The rates of Depreciation have been applied as prescribed in Schedule II of the Companies Act, 2013.

25. Managerial Remuneration under Section 197 of the Companies Act, 2013 payable to:

	Current Year ₹ in lacs	Previous Year ₹ in lacs
I. The Managing Director		
Salary	22.50	22.50
Commission	0.00	0.00
Contribution to Provident and Other Funds	0.00	0.00
Perquisites in cash or kind	4.22	2.99
	26.72	25.49

	Current Year ₹ in lacs	Previous Year ₹ in lacs
II. The Executive Directors		
Salary	22.50	22.50
Commission	0.00	0.00
Contribution to Provident and Other Funds	1.80	1.80
Perquisites in cash or kind	5.05	3.01
	<u>29.35</u>	<u>27.31</u>
III. Non Whole-Time Directors		
Commission	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

Computation of Net Profit as per Section 198 of the Companies Act, 2013.

26. Commission to Directors not worked out in view of Loss during the year.
27. Based on the information received by the Company from the creditors in regard to their S.S.I. Status, there are no amounts due to such creditors outstanding for over 30 days exceeding Rs. One lakh as on 31st March, 2016. Based on such information, there is no liability for interest on delayed payments which would be payable under "The Interest on Delayed Payments to Small Scale and Ancillary Industrial undertakings ordinance, 1992". Moreover, the Company has not received any claims in respect of interest.
28. **Remuneration to Auditors :**

	31.03.2016 ₹ in thousands	31.03.2015 ₹ in thousands
(Exclusive of Service Tax)		
Audit Fees	100.00	100.00
Tax Audit Fees	60.00	60.00
Total	<u>160.00</u>	<u>160.00</u>

29. Additional information in pursuance to clause (ii) of part II of the Schedule III of Companies Act, 2013 are given to the extent as applicable to the Company.

	31 st March, 2016 Qty (M.T) ₹ in thousands		31 st March, 2015 Qty ₹ in thousands	
a) Turnover				
Alloyes & Blends Sales	696	105501	453	78901
Job work charges	417	6291	670	8892
		<u>111792</u>		<u>87793</u>

Turnover of Polymers includes 275 Kgs (Previous year 321 Kgs) given as free sample.

b) **Consumption of Raw materials**

	31 st March, 2016 Qty (M.T) ₹ in thousands		31 st March, 2015 Qty ₹ in thousands	
Products/Plastics of Different Types	697	84566	459	69769

c) **Value of Imported and Indigenous Raw Material consumed during the Year**

	31 st March, 2016 ₹ in thousands %		31 st March, 2015 ₹ in thousands %	
Imported	104	0.12%	-	-
Indigenous	84462	99.98%	69769	100%
	<u>84566</u>	<u>100%</u>	<u>69769</u>	<u>100%</u>

d) **Opening and Closing Stock of Goods**

	31 st March, 2016 Qty (M.T) ₹ in thousands		31 st March, 2015 Qty ₹ in thousands	
Alloyes & Blends	6771	1131	4663	1035

e) C.I.F. Value of Imports

	31 st March, 2016 ₹ in thousands	31 st March, 2015 ₹ in thousands
Raw Material	185.96	NIL
Spares	NIL	NIL

f) Expenditure in Foreign Currency

	31 st March, 2016 ₹ in thousands	31 st March, 2015 ₹ in thousands
i) Travelling	-	712
ii) Others	NIL	NIL

g) Earning in Foreign Exchange

	31 st March, 2016	31 st March, 2015
	NIL	NIL

h) Amount remitted in Foreign Currencies towards dividend (Net of Tax)

	31 st March, 2016	31 st March, 2015
i) Number of Non-resident Equity Shareholders	821	835
ii) Number of Equity Shares	4,31,728	4,40,099
iii) Amount Remitted	NIL	NIL

30. The Company has written off old debit and credit balances of various parties during the year, net debit on this account is ₹ NIL (Previous Year ₹ NIL/- net Debit)

31. Prior Period expenses of ₹ NIL (Previous Year expenses ₹ NIL)

32. Earning Per Share :

	2015-2016 (4783)	2014-2015 (4580)
a) Net Profit available for equity shareholders (Numerator used for calculation)		
b) Weighted Average No. of equity shares (Used as denominator for calculating EPS)	59,69,166	59,69,166
c) Basic and Diluted Earnings per share (Rs.) (Equity Share of face value of Rs. 10 each)	(522.36)	(801.20)

33. Transaction with Related Parties:

Particulars	Subsidiary Company / Key Management Personnel	As at 31.03.2016 ₹ in thousands	As at 31.03.2015 in thousands
Sales / Services	Gujarat Polybutenes Pvt Ltd	1600	9600
Transfer of Expenses	Gujarat Polybutenes Pvt Ltd	-	3738
Remuneration	Managing Director	2672	2549
Remuneration	Executive Directors	2935	2731

Particulars	Subsidiary Company / Key Management Personnel	As at 31.03.2016 ₹ in thousands	As at 31.03.2015 in thousands
Outstanding Receivable	Gujarat Polybutenes Pvt Ltd	20667	20667

34. Balances of Debtors, Creditors and Other parties are subject to confirmations.

35. Previous year's figure have been re-grouped and re-arranged wherever necessary.

As per our report of even date
For **SJH & CO.**,
CHARTERED ACCOUNTANTS
Firm Regn. No. 012106S

For and on behalf the Board of Directors

(A. JAGANNATH BABU)
PARTNER
Membership No.020115

R. M. Thakkar
Chairman & Non-Executive Director
DIN : 00248949

Urmi N. Prasad
Jt. Managing Director
DIN : 00319482

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

CASHFLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

Rs. In Thousands

SI.No	Particulars	2015-2016	2014-2015
A	CASHFLOW FROM OPERATING ACTIVITIES		
	Net Profit after tax	(3,118)	(9,824)
	Adjustments for:	-	-
	Depreciation	3,232	8,945
	Income Tax ,FBT & Deferred Tax	3,999	-
	Extraordinary items	-	-
	Profit/(Loss) on sale of FA	-	(4,684)
	Profit/(Loss) on sale of Investment	-	332
	Dividend received	-	-
	Finance costs	16	-
	Interest received	1,571	(1,295)
	Interest Paid	-	-
	Operating profits before working capital chages	5,700	(6,526)
	Adjustments for:	-	-
	Decreases / (Increase) in Inventories	(2,090)	411
	Decreases / (Increase) in Trade & other receivables	132	(1,743)
	Decreases / (Increase) in Loans & Advances	19,786	(190)
	Decreases / (Increase) in Other Non Current asset	(1,021)	-
	Increase / (Decrease) in Payables	1,159	(8,598)
	Increase / (Decrease) in Other current liabilities	(121)	-
	Increase / (Decrease) in short term provisions	602	-
	Increase / (Decrease) in short term liabilities	2,527	-
	Cash Generated from Operations	26,675	(16,266)
	Interest paid	-	-
	Net Cash inflow / (outflow) from operating activities	26,675	(16,266)
B	CASH FLOW FROM INVESTMENTS ACTIVITIES		
	Purchase of Fixed Assets	(723)	(1,143)
	Sale of Fixed Assets (net)	-	6,634
	Sale / (Purchase) on sale of investments	(38,000)	1,167
	Profit/(Loss) on sale of Investment	-	-
	Interest received	(1,571)	1,295
	Provision For tax	(158)	-
	Dividend received	-	-
	Net Cash inflow / (outflow) from investing activities	(40,451)	7,952
C	CASH FLOW FROM FINANCE ACTIVITIES		
	Proceeds from Borrowings	-	-
	Share Premium	-	8,125
	Equity Shares	-	3,250
	Money received against Share warrants	-	(2,844)
	Dividends received	-	-
	Finance cost	(16)	-
	Income tax refund	19,411	-
	Current investments considered as part of Cash and cash equivalents	-	-
	Net Cash Inflow / (outflow) in cash from Financing activities	19,394	8,531
	Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	5,618	217
	Cash and cash equivalents at beginning of year	2,515	2,297
	Cash and cash equivalents at end of year	8,133	2,514

This is the Cash Flow Statement referred to in our report of even date

As per our report of even date

For and on behalf the Board of Directors

For **SJH & CO.**,

CHARTERED ACCOUNTANTS

Firm Regn. No. 012106S

(A. JAGANNATH BABU)

PARTNER

Membership No.020115

R. M. Thakkar

Chairman & Non-Executive Director

DIN : 00248949

Urmi N. Prasad

Jt. Managing Director

DIN : 00319482

PLACE : Mumbai

DATE : 27th May, 2016

PLACE : Mumbai

DATE : 27th May, 2016

PLACE : Mumbai

DATE : 27th May, 2016

BOARDS' REPORT

To the Members,

Your Directors have pleasure in submitting their 13th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016

1. FINANCIAL RESULTS

The Company's financial performance for the year under review are given hereunder:
Particulars for the Year ended 31st March, 2016

(₹ in Lacs)

Particulars	for the year ended on 31/03/2016	for the year ended on 31/03/2015
Sales Turnover	956.58	1692.58
Other Income	28.05	31.18
Total	984.63	1723.77
Less: Exp. other than Finance Cost and Depreciation	1319.89	2135.25
Operating Profit	(335.26)	(411.48)
Less: Finance Cost	95.07	10.22
Depreciation	46.40	37.81
Profit before exceptional & extraordinary items	(476.74)	(551.53)
Add: Extraordinary items	6.44	00.31
Profit before tax	(483.18)	(551.22)
Add/(Less): Profession for tax / Deferred tax	0.29	5.78
Profit after tax	(482.88)	(545.44)
Add: Balance brought forward from earlier period	(453.30)	101.66
Balance available for appropriations	(936.61)	(453.30)
Balance carried to Balance sheet	(936.61)	(453.30)

2. DIVIDEND

Your Directors are unable to recommend any dividend.

3. PERFORMANCE & FUTURE OUTLOOK

Our company has been suffering from differential pricing of feedstock and return stream. We have been working with a Government company for supply of raw material and return stream at the same price like our competitor but the issue was not resolved. This has resulted in our inability to compete with our Indian competitor as well as imports. We have therefore suspended our operations from February 2016 and are looking at different avenues to restart our operations. We are hopeful to tide over these difficulties

4. BUSINESS

During the year under review, there is no change in the business activities of the Company.

5. MATERIAL CHANGES AND COMMITMENT OCCURRED AFTER THE END OF FINANCIAL YEAR AND UPTO THE DATE OF REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and upto the date of this report.

6. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

7. LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the Financial Year, the Company has not made any Investments or provided Loans or Guarantees to any other company.

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company

9. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, there is no amount required to be transferred to the Investor Education and Protection Fund established by the Central Government.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there has been no change in the Directors and Key Managerial Personnel of the Company.

At the forthcoming Annual General Meeting, Mr.R M Thakkar retires by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible offers himself for reappointment.

11. BOARD MEETINGS

During the year Ten Board Meetings were convened and held on 30.05.2015, 25.07.2015, 23.09.2015, 30.09.2015, 14.11.2015, 16.12.2015, 28.12.2015, 30.12.2015, 30.12.2015 and 05.02.2016.

12. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. STATUTORY AUDITORS

M/s Suresh Thakkar & Co., Chartered Accountants, Vadodara, the statutory Auditors of the Company, retires at the ensuing Annual General Meeting of the Company and being eligible for re-appointment have expressed their willingness to continue. The Company has received a certificate from the Auditors that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Board recommends their re-appointment. Shareholders are requested to re-appoint the Auditors for the financial year 2016-17 and authorize the Board to fix their remuneration

As per Section 134(3) of the Companies Act, 2013 the notes/ comments of Auditors referred to in the Auditors' Report are self explanatory and do not call for further explanation. The Auditors' Report does not contain any qualification, reservation or adverse remark.

14. RISK MANAGEMENT POLICY

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The operations and working of the Company can be affected on account of any of the following risk factors;

- Ø Policy of Govt. as to excise duty etc.
- Ø Policy of competitors
- Ø Market conditions

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 is not applicable to the Company, as the Company do not meet with the requirement of profit criteria.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure I** and is attached to this Report.

17. RELATED PARTIES TRANSACTIONS

The particulars of transactions or contracts entered or arrangements made with related parties pursuant to provisions of section 188 of the Companies Act, 2013 is provided in **Annexure II** and is attached to this Report.

18. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is provided in **Annexure III** and is attached to this Report.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION OF, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

20. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

21. ACKNOWLEDGEMENTS

The Board of Directors wish to place on record their appreciation for the continuous support of bankers, vendors and buyers and shareholders in the performance of the Company. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board
Gujarat Polybutenes Pvt. Ltd.

Mr. R. M. THAKKAR
Director
DIN : 248949

Ms. Urmi. N. Prasad
Director
DIN : 319482

Place : Mumbai
Date : 27th May, 2016

ANNEXURE 1 TO THE BOARD'S REPORT

Information under Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Director's Report for the year 2015-16.

I. Conservation of Energy	:	Use of standard quality equipments
II. Additional Investment and proposals if any being implemented for the reduction of energy	:	Proposals are under consideration
III. Impact of measures (a) and (b) above for the reduction of energy consumption and consequent impact on cost of production of goods	:	Reduction in usage of electricity

A. POWER AND FUEL CONSUMPTION

1) Electricity		2015-16	2014-15
a) Purchased			
Unit	KWH	631,444	1,025,884
Total amount	Rs	5,875,138	8,419,462
Rate / Unit	Rs	9.30	8.21
b) Own Generator through Diesel Generator			
Units	KWH	2,340	10,479
Unit Per Ltr	KWH	0.56	2.50
Rate / Unit	Rs	32.59	24.59
Coal			
Quantity	MT	586.57	1,932.84
Total amount	Rs	3,016,339	8,149,860
Average Rate	Rs	5,142.33	4,216.52
Natural Gas			
Quantity (MMBTU)	MMBTU	884	2,251
Total amount	Rs	999,548	2,924,358
Average Rate (MMBTU)	Rs	1,130.71	1,299.14

B. CONSUMPTION PER UNIT PER PRODUCTION

Standards (If any)		2015-16	2014-15
Product/Unit : Polymer / MT			
Electricity	KWH	1,472.451	1,112.190
Coal/DOC	MT	1.363	2.074
Natural Gas	MMBTU/scm	2.054	2.416

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per FORM B Research and Development (R & D)

- | | |
|---|--|
| 1.00 Specific area in which R & D was carried out by the Company | To produce high grade of polymers |
| 2.00 Benefit derived as a result of R & D products at lower cost. | Manufacture of new products and existing |
| 3.00 Future plan of action | Manufacture of variety of PIB |
| 4.00 Expenditure on R & D | Rs. |
| a) Capital | - |
| b) Recurring | - |
| c) Total | - |
| d) Total R & D Expenditure as a percentage of Total Turnover | - |

Technology absorption, adoption and innovation.

- | | |
|---|--|
| 1.00 Efforts in brief, made towards technology absorption and innovation | Technology obtained from our collaborators has been fully absorbed. Improvements are being continuously made and have resulted in improved efficiency of operation |
| 2.00 Benefits derived as a result of above efforts | N.A |
| 3.00 In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished. | N.A |
| a) Technology Furnished | |
| b) Year of Import | |
| c) Has technology been fully absorbed | |
| d) If not fully absorbed, areas where this has not taken place, reason therefore, any further plans of action | |

III. FOREIGN EXCHANGE EARNING AND OUTGO

During the year, the Foreign Exchange outgo was ₹ NIL- During the year Company has earned Foreign Exchange of ₹ NIL During the year.

FORMAT OF FORM NO AOC-2
(Pursuant to clause (h) of sub section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014)

Form for disclosure of particulars of contract/arrangements entered into by the Company with the related parties referred to in sub section (1) of Section 188 of the Companies Act 2013 including certain arms length transactions under the third proviso thereto.

(1) Details of contracts or arrangements or transactions not at arm's length basis

Sr No	Particulars	
a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

(2) Details of material contracts or arrangement or transactions at arm's length basis

(₹ in Lacs)

Sr No	Particulars	(1)	
a)	Name(s) of the related party and nature of relationship:	Gujarat Petrosynthese Ltd., (Holding Company)	
b)	Nature of contracts/arrangements/transactions:	Management Service Fees	Transfer of Expenses
c)	Duration of the contracts / arrangements/transactions:		
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	16	36.21
e)	Date(s) of approval by the Board, if any:		
f)	Amount paid as advances, if any:	NIL	NIL
g)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	NA	NA

FORM MGT - 9
EXTRACT OF ANNUAL RETURN
as on the Financial Year Ended on 31.03.2015
(Pursuant of Section 92(3) of the Companies Act, 2013 and rule 12 (1) of the
Companies (Management and Administration) Rules, 2014)

CIN	U24200GJ2002PTC045675
Registration Date	17.12.2002
Name of the Company	GUJARAT POLYBUTENES PRIVATE LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and Contact Details	Petrochemical Complex Area, P.O. Petrochemical, Baroda - 391346, Gujarat
Whether Listed Company	No
Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

Sl.No	Name and Description of main product/services	NIC Code of the Product/Service	% To total turn over the company
1.	Polyisobutene	22208	71.23%
2.	LPG	19201	24.93%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of Shares	Applicable Section
1	Gujarat Petrosynthese limited 24,II Main, Doddanekkundi Industrial Area,Phase 1, Mahadevapura, Bangalore, Karnataka - 500048	L23209KA1977PLC043357	Holding	99.99%	2(46)

Gujarat Polybutenes Private Limited

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)

i) Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	5	5	0.00014	0	5	5	0.0001	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	3489995	3489995	100	0	4489995	4489995	100	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	0	3490000	3490000	100	0	4490000	4490000	100	
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter									
(A)=(A)(1)+(A)(2)	0	3490000	3490000	100	0	4490000	4490000	100	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c) Alternate Investment Fund	0	0	0	0	0	0	0	0	0
(d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e) Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
(f) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(g) Insurance Companies	0	0	0	0	0	0	0	0	0
(h) Provident Funds/Pension Funds	0	0	0	0	0	0	0	0	0
(i) Any Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0
2. Central Government/									
State Government(s)/									
President of India	0	0	0	0	0	0	0	0	0
Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
(3) Non Institutions									
a) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
b) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DRs)									
(balancing figure)	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(3):	0	0	0	0	0	0	0	0	0
Total Public Shareholding									
(B)=(B)(1)+(B)(2)+(B)(3)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	3490000	3490000	100	0	4490000	4490000	100	0

ii) Shareholding of Promoters

Sl. No.	Name of the shareholder	No of Shares at the beginning the year			Share holding at the end of the year			
		No. of shares	% of total shares of the company	% of shares pledged/en cumbered to total share	No. of shares	% of total shares of the company	% of shares pledged/en cumbered to total share	% of change in share during the year
1	Gujarat Petrosynthese Limited	34,89,995	99.9999	0	44,89,995	99.9999	0	0
2	Ramesh Thakkar	1	0.0000	0	1	0.0000	0	0
3	Sharayu Thakkar	1	0.0000	0	1	0.0000	0	0
4	Urmi Prasad	1	0.0000	0	1	0.0000	0	0
6	Charita Thakkar	1	0.0000	0	1	0.0000	0	0
7	Ursula Thakkar	1	0.0000	0	1	0.0000	0	0
	Total	34,90,000	100	0	44,90,000	100		

iii) Change in Promoters Shareholding

(in Rupees)

Sl. No.		Shareholding at the beginning of the year		Cumulative share holding during the year	
		No. of Shares	% of total share of the company	No. of Shares	% of total share of the company
	At the beginning of the year	34,89,995	99.999	44,89,995	99.999
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	Allotment of 5,00,000 Equity shares of Rs. 10 each on 23.09.2015 & Allotment of 5,00,000 Equity shares of Rs. 10 each on 30.09.2015.			
	At the end of the year	44,89,995	99.999	44,89,995	99.999

(iv) Shareholding Pattern of top ten Shareholders (other than Direcors, Promoters & Holders of GDRs & ADRs) : N.A.

(in Rupees)

Sl. No.		Shareholding at the beginning of the year		Cumulative share holding during the year	
		No. of Shares	% of total share of the company	No. of Shares	% of total share of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)				

(V) Shareholding of Directors & KMP

Sl. No.		Shareholding at the beginning of the year		Cumulative share holding during the year	
		No. of Shares	% of total share of the company	No. of Shares	% of total share of the company
	At the beginning of the year	3	0	3	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	3	0	3	0

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(in Rupees)

Description	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	113,900,000	0	113,900,000
ii) Interest due but not paid	0	1168255	0	1168255
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	115,068,255	0	115,068,255
Change in Indebtedness during the financial year				
Additions	0	36,000,000	0	36,000,000
Reduction	0	49,000,000	0	49,000,000
Net Change	0	-13,000,000	0	-13,000,000
Indebtedness at the end of the financial year				
i) Principal Amount	0	100,900,000	0	100,900,000
ii) Interest due but not paid	0	1,242,165	0	1,242,165
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	102,142,165	0	102,142,165

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole-time Directors and /or Manager:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.					
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option					
3	Sweat Equity					
4	Commission as % of profit others (specify)					
5	Others, please specify					
	Total (A)	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act					

Gujarat Polybutenes Private Limited

B) Remuneration to other directors:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1	Independent Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify					
2	Total (1)	NIL	NIL	NIL	NIL	NIL
	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					
	(b) Commission					
	(c) Others, please specify.					
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration Overall Ceiling as per the Act.	NIL	NIL	NIL	NIL	NIL

C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		CEO	Company Secretary	CFO	TOTAL	
1	Independent Directors					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.					
	(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission as % of profit others, specify					
5	Others, please specify					
	Total	NIL	NIL	NIL	NIL	NIL

VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT/ COURT)	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITORS REPORT TO THE MEMBERS

To the Members of Gujarat Polybutenes Pvt. Ltd.

Report on the Financial Statements:

We have audited the accompanying financial statements of Gujarat Polybutenes Pvt. Ltd., which comprise the balance sheet as at 31st March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its loss and its cash flows for the year ended on that date;

Emphasis of Matters:

We draw attention to the following matters in the notes to the financial statements:

1. Note: 44 which relates to receipts of loans.
2. Note: 26 (ii) which relating to uncertainty of outcome of the Appeal filed against Excise department.
3. Note: 46 in the financial statements that the company has accumulated losses and its net worth is totally eroded, even after induction of fresh capital. The company has incurred net loss / net cash loss during the current & previous years. The activity of the company is closed from 15.02.2016. These conditions indicate existence of material uncertainty which cast significant doubt about company's ability to continue as a going concern. However the financial statements of the current year of the company have been prepared on a going concern basis for the reasons stated in the said note.

Our opinion is not modified in respect of these matters

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

For Suresh Thakkar & Co.
Chartered Accountants
(F.R. No 110702W)

(SURESH THAKKAR)
PROPRIETOR
(M. No. 11650)

PLACE : Vadodara.
DATE : 27th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the **Gujarat Polybutenes Pvt. Ltd.(Company)** on the financial statements for the year ended 31st March 2016.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

1. In Respect of Fixed Assets

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) As informed to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner during the year. In our opinion, the periodicity of physical verification is reasonable having regard to size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of an examination of records of the Company, the title deeds of immovable properties are in the name of the Company.

2. In respect of Inventories:

According to the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of the physical verification is reasonable. No material discrepancies were noticed between physical stocks and book records or physical verification.

3. In respect of loans granted:

According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, LPP and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause 3(a) and 3(b) and 3(c) are not applicable for the year;

4. In respect of Investments:

According to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of investment made have been compiled by the Company. In our opinion, an according to information and given explanation to us, the Company has not given loans, guarantees and securities in respect of provisions of section 185 and 186 of the Companies Act, 2013 and hence no comments are made.

5. In respect of deposits / loans taken:

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Hence, the provisions of sections 73 to 76 of the companies Act, 2013 and the rules framed there under for the deposits acceptance are not applicable.

The company has accepted loans from directors Rs. 3,48,00,000/-, and Public and Private Limited Companies Rs. 2,00,00,000/- totalling Rs. 5.480 crores, which exceeds 25% of share capital and its free reserves. There is no stipulation regarding repayment of such loans.

Gujarat Polybutenes Private Limited

The Company has accepted loans from holding company and its subsidiary GPL finance and Investment Company Ltd.(NBFC).

6. **In respect of maintenance of Cost records:**

The Central Government has not prescribed the maintenance of cost records by the Company under section 148(1) of the Companies Act, 2013;

7. **In respect of Statutory Dues Payment:**

a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, excise-duty, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2016, for a period of more than six months from the date they became payable;

b) According to the information and explanations given to us, there are no dues of income tax, customs, wealth-tax, service tax, excise duty, sales tax(CST), value added tax or cess that has not been deposited on account of disputes except followings:

Sl. No.	Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	Central Excise	Excise Duty Penalty (due to non allowance of cenvat credit)	4,40,000/- 4,40,000/-	F Y 2006-07 to December 2010	Customs, Excise & service tax Appellate Tribunal West Zone, Ahmedabad

Note: Net of amounts paid under protest - NIL

8. **In respect of payments to Banks & Financial Institutions:**

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to its bankers. The Company has not issued any debentures, hence no comments are made.

9. **In respect of further capital and term loans:**

According to the information and explanations given to us by 5% the Management, the Company has raised money by private placement issuing equity shares of Rs. 1,00,00,000/- and non cumulative redeemable preference shares of Rs. 2,50,00,000/- to its holding Company Gujarat Petrosytheses Ltd. during the year. The Company has no outstanding term loans from Bank.

10. **In respect of Fraud:**

According to the information and explanations given to us by the Management, no fraud by the Company or on the Company by its Officers or Employees has been noticed or reported during the course of our audit.

11. **In respect of Managerial Remuneration:**

According to the information and explanations given to us by the Management, no managerial remuneration has been paid for provided for during the year.

12. **In respect of Nidhi Company:**

According to the information and explanations given to us by the Management, the Company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly paragraph 3(xii) of the order is not applicable to the Company.

13. **In respect of related parties transactions:**

According to the information and explanations given to us by the Management, all transactions with related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

14. **In respect of preferential allotment of shares / debentures:**

According to the information and explanations given to us by the Management, the Company has made preferential allotment / private placement of Equity shares, fully paid and 5% non cumulative redeemable preference shares during the year. No convertible debentures are issued during the year.

15. **In respect of Non cash transactions with directors and their concerned persons:**

According to the information and explanations given to us by the Management and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or persons connected with them.

16. **In respect of registration under section 45-IA of RBI Act 1934:**

According to the information and explanations given to us by the Management, the provisions of section 45-IA of the Reserve Bank of India Act of 1934 are not applicable to the Company.

For Suresh Thakkar & Co.
Chartered Accountants
(F.R. No 110702W)

(SURESH THAKKAR)
PROPRIETOR
(M. No. 11650)

PLACE : Vadodara.
DATE : 27th May, 2016

BALANCE SHEET AS ON 31ST MARCH, 2016

(Figures in ₹)

	Notes	31.03.2016	31.03.2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	"1"	69,900,000	(34,900,000)
Reserves and Surplus	"2"	(81,161,271)	(32,830,498)
NON-CURRENT LIABILITIES			
Long-term Borrowings	"3"	100,900,000	113,900,000
CURRENT LIABILITIES			
Short-term Borrowings	"4"	-	33,780,071
Trade Payable	"5"	6,828,631	56,426,969
TOTAL		96,467,360	206,176,542
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	"6"	68,300,100	72,982,670
Trade Deposits and Investments	"7"	5,204,993	29,175,634
Deferred Tax Assets (Net)		327,814	298,470
CURRENT ASSETS			
Inventories	"8"	13,403,265	52,548,314
Trade Receivable	"9"	-	31,345,322
Cash and Cash Equivalents	"10"	7,299,481	9,507,549
Short-term Loans and Advances	"11"	1,931,707	10,318,583
TOTAL		96,467,360	206,176,542

Significant Accounting Policies and Notes to Financial Statements- Note "12"

As per our report of even date
for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR
Proprietor
MEM. No. 11650

R.M. Thakkar
Director
DIN No. 00248949

Urmi. N. Prasad
Director
DIN No. 00319482

Place : Vadodara
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-3- 2016

(Figures in ₹)

	Notes	31.03.2016	31.03.2015
REVENUE FROM OPERATIONS :			
Sales	"13"	95,658,063	169,258,424
Other Income	"14"	2,805,835	3,118,147
		98,463,898	172,376,571
EXPENDITURE :			
Cost of Raw Materials Consumed	"15"	57,464,470	156,588,901
Cost of Packing Materials Consumed	"16"	227,000	286,630
Changes in Inventories of Finished Goods and WIP	"17"	25,570,343	(24,304,391)
Cost of Manufacturing	"18"	18,526,437	41,610,892
Administrative & Other Expenses	"19"	13,500,854	23,623,522
Staff Costs	"20"	16,693,680	15,667,222
Cost of Selling and Distribution	"21"	7,064	51,925
Cost of Finance	"22"	9,507,664	10,223,121
		141,497,512	223,747,822
Profit Before Depreciation and Tax		(43,033,614)	(51,371,251)
Less : Depreciation and Amortization Expenses		4,640,538	3,781,891
Profit Before Exceptional & Extraordinary Items		(47,674,152)	(55,153,142)
Add/ Less : Prior Period Income/ Expenses		36,099	28,764
Add/Less : Exceptional and Extraordinary Items	"23"	680,031	59,604
Profit Before Tax		(48,318,084)	(55,122,302)
Less : Provision for Income Tax		-	-
Add/Less: Provision for Deferred Tax (Net)		29,344	577,708
Add: Excess Provision		-	-
Profit After Tax		(48,288,740)	(54,544,594)
Balance brought forward from Previous Year		(45,330,498)	10,165,750
Less: Fixed Assets written off as per Co's Act 2013		42,033	951,654
Balance carried to the Balance Sheet		(93,661,271)	(45,330,498)

Significant Accounting Policies and Notes to Financial Statements- Note "12"

As per our report of even date attached
for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR
Proprietor
MEM. No. 11650

Mr. R.M. Thakkar
Director
DIN No. 00248949

Ms. Urmi. N. Prasad
Director
DIN No. 00319482

Place : Vadodara
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Figures in ₹)

	31.03.2016	31.03.2015
1. SHARE CAPITAL		
Authorised		
60,00,000 Equity Shares of Rs.10/- each.	60,00,000	50,00,000
40,00,000 5% non cumulative redeemable Preference Shares of Rs.10/- each	40,00,000	-
Total Authorised Capital	100,00,000	50,00,000
Issued/Subscribed & Paid up Equity shares		
2240000 Equity Shares of Rs.10/-each fully paid (Out of above 2230000 shares are issued to Gujarat Petrosythese Limited a holding company for consideration other than cash)	22,40,000	22,40,000
Add: 1250000 Equity Shares of Rs.10/-each fully paid (Issued to Gujarat Petrosytheses Limited - holding company)	12,50,000	12,50,000
Add: 10,00,000/- equity shares of Rs. 10/- each fully paid (Issued to Gujarat Petrosytheses Ltd a holding company during the year)	10,00,000	-
	44,90,000	34,90,000
Preference Shares		
25,00,000 5% non cumulative redeemable Preference Shares of Rs.10/- each fully paid to Gujarat Petrosytheses Ltd a holding company issued during the year	25,00,000	-
TOTAL	69,90,000	34,90,000
Note 1 : Authorized capital is increased from 5 crores to 10 crores comprising of 6 crores Equity Share capital and 4 crores 5% non cumulative redeemable preference shares Capital during the year		
2. RESERVES AND SURPLUS		
Profit and Loss Account	(83,661,271)	(45,330,498)
Share Premium		
On allotment of 12,50,000 Equity Shares of Rs.10/- each fully paid at a premium of Rs.10 per share to Gujarat Petrosytheses Ltd a holding company)	12,50,000	12,50,000
TOTAL	(81,161,271)	(32,830,498)
3. LONG TERM BORROWINGS : (UNSECURED LOANS)		
Loan from GPL (Holding Company)	39,00,000	60,50,000
Loan from Director	34,80,000	26,30,000
Loan From Other Companies :-	-	-
GPL Finance and Investments Ltd.	7,10,000	7,10,000
Multichem Pvt. Ltd	20,00,000	20,00,000
TOTAL	100,90,000	113,90,000
4. SHORT TERM BORROWINGS : (SECURED LOANS)		
Cash Credit Limit :		
From Axis Bank :		
Secured against the hypothecation of stocks and other Current Assets	-	33,780,071
TOTAL	-	33,780,071
5. CURRENT LIABILITIES & PROVISIONS		
TRADE PAYABLE		
Sundry Creditors for Expenses	3,148,486	7,565,958
Sundry Creditors for Goods	19,788	30,125,048
Outstanding Liabilities	1,203,196	9,510,917
From Holding Company	855,284	2,522,219
Advances from customers	1,601,877	6,702,827
TOTAL	6,828,631	56,426,969

NOTE - '6' : FIXED ASSETS (Figures in ₹)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As On 01.04.2015	Additions for the year		As On 31.03.2016	As On 01.04.2015	For the Year	Subs Recd. Sales	As On 31.03.2016	Write off as per Co's Act 2013	As On 31.03.2016	As On 31.03.2015
		Apr-Sept	Oct-Mar								
Lease hold Land	2760066	0	0	2760066	0	0	0	0	0	2760066	2760066
Lease hold Land at Dahanu	39242782	0	0	39242782	0	0	0	0	0	39242782	39242782
Building	9487789	0	0	9487789	5114883	561271	0	5676154	0	3811635	4372906
Furniture & Fixtures	1090662	0	0	1090662	1028626	5403	0	1034029	0	56633	62035
Plant & Machinery	32360760	0	0	32360760	7135619	3596528	0	10732147	0	21628613	25225141
Lab Equipments	3007047	0	0	3007047	2751222	44086	0	2795308	0	211739	255825
Office Equipments	3720572	0	0	3720572	3433288	77456	0	3510744	0	209828	287284
Vehicles	3592070	0	0	3592070	2854970	355794	0	3210764	42033	339273	737100
Computers	968709	0	0	968709	929178	0	0	929178	0	39531	39531
TOTAL	96230457	0	0	96230457	23247786	4640538	0	27888324	42033	68300100	72982670
Previous Year :	82761870	2034810	11597314	96230456	18663431	3781891	149190	22296132	951654	72982670	41618517

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2016

(Figures in ₹)

	31.03.2016	31.03.2015
Note '7': TRADE DEPOSIT AND INVESTMENTS		
Trade Deposits (Long Term)	2,317,942	2,317,942
Fixed Deposits with Banks	2,887,051	26,857,692
TOTAL	5,204,993	29,175,634
Notes - '8' : INVENTORIES		
CURRENT ASSETS :		
INVENTORIES :		
(As taken, valued, & certified by Director)		
Raw materials (Including Stock in Transit)	220,612	13,444,714
Semi Finished Goods	-	3,054,137
Finished Goods	13,164,033	35,680,239
Furnace Oil and Diesel	18,620	369,224
TOTAL	13,403,265	52,548,314
Note '9' :SUNDRY DEBTORS		
(Unsecured, considered good)		
More than six months	-	-
Others	-	31,345,322
TOTAL	-	31,345,322
Note '10' :CASH & BANK BALANCES		
Cash-in-hand	8,241	10,246
Balance with Banks :	7,291,240	9,497,303
TOTAL	7,299,481	9,507,549
Note '11': LOANS AND ADVANCES		
Advance Income Tax and FBT	1,385,742	6,060,272
Advance to Suppliers	165,840	28,993
Advances for expenses	29,764	-
Cenvat on capital goods/Material Receivable	10,000	647,141
Service Tax Credit Receivable	-	249,728
Prepaid Expenses	205,187	575,221
Balance with Excise Authorities	135,174	2,757,228
TOTAL	1,931,707	10,318,583
Instead of Net Sundry debtors group changed as credit balance is higher than debtors		
Note '12':SUNDRY DEBTORS		
Sundry Debtors Note 11	-	31,345,322
Less: Advances from customers Note 6	-	(6,702,827)
Net Debtors	-	24,642,495
Cr balance shown as Loan & Advances Note 6		
NOTES - '13' : SALES		
Domestic Sales	107,313,577	188,496,454
Less: Excise Duty	11,655,514	20,178,713
Net Sales	95,658,063	168,317,741
Sales of furnace oil (old stock)	-	890,683
Sales of Scrap	-	50,000
TOTAL	95,658,063	169,258,424

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT AS ON 31ST MARCH, 2016

(Figures in ₹)

	31.03.2016	31.03.2015
NOTES - '14': OTHER INCOME		
Interest Income	2,541,109	2,716,366
Miscellaneous Income	124,507	172,867
Debit/Credit balance written off	140,219	9,882
Insurance Claim	-	219,032
TOTAL	2,805,835	3,118,147
NOTES - '15': COST OF RAW MATERIAL CONSUMED		
Opening Stock	8,229,689	29,724,929
Opening Stock in Transit	5,215,025	2,519,054
Add : Purchases	44,240,368	137,789,632
	57,685,082	170,033,615
Less : Closing Stock	220,612	8,229,689
Less : Stock in Transit	-	5,215,025
TOTAL	57,464,470	156,588,901
NOTES - '16' : COST OF PACKING MATERIAL CONSUMED		
Opening Stock	-	-
Add : Purchases	227,000	286,630
	227,000	286,630
Less : Closing Stock	-	-
TOTAL	227,000	286,630
NOTES - '17': CHANGES IN INVENTORIES OF FINISHED GOODS AND WIP		
OPENING STOCK		
Finished Goods	35,680,239	12,148,036
Semi Finished Goods	3,054,137	2,281,949
	38,734,376	14,429,985
Less : CLOSING STOCK		
Finished Goods	13,164,033	35,680,239
Semi Finished Goods	-	3,054,137
	13,164,033	38,734,376
TOTAL	25,570,343	(24,304,391)
NOTES - '18': COST OF MANUFACTURING		
Power & Fuel Charges	10,276,262	20,829,725
Inward Freight & Cartages	6,316,650	14,255,230
Machinery Repairs and Maintenance	762,389	3,450,568
Stores and Spares	467,852	1,666,571
Processing Material	19,089	44,880
Water charges	631,167	1,201,827
Laboratory Chemicals & Expenses	53,028	162,091
TOTAL	18,526,437	41,610,892

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT AS ON 31ST MARCH, 2016

(Figures in ₹)

	31.03.2016	31.03.2015
NOTES - '19': ADMINISTRATIVE AND OTHER EXPENSES		
Vehicle Expenses	747,961	961,323
Computer Expenses	55,434	104,966
Conveyance Expenses	111,773	336,326
Donations	5,000	-
Guest House	6,966	34,742
Insurance Expenses	1,298,348	625,929
Legal and Professional Charges	301,110	2,201,745
Management Services Fees	1,600,000	9,600,000
Office Expenses	344,132	838,429
Pollution Control Expenses	356,936	444,496
Postage & Courier	25,471	27,622
Printing & Stationery	72,310	112,517
Rates and Taxes	142,131	169,862
Repairs and Maintenance Building	718,264	8,100
Repairs and Maintenance others	-	88,754
Security Expenses	1,564,242	1,496,815
Telephone Expenses	172,290	262,111
Travelling Expenses	528,540	745,368
Other Expenses	1,137,016	1,196,353
Professional & Consulting charges	4,200,048	4,087,177
Service Tax paid	55,632	224,707
Auditor's Remuneration :	-	-
For Statutory Audit	57,250	56,180
TOTAL	13,500,854	23,623,522
NOTES - '20': STAFF COSTS		
Salary to Staff	15,440,617	12,896,644
Bonus / Exgrata F Y 2015-16 Expenses	102,212	576,035
Provident Fund	628,763	776,226
Gratuity	67,157	208,051
Staff Welfare Expenses	454,931	1,210,266
TOTAL	16,693,680	15,667,222
NOTES - '21': COST OF SELLING AND DISTRIBUTION		
Sales Promotion Expenses	7,064	51,925
TOTAL	7,064	51,925
NOTES - '22': COST OF FINANCE		
Bank Charges & Commission	70,242	1,226,013
Bank Interest	3,072,552	1,593,670
Interest on Unsecured Loans	6,250,600	7,391,754
Interest on Others	114,270	11,684
TOTAL	9,507,664	10,223,121
NOTES - '23': EXCEPTIONAL AND EXTRAORDINARY ITEMS		
Write Back of Excess Income Tax and FBT	-	67,527
Less : Loss on sale of Fixed Assets	-	7,923
Excess Income Tax provision Write Back	680,031	-
TOTAL	680,031	59,604

NOTE '14'- SIGNIFICANT ACCOUNTING POLICIES

- i) a) Financial statements are based on historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013. These historical costs are not adjusted to reflect the impact of changing the value in the purchasing power of money.
- b) The Company generally follows the Mercantile System of accounting and Recognizes significant items of the income and expenditure on accrual basis except Insurance claims and refunds from Government authorities.
- ii) **Fixed Assets:**
Fixed Assets are at the cost of acquisition including incidental expenses related to acquisition and installation.
- iii) **Depreciation:**
a) The company follows the Written down Value method of Depreciation as per the rates prescribed in the Schedule II of the Companies Act, 2013.
b) Leasehold land is not amortized over the period of lease.
- iv) **Valuation of Inventories:**
i) Raw materials and consumables - Valued at lower of cost or realizable value.
ii) Processed stock - Valued at estimated cost.
iii) Manufactured Finished Goods - Valued at lower of absorption cost or Market value.
iv) Obsolete, defective and unserviceable stocks are duly provided for.
- v) **Retirement benefits:**
a) The liability of gratuity to the employees is covered under the Group Scheme with the Life Insurance Corporation of India. The annual premium is debited to Profit and Loss Account.
b) The liability of leave encashment of employees of covered with LIC. The premium paid is debited to Profit & Loss Account.
- vi) **Taxes on Income:**
a) Current Tax: Provision for Income Tax is determined in accordance with the Provisions of Income Tax Act, 1961.
b) Deferred Tax Provision: Deferred Tax is recognized on timing difference being difference between taxable incomes and accounting income that originated in one period and are capable of reversal in one or more subsequent period(s).
- vii) **Insurance:** Insurance claims are accounted on cash basis.
- viii) **Stores, spares & Consumable:**
i) Stores and spares are charged to revenue in the year of purchase.
ii) Consumables are charged to revenue on actual consumption basis.
- ix) **Research and Development:**
Research and Development costs (other than cost of fixed assets acquired) are charged as expenses in the year in which they are incurred.
- x) **Cenvat Benefit :**
Cenvat benefit is accounted on duty paid materials goods are received in factory premises or when credit is given in excise records by debit to excise duty deposit account. The amount of Cenvat Benefit availed is treated as Deposit of Excise Duty and appropriated against excise duty payment.
- xi) **Lease:**
Assets acquired under finance lease are recognized at the fair value of the leased assets at inception. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge as and when incurred to be debited to Profit and Loss Account.

xii) **Miscellaneous Expenditure:**

Preliminary expenses are written off over a period of five years and are charged on a pro-rata basis for the period of operation.

xiii) **Investments:** Investments are valued at cost.

24. **Contingent Liabilities:**

- (i) Contingent liability for letter of credit is of Rs. 14.00 Lac (P.Y. 31.70 Lac).
- (ii) As per show cause notice from excise department demand raised for duty & Penalty of Rs. 8.81 lacs is not acknowledged by company and an appeal is filed before Central excise & customs tribunal. If the company loses the case, sum of RS. 8.80 lacs will be required to be paid with interest if any. This will increase the net loss of the company.

25. **Security Offered to Bank:**

Cash Credit from the bank is paid in full. Hence, charges over the hypothecation of stocks of raw materials, stock in process, finished goods, stores and spares and books debts of the Company are cancelled. The charge on FDR is also cancelled (P.Y.1.5 crs).

26. **Loans of Officers:**

Loans and Advances includes due from officers of the Company Rs. NIL (P.Y. Nil).

27. **Outstanding of M S M Enterprises :**

Based on the information received by the company, the company has not received any intimation from suppliers regarding for their status under Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid or payable as required under the said Act have not been given.

28. **Turnover**

	<u>Year 2015-2016</u>		<u>Year 2014-2015</u>	
	Qty. (MT)	Value ₹.'000	Qty. (MT)	Value ₹.'000
Sales (Excl. Excise duty)	598.570	68,131	715	99,019
Sales Other	-	27,528	-	69,298

29. **Consumption of Raw Material**

	<u>Year 2015-2016</u>		<u>Year 2014-2015</u>	
	Qty. (MT)	Value ₹.'000	Qty. (MT)	Value ₹.'000
Raw Materials Incl. LPG	-	57,464	-	156,589

30. **Value of Imported and Indigenous Raw Materials consumed during year**

	<u>Year 2015-2016</u>		<u>Year 2014-2015</u>	
	%	Value ₹.'000	%	Value ₹.'000
Imported	-	NIL	-	NIL
Indigenous	100	57464	100	156589

31. **Opening and Closing Stock of Goods**

	<u>As at 31 March 2016</u>		<u>As at 31 March 2015</u>	
	Qty. (MT)	Value ₹.'000	Qty. (MT)	Value ₹.'000
Polybutene	129.499	13,035	297.641	34492
Others	6.731	129	49.094	1188
Total	136.230	13,164	346.735	35680

32. (A) **Capacity and Production - Polybutens**

- i) Licensed Capacity (in M T) : Not Applicable
- ii) Installed Capacity (in M T) : 7380 *
- iii) Production (in M T) : 430.428 (931.822)

* as certified by management & accepted by Auditors being technical matter.

33. C I F Value of Imports

Raw Material	NIL
Capital Goods	NIL

34. Expenditure in Foreign Currency.

Travelling	₹.	Nil	(₹. Nil)
------------	----	-----	----------

35. **Earnings in Foreign Currency.** ₹. Nil (₹. Nil)

36. **Amount remitted in Foreign Currency** **NIL** (₹.NIL)

37. Segment Reporting:

The company is engaged in the business of manufacturing and selling Polybutenes and its by products, which constitutes a single business segment and accordingly, disclosures are not being made as required Under Section AS-17 issued by the ICAI.

	As at	As at
	31st March 2016	31st March 2015
	₹.'000	₹.'000
38. A) Deferred Tax Assets / Liability		
Tax impact of differences between books	299	-279(DTL)
Op Balance as on 01.04.2015		
Add : Tax impact of differences between books		
Depreciation in the Financial Statements	29	284
and depreciation as per Income Tax	0	294
Due to write off assets as per the Company Act		
Total	328	299
39. Earning Per Shares		
a) Net Loss	₹. (-) 482.88 lacs	₹.(-) 545.44 lacs
(Numerator used for calculation)		
b) Weighted Average No. of Equity Shares	35, 90,000	34, 90,000
used as denominator for calculating EPS		
c) Basic and Diluted Earnings per share (Rs.)	₹. 0.00	₹.0.00
(Equity shares of face value of Rs. 10 each)		
(Due to loss not calculated).		

40. Transactions with Related Parties:

In accordance with the Accounting Standard (AS-18) on Related Party Disclosures, where control exists and where key management personnel are able to exercise significant influence and, where transactions have taken place during the year, along with description of relationship as identified, are given below.

A. Relationship

- I) Enterprises having significant control over the Company
Gujarat Petrosynthese Ltd (Holding Co).
- II) Key Management Personnel

Name	Designation
Ms. Urmi Prasad	Director
Mr. R M Thakkar	Director
Ms. Charita Thakkar	Director

B. Following transactions were carried out with related parties in the ordinary course of business.

Related party Transaction	Enterprises having significant control over the Company	Key Management Personnel	Total
(a) Transfer of Exp. From Holding Company	3,621 (13,636)	- -	3,621 (13,636)
(b) Loans (Net)	(21,666) (26,001)	8,500 (7,000)	(13,166) (33,001)



Gujarat Polybutenes Private Limited

41. No provision for Income tax is made due to loss.
42. The Company has accepted loans from holding company Gujarat Petrosyntheses Ltd and its subsidiary GPL finance and Investment Company Ltd. (NBFC) and loans from Directors and a Private Limited Company totaling Rs. 10.18 crores which exceeds 25% of share capital and its free reserves. There is no stipulation regarding repayment of such loans. Out of above, loans Rs. 8.76 crores were accepted by the Company prior to 01.04.2014.
43. As per Schedule II of the Company's Act, 2013 which has become effective from 01.04.2014, the carrying amount of the asset is depreciated over remaining useful life of the asset as per the Schedule, after retaining the Residual value, it is required to be recognized in the opening balance of the Retained Earnings where the remaining useful life of an asset is NIL.

Since there are no retained earnings, the same is accounted in the statement of profit & loss.

44. The Company has accumulated losses resulting in the total erosion in its net-worth. Due to the un-controllable logistical and commercial changes in sourcing of primary material required for its operations the Company has suspended its activities. A closure notice was given under Sub Sec (1) of sub sec 25 – FFA of Industrial dispute act 1947 with effect from 15.02.2016. The Company is pursuing various options for the restarting of the unit.
45. (A) Balances of certain debtors, creditors, & loans & advances are subject to confirmations, reconciliation and adjustments, if any, having consequential impact on loss of the year, assets & liabilities, the amounts whereof are presently not ascertainable. However, the management does not expect material difference affecting the current year's financial statements.

(B) In the opinion of the Board, the current assets & loans & advances have a value on relation in ordinary course of business at least equal to the amounts at which they are stated. The provision for the depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.
46. Previous year's figures have been re-grouped and re-arranged wherever necessary.
47. Figures have been rounded off to the nearest rupee.
48. Figures in bracket relate to the previous year and in case of non-existence of Previous year's figures, the same are not given.

Signatures to Notes "1" to "50"

As per our report of even date attached
for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR
Proprietor
MEM. No. 11650

R.M. Thakkar
Director
DIN No. 00248949

Urmi. N. Prasad
Director
DIN No. 00319482

Place : Vadodara
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

(₹ in Lacs)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(483.18)	(551.53)
Adjustments for:		
Depreciation and amortisation	46.41	37.82
other Non Cash item	0.00	0.41
Finance costs	95.08	102.23
Interest income	(25.41)	(27.16)
Dividend income	0.00	0.00
Operating profit / (loss) before working capital changes	116.08	113.30
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	391.45	(45.77)
Trade receivables	313.45	(254.03)
Short-term loans and advances	83.87	119.89
Other Current Investments	0.00	(14.41)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(495.98)	359.38
Other current liabilities/Short term borrowings	(337.80)	254.91
Short term provisions	0	0.00
Cash flow from extraordinary items		
Cash generated from operations	(412.11)	(18.26)
Net income tax (paid) / refunds		
Net cash flow from / (used in) operating activities (A)	(412.11)	(18.26)
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	0.00	(101.66)
Investment in FDR & Trade Deposits	0.00	0
Proceeds from sale of fixed assets	0.00	0.05
- Others		
Proceeds from sale of long-term investments	0	0
- Others		
Interest received		
- Others[Fixed Deposits]	25.41	27.16
Cash flow from extraordinary items	25.41	(74.45)
Net income tax (paid) / refunds		
Net cash flow from / (used in) investing activities (B)	25.41	(74.45)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	350.00	0
Proceeds from long-term borrowings		263.00
Repayment of long-term borrowings	(130.00)	
Repayment of other short-term borrowings		
Finance cost	(95.08)	(102.23)
Tax on dividend		
Cash flow from extraordinary items	124.92	160.77
Net cash flow from / (used in) financing activities (C)	124.92	160.77
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(261.78)	68.06
Cash and cash equivalents at the beginning of the year	363.66	295.60
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		
Cash and cash equivalents at the end of the year	101.88	363.66
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
* Comprises:		
(a) Cash on hand	0.10	0.1
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	72.91	94.98
(ii) In EEFC accounts		
(iii) In deposit accounts with original maturity of less than 3 months		
(iv) In earmarked accounts (give details) (Refer Note (ii) below)		
(d) Others (specify nature)		
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)	28.87	268.58
	101.88	363.66

As per our report of even date attached
for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR
Proprietor
MEM. No. 11650

R.M. Thakkar
Director
DIN No. 00248949

Urmi. N. Prasad
Director
DIN No. 00319482

Place : Vadodara
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

Place : Mumbai
Date : 27th May, 2016

BOARDS' REPORT

To the Members,

Your Directors have pleasure in submitting their 22nd Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review alongwith previous years figures are given hereunder:

Particulars for the Year ended 31st March, 2016

Particulars	(Amount in '000')	
	For the year ended 31 st March, 2016	
	2015-16	2014-15
Revenue from Operation	641	672
Other Income	275	144
Total	916	816
Less: Exp. other than Finance Cost and Depreciation	343	684
Operating Profit	573	132
Less: Finance Cost	-	-
Depreciation	-	-
Profit before exceptional & extraordinary items	573	132
Add: Extraordinary items	-	-
Add : Exceptional items	-	-
Profit before tax	575	132
Add/(Less): Provision for tax / Deferred tax	195	261
Profit after tax	378	(131)
Earning per share	0.38	(0.13)

2. DIVIDEND

Your Directors do not recommend any dividend.

3. BUSINESS

During the year under review, there is no change in the business activities of the Company.

4. MATERIAL CHANGES AND COMMITMENT OCCURRED AFTER THE END OF FINANCIAL YEAR AND UPTO THE DATE OF REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and upto the date of this report.

5. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company being a non-banking financial company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities, the provisions under Section 186 of the Companies Act, 2013 is not applicable.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, there is no amount required to be transferred to the Investor Education and Protection Fund established by the Central Government.

9. DIRECTORS

Mr. R M Thakkar, Director of the Company retires by rotation at this ensuing Annual General Meeting and being eligible offer himself for reappointment.

10. INDEPENDENT DIRECTORS

The provisions of Section 149 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 is not applicable to the Company, as the Company does not meet with the requirement as specified.

11. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 4 (Four) Board meetings during the financial year under review.

12. DIRECTORS RESPONSIBILITY STATEMENT

Your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. STATUTORY AUDITORS

M/s Ford, Rhodes, Parks & Co, Chartered Accountants, Mumbai who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing AGM and are eligible for re-appointment. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of transactions or contracts entered or arrangements made with related parties pursuant to provisions of section 188 of the Companies Act, 2013 is provided in **Annexure I** and is attached to this Report.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

16. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is provided in **Annexure II** and is attached to this Report

17. SHARES

- a. **BUY BACK OF SECURITIES**
The Company has not bought back any of its securities during the year under review.
- b. **SWEAT EQUITY**
The Company has not issued any Sweat Equity Shares during the year under review.
- c. **BONUS SHARES**
No Bonus Shares were issued during the year under review.
- d. **EMPLOYEES STOCK OPTION PLAN**
The Company has not provided any Stock Option Scheme to the employees.

18. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION OF, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

19. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

GPL Finance and Investments Limited

Place : Mumbai
Date : 27th May, 2016

Mr. R. M. Thakkar
Director
DIN : 248949

Ms. Urmi N Prasad
Director
DIN : 319482

**FORM NO AOC-2
(Pursuant to clause (h) of sub section (3) of section 134 of the Act and Rule 8(2) of the
Companies (Accounts) Rules 2014)**

Form for disclosure of particulars of contract/arrangements entered into by the Company with the related parties referred to in sub section (1) of Section 188 of the Companies Act 2013 including certain arms length transactions under the third proviso thereto.

(1) Details of contracts or arrangements or transactions not at arm's length basis

Sr No	Particulars	
a)	Name(s) of the related party and nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

(2) Details of material contracts or arrangement or transactions at arm's length basis

Sr No	Particulars	(1)	(2)
a)	Name(s) of the related party and nature of relationship:	NIL	NIL
b)	Nature of contracts/arrangements/transactions:		
c)	Duration of the contracts / arrangements/transactions:		
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:		
e)	Date(s) of approval by the Board, if any:		
f)	Amount paid as advances, if any:		
g)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:		

**Form MGT- 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2016**

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. Registration and other details

I)	CIN:-	U65990MH1994PLC076332
II)	Registration Date	31/01/1994
III)	Name of the Company	GPL FINANCE AND INVESTMENTS LTD
IV)	Category / Sub Category of the Company	Company Limited by Shares - India non Govt. company
V)	Address of the Registered office and Contact Details	Plot 1, Compartment 2 Marol Co Op Ind Est, Andheri (E), Mumbai - 400004
VI)	Whether listed company	Unlisted Company
VII)	Name, address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

GPL Finance and Investments Limited

II. Principal business activities of the company

All the business activities contributing 10% or more of the total turnover of the company shall be stated;
(The Company is an investment company, the NIC Code is not available)

Sr. No.	Name and Description of main products/ service	NIC code of the product/ service	% to total turnover of the company
1			
2			
3			

III. Particulars of Holding, Subsidiary and Associate Companies

Sl.No	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associates	% of Shares	Applicable
1.	Gujarat Petrosynthese Limited	L23209KA1977PLC043357	Holding Company	99.99%	2(46)

IV. Share Holding Pattern (Equity share capital breakup as percentage of total equity)

i) Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
1. Indian									
a) Individual/ HUF	0	60	60	0.006	0	60	60	0.006	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	999940	999940	99.994	0	999940	999940	99.994	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub - total (A)(1)	0	1000000	1000000	100.00	0	1000000	1000000	100.00	0
2. Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub - total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter A = (A)(1) + (A)(2)	0	1000000	1000000	100.00	0	1000000	1000000	100.00	0
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c) Alternate Investment Fund	0	0	0	0	0	0	0	0	0
(d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e) Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
(f) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(g) Insurance Companies	0	0	0	0	0	0	0	0	0
(h) Provident Funds/Pension Funds	0	0	0	0	0	0	0	0	0
(i) Any Others (specify)	0	0	0	0	0	0	0	0	0
Sub Total (B)(1)	0	0	0	0	0	0	0	0	0
2. Central Government/ State Government (s)/President of India	0	0	0	0	0	0	0	0	0
Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
3. Non Institutions									
a) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1lakh	0	0	0	0	0	0	0	0	0
b) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub Total (B)(3)	0	0	0	0	0	0	0	0	0
Total public Shareholding (B) = (B)(1) + (B)(2)+(B)(3)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	1000000	1000000	100.00	0	1000000	1000000	100.00	0

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Rameshchandra Maganlal Thakkar	10	.001	0	0	0	0	-0.001
2	Urmi N. Prasad	10	.001	0	15	.0015	0	0.0005
3	Charita Thakkar	10	.001	0	15	.0015	0	0.0005
	Total	30	.003	0	30	.0030	0	0

(iii) Change in Promoters' Shareholding (Please Specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of company	No. of shares	% of total shares of company
1.	At the beginning of the year	30	0.003	30	0.003
	Date wise Increase/ decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change			
	At the end of the year	30	0.003	30	0.003

(iv) Shareholding Pattern of top 10 Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs) (Not Applicable)

Sl. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of company	No. of shares	% of total shares of company
1.	At the beginning of the year	Not Applicable			
	Date wise Increase/ decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding Pattern of Directors and KMP Promoters of GDRs and ADRs

Sl. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of company	No. of shares	% of total shares of company
1.	At the beginning of the year	30	.003	30	0.003
	Date wise Increase/ decrease in promoters share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	No Change			
	At the end of the year	30	.003	30	0.003

GPL Finance and Investments Limited

(V) Indebtedness

Indebtedness of the company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (I + ii + iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (I + ii + iii)	NIL	NIL	NIL	NIL

(VI) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Director and/ or Manager

SI No.	Particular of Remuneration	Name of MD/ WTD/ Manager		Total Amount
	Name of MD/ WTD/ Manager			
1.	Gross salary	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961.			
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961.			
2	Stocks Option			
3	Sweat Equity			
4	Commission			
	- As % of profit			
	- Other , specify			
5	Others, Please specify			
	Total (A)			
	Ceiling as per the Act			NIL

B. Remuneration to other Directors

(in INR lacs)

SI.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors				
	1.Independent Directors				
	• Fees for attending Board committee meetings				
	• Commission				
	• Other, Please specify				
	Total (1)				NIL
2.	Other Non-Executive Directors				
	• Fees for attending board committee meetings				
	• Commission				
	• Other, Please specify				
	Total (2)				NIL
	Total (B) = (1+2)				NIL
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

GPL Finance and Investments Limited

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross Salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961.				
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961.				
2.	Stock Option				
3	Sweat Equity				
4	Commission				
	- As % of profit				
	- Others, specify				
5	Other, Please specify				
	Total	NIL	NIL	NIL	NIL

VII Penalties / Punishment / Compounding Offences

Type	Section of the companies Act.	Brief Description Compounding fees imposed	Details of penalty/ Punishment /	Authority (RD/ NCLT/ court)	Appeal made if any (give Details)
A. Company					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
B. Directors					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
C. Other officers in default					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-

INDEPENDENT AUDITOR'S REPORT

To the Members of GPL Finance and Investments Limited

Report on the Financial Statements

We have audited the accompanying financial statements of GPL Finance and Investments Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken in to account the provisions of the Act, the accounting and auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance sheet, of the state of affairs of the Company as at 31st March, 2016;
- ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure I' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that;
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. the Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure II'.
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ford, Rhodes, Parks & Co. LLP
Chartered Accountants
Firm's Registration No. 102860W/W100089

Astha Kariya
Partner
Membership No. 122491

Place : Mumbai
Date : 27th May, 2016

ANNEXURE TO THE AUDITORS' REPORT

Annexure I

Annexure to the Independent Auditor's Report of even date on the Financial Statements of GPL Finance and Investments Limited

Report on Companies (Auditor's Report) Order, 2016, issued by the Central Government in terms of sub section (11) of section 143 of the Companies Act, 2013 ('the Act')

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of sub section (11) of section 143 of the Act, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of the audit, we further report that: -

1. The Company does not own any fixed assets. Accordingly, clause (i) of the Order is not applicable to the Company.
2. The Company did not hold any inventories during the year. Accordingly, clause (ii) of the Order is not applicable to the Company.

3. a) **The Company has granted interest bearing unsecured loans to one company covered in the register maintained under Section 189 the Act.**
 - b) In our opinion, the terms and conditions of the grant of such loan is not prejudicial to the Company's interest.
 - c) The schedule of repayment of principal amounts of the above loans has not been stipulated. The repayment of interest amount on the loans has been regular.
 - d) Since there is no stipulation on the repayment of the principal amount of the above loans, the question of overdue amount does not arise. There are no overdue amounts in respect of interest receivable.
4. In respect of loans, investments, guarantees and security, the provisions of Section 185 and 186 of the Act have been complied with by the Company.
5. The Company has not accepted any deposits from the public within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder.
6. The Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Act.
7. (a) According to the information and explanations given to us by the management and on the basis of examination of the books of accounts carried out by us, the Company does not have any employee on its payroll. Hence the question of depositing Provident Fund and Employees' State Insurance dues does not arise. The Company has been regular in depositing undisputed statutory dues including Income tax, Sales tax, Service tax, Customs duty, Excise duty, Value added tax, Cess and other statutory dues, wherever applicable, with the appropriate authorities. There were no undisputed arrears of statutory outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
(b) According to information and explanations given to us and the records of the Company examined by us, there were no disputed dues in respect of Income tax, Sales tax, Service tax, Customs duty, Excise duty, Value added tax and Cess not deposited as at 31st March, 2016.
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holder during the year. Accordingly, clause (viii) of the Order is not applicable to the Company.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of the Order is not applicable to the Company.
10. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of fraud on or by the Company during the year.
11. No Managerial remuneration has been paid by the Company during the year.
12. Clause (xii) of the Order is not applicable to the Company since the Company is not a Nidhi Company.
13. All the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details as required by the Accounting Standards have been disclosed in the Financial Statements.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The Company has not entered into any non-cash transactions covered in Section 192 of the Act with Directors or persons connected with him during the year.
16. The Company is already registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ford, Rhodes, Parks & Co. LLP
Chartered Accountants
Firm's Registration No. 102860W/W100089

Astha Kariya
Partner
Membership No. 122491

Place : Mumbai
Date : 27th May, 2016

**Annexure to the Independent Auditor's Report of even date on the Financial Statements of GPL Finance and Investments Limited
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of GPL Finance and Investments Limited ('the Company') as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ford, Rhodes, Parks & Co. LLP
Chartered Accountants
Firm's Registration No. 102860W/W100089

Astha Kariya
Partner
Membership No. 122491

Place : Mumbai
Date : 27th May, 2016

BALANCE SHEET AS AT 31ST MARCH 2016			
(₹ in thousands)			
	Notes	31.03.2016	31.03.2015
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	10,000	10,000
(b) Reserves and Surplus	3	5,143	4,765
Current Liabilities			
(a) Short Term Provisions	4	-	17
(b) Other Current Liabilities	5	34	83
Total		<u>15,177</u>	<u>14,865</u>
II. ASSETS			
Non-current Assets			
(a) Non-current Investments	6	6,398	6,618
(b) Long-term Loans and Advances	7	32	5
Current Assets			
(a) Cash and Cash Equivalents	8	1,491	1,029
(b) Short-term Loans and Advances	9	7,100	7,100
(c) Other Current Assets	10	156	113
Total		<u>15,177</u>	<u>14,865</u>
Significant Accounting Policies	1		
Notes to the Financial Statements	1 to 18		
For and on behalf of the Board of Director			
As per our report of even date attached For FORD, RHODES, PARKS & CO. LLP Chartered Accountants Firm Regn.No.102860W/W100089			
Sd/- Astha Kariya Partner Mem No. 122491	Sd/- Ramesh M Thakkar Director Din.No.00248949	Sd/- Urmi. N. Prasad Director Din.No.00319482	
Place : Mumbai Date : 27.05.2016	Place : Mumbai Date : 27.05.2016	Place : Mumbai Date : 27.05.2016	

PROFIT AND LOSS ACCOUNT AS ON 31ST MARCH 2016			
(₹ in thousands)			
	Notes	31.03.2016	31.03.2015
Revenue from Operations	11	641	672
Other Income	12	275	144
Total Revenue		<u>916</u>	<u>816</u>
Expenses :			
Other Expenses	13	343	684
Total Expenses		<u>343</u>	<u>684</u>
Profit before tax		573	132
Tax Expenses :			
Current Tax		195	189
Deferred Tax		-	-
Prior Year Tax Adjustment		-	72
		195	261
Profit for the year		<u>378</u>	<u>(129)</u>
Earning per equity share:	14		
(1) Basic		(0.38)	(0.13)
(2) Diluted		(0.38)	(0.13)
Significant Accounting Policies	1		
Notes to the Financial Statements	1 to 18		
For and on behalf of the Board of Director			
As per our report of even date attached For FORD, RHODES, PARKS & CO. LLP Chartered Accountants Firm Regn.No.102860W/W100089			
Sd/- Astha Kariya Partner Mem No. 122491	Sd/- Ramesh M Thakkar Director Din.No.00248949	Sd/- Urmi. N. Prasad Director Din.No.00319482	
Place : Mumbai Date : 27.05.2016	Place : Mumbai Date : 27.05.2016	Place : Mumbai Date : 27.05.2016	

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2016

₹ in thousands

	31.03.2016	31.03.2015
2 Share Capital:		
Authorised		
1,000,000 equity shares of '10 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
Issued, subscribed and paid-up		
1000,000 equity shares of '10 each, fully paid-up	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
a. Out of the above equity shares, 999,940 shares are held by The Holding Company - Gujarat Petrosynthese Limited.		
b. Details of shareholders holding more than 5% in Company		
The Holding Company - Gujarat Petrosynthese Limited.		
- No. of shares	999,940	999,940
- % holding	99.99	99.99
3 Reserves and Surplus:		
Surplus in statement of profit and loss		
Balance as per last financial statements	4,765	4,894
Profit for the year	378	(129)
Total reserves and surplus	<u>5,143</u>	<u>4,765</u>
4 Short Term Provisions:		
Provision for Tax (net of advance tax)	-	17
	-	17
5 Other Current Liabilities:		
Creditors Others	34	83
	<u>34</u>	<u>83</u>

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2016

₹ in thousands

	31.03.2016		31.03.2015	
	No.	Value	No.	Value
6. Non Current Investment				
Equity shares (Quoted) :				
Andhra Sugars Limited.	500	57	500	57
Alfa Lavel (India) Limited.	150	173	150	173
Andhra Bank Limited.	5363	500	5363	500
Avanti Feeds Limited.	5000	87	1000	87
Alstom Projects India Limited.	50	21	50	21
Astrazeneca Pharma India Limited.	300	203	300	203
Bhagyanagar India Limited.	200	16	200	16
Castrol India Limited.	8200	488	8200	488
CESC Limited.	50	35	50	35
Colgate-Palmolive (India) Limited.	300	64	150	64
Disa India Limited.	100	149	100	149
Exide Industries Limited.	10	-	10	-
Foseco India Limited.	500	199	500	199
Grasim Industries Limited.	15	55	15	55
Gujarat NRE Coke Limited.	462	43	462	43
Hindustan Organic Chemicals Limited.	1500	54	1500	54
Hindustan Oil Exploration Co Limited.	100	17	100	17
ICRA Limited.	20	22	20	22
Kingfisher Airlines Limited.	100	29	100	29
Kotak Mahindra Bank Limited.	60	20	30	20
Larsen Toubro Limited.	825	752	825	752
Maharashtra Polybutenes Limited.	50	1	50	1
Maan Aluminium Limited.	50	-	50	-
Mirc Electronic Limited.	200	8	200	8
NTPC Limited.	134	8	134	8
Orchid Chemicals Pharmaceuticals Limited.	100	37	100	37
Pratibha Industries Limited.	500	44	500	44
Reliance Industries Limited.	2872	1,613	2872	1,613
Reliance Infrastructure Limited.	150	257	150	257
Reliance Communications Limited.	1050	774	1050	774
Reliance Power Limited.	50	49	50	49
Siemens Limited.	550	493	550	493
Vedanta Limited	300	88	300	88
Subros Limited.	1500	76	1500	76
State Bank of India	1000	217	1000	217
Sun Pharmaceutical Industries Limited.	1000	91	1000	91
Sun Pharma Advance Research Company Limited.	100	-	100	-
Srinivas Shipping Project Limited.	200	46	200	46
Southern Magnesium and Chemicals Limited.	75000	825	75000	825
Triveni Limited.	700	62	700	62
Ultratech Cement Limited	8	-	8	-
Good Value Marketing Company Limited.	-	-	3450	182
Nagarjuna Finance Limited.	-	-	1000	363
TOTAL A		7,673		8,218
Bonds (Quoted):				
NTPC Limited.	134	-	-	-
TOTAL B				
Equity shares (Unquoted) :				
Good Value Marketing Company Limited.	3450	182	-	-
Haryana Petro Chemicals Limited.	1200	21	1200	21
Nagarjuna Finance Limited.	10000	363	-	-
Suman Motels Limited.	900	16	900	16
Uniflex Cables Limited.	1000	43	1000	43
TOTAL C		625		80
TOTAL (A+B+C)		8,298		8,298
Less : Provision for Diminution in Value of Investments		1,900		1,680
		6,398		6,618
Note:				
Quoted Investments - Cost and Market Value				
Cost		7,673		8,218
Market Value		16,154		9,907
Unquoted Investments - Cost		625		80

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2016

₹ in thousands

	31.03.2016	31.03.2015
7. Long Term Loans and Advances (Unsecured, considered good)		
Advance tax (net of provisions)	32	5
	<u>32</u>	<u>5</u>
8. Cash and Cash Equivalents		
Bank balances :		
On current account	717	963
On fixed deposit	700	-
Cash in Hand	74	66
TOTAL	<u>1,491</u>	<u>1,029</u>
9. Short Terms Loans and Advances (Unsecured, considered good)		
Loan to fellow subsidiary company : Gujarat Polybutenes Pvt Ltd	7,100	7,100
TOTAL	<u>7,100</u>	<u>7,100</u>
10. Other Current Assets (Unsecured, considered good)		
Interest accrued	156	113
TOTAL	<u>156</u>	<u>113</u>
11. Revenue from Operations:		
Interest on Loan	641	672
	<u>641</u>	<u>672</u>
12. Other Income:		
Dividend on Long-term Investments	218	142
Interest on fixed deposits	57	-
Interest on Income Tax Refund	-	2
	<u>275</u>	<u>144</u>
13. Other Expenses:		
Accounting Charges	30	30
Conveyance Charges	15	10
Printing and Stationery	8	7
Filing Fees	7	10
Professional Retainer Fees	18	12
Provision for diminution in value of investments	219	580
Auditors Remuneration	30	22
Office Expenses	9	7
Miscellaneous Expenses	7	6
	<u>343</u>	<u>684</u>

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2016

₹ in thousands

	31.03.2016	31.03.2015
14. Earnings per share:		
Profit attributable to Equity Shareholders	378	(129)
Number of Equity Shares	1,000	1,000
Nominal Value of Equity Shares	10	10
	0.38	(0.13)
15. Remuneration to Auditors:		
(Inclusive of Service Tax)		
Audit Fees	24	18
Taxation Services	6	4
Out of Pocket Expenses	-	-
	30	22

16. No Vendors have informed of their bearing registered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, as per the information available with the company there are no amount Payable to such Vendors at the year end.

17. Related Party Disclosure:

- a) Entities under Common Control:-
 - 1) Gujarat Petrosynthese Ltd - Holding Company
- b) Key management personnel:-
 - 1) R.M.Thakkar
- c) Other Related Parties where transactions have taken place during the year
 - 1) Gujarat Polybutenes Pvt Ltd - Fellow Subsidiary Company

Particulars	Fellow Subsidiary Company 31.03.2016
Income	
Interest	641 (576)
Loan given - Gujarat Polybutenes Pvt Ltd	700 -
Outstanding	
Receivable	7,100.00 (7,100.00)

Figures in bracket indicate previous years figure.

18 Previous years figures have been regrouped/ re classified wherever necessary.

As per our report of even date attached for **For Ford, Rhodes, Parks & Co. LLP**
Chartered Accountants
Firm Regn. No. 102860W/W100089

For and on behalf of the Board of Director
GPL Finance and Investments Limited

Astha Kariya
Partner
MEM. No. 122491

R.M. Thakkar
Director
Din.No.00248949

Urmi. N. Prasad
Director
Din.No.00319482

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016



GPL Finance and Investments Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	2014-16 (Rupees in lacs)	2013-15 (Rupees in lacs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before tax	378	1.32
Adjustments for:	-	-
Depreciation	-	-
Income Tax ,FBT & Deferred Tax	195	(1.89)
Extraordinary items	-	(0.72)
Profit/(Loss) on sale of FA	-	-
Profit/(Loss) on sale of Investment	-	-
Dividend received	(218)	(1.42)
Finance costs	-	-
Interest received	(57)	(0.02)
Interest Paid	-	-
Operating profits before working capital chages	298	(3)
Adjustments for:	-	-
Decreases / (Increase) in Inventories	-	-
Decreases / (Increase) in Trade & other receivables	-	-
Decreases / (Increase) in Loans & Advances	-	-
Decreases / (Increase) in Other Current asset	(43)	0.88
Increase / (Decrease) in Payables	-	-
Increase / (Decrease) in Other current liabilities	(49)	(0.21)
Increase / (Decrease) in short term provisions	(17)	-
Increase / (Decrease) in short term liabilities	-	-
Cash Generated from Operations	189	(2)
Interest paid	-	-
Net Cash inflow / (outflow) from operating activities	189	(2)
B CASH FLOW FROM INVESTMENTS ACTIVITIES		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets (net)	-	-
Sale / (Purchase) on sale of investments	220	5.80
Profit/(Loss) on sale of Investment	-	-
Interest received	57	0.02
Provision For tax	(195)	0.17
Dividend received	218	1.42
Net Cash inflow / (outflow) from investing activities	300	7.41
C CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from Borrowings	-	0.93
Loans advances	(27)	-
Current investments considered as part of Cash and cash equivalents	-	-
Net Cash Inflow / (outflow) in cash from Financing activities	(27)	0.93
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	462	6.28
Cash and cash equivalents at beginning of year	1,029	4.01
Cash and cash equivalents at end of year	790	10.29
	790	10.28

This is the Cash Flow Statement referred to in our report of even date

As per our report of even date attached
for **For Ford, Rhodes, Parks & Co. LLP**
Chartered Accountants
Firm Regn. No. 102860W/W100089

For and on behalf of the Board of Director
GPL Finance and Investments Limited

Astha Kariya
Partner
MEM. No. 122491

R.M. Thakkar
Director
Din.No.00248949

Urmi. N. Prasad
Director
Din.No.00319482

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016

Place : Mumbai
Date : 27.05.2016

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF GUJARAT PETROSYNTESES LIMITED

To,
The Members,
M/s. Gujarat Petrosynthese Ltd

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of M/s Gujarat Petrosynthese Ltd ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the consolidated balance sheet as at 31 March 2016, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21, Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2016;
- ii) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profits for the year ended on that date;
- iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Holding Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of subsidiaries as mentioned in 'Annexure C' to this report, whose financial statement reflect total assets of Rs.11.17 crores as at 31st March, 2016, total revenues of Rs. 9.94 crores for the year then ended, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and the jointly controlled company and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled company, is based solely on the reports of the other auditors.

As per the Emphasis of Matter mentioned in the Independent Auditor's report of M/s. Gujarat Polybutenes Private Limited, the subsidiary company has accumulated losses and its net worth is totally eroded, even after induction of fresh capital. The company has incurred net loss / net cash loss during the current & previous years. The activity of the company is closed from 15.02.2016. These conditions indicate existence of material uncertainty which cast significant doubt about company's ability to continue as going concern. However, the Auditor of GPPL confirmed that the financial statements prepared as a going concern are in conformity with generally accepted accounting principles and give true and fair view. Though that the consolidated financial statement has cash loss in the current year, the Net worth is still positive and adequate hence our opinion in respect of consolidated financial statements remains unchanged.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiaries companies incorporated in India, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of a subsidiaries companies, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) the consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the relevant assertion contained in the audit reports on standalone financial statements of each subsidiaries companies which are incorporated in India, none of the Directors of any such company are disqualified as on 31st March, 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B', and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph;
 - (i) As there are no pending litigations the requirement of disclose of the impact of pending litigations on the consolidated financial position of the Holding Company, its subsidiary companies in the consolidated financial statements does not arise.
 - (ii) The Holding Company, its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies incorporated in India.

For SJH & Co
Chartered Accountants
Firm's Registration No.
012106S
A.Jagannath Babu
Partner
M. No. 020115

Place: Mumbai
Date : 27th May, 2016

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

As stated in Para 1 of 'Report on Other Legal and Regulatory Requirements' in our Auditors' Report of even date, the following statement is based on the comments in the auditors' reports on the standalone financial statements of the Holding Company, its subsidiary companies incorporated in India.

- (i) (a) The Holding Company and its subsidiary companies have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Holding Company and its subsidiary companies have a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Holding Company and its subsidiary companies incorporated in India and the nature of its assets.

(ii) In respect of Inventories:

The inventory, except goods-in-transit have been physically verified by the respective management of the Holding Company and its subsidiary companies during the year. In our opinion, the frequency of such verification is reasonable.

In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and its subsidiary companies incorporated in India and the nature of its business;

In our opinion and according to the information and explanations given to us, the Holding Company and its subsidiary companies are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

- (iii) According to the information and explanations given to us the Holding Company and its subsidiary companies has not granted any loans to company, firm and any other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations obtained by the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, and having regard to the explanation, there is an adequate internal control system commensurate with the size of the Holding Company and its subsidiary companies and the nature of its business with regard to purchase of inventories and fixed assets and with regards to sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Holding Company and its subsidiary companies have not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records by the Holding Company and its subsidiary companies under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to the information and explanations given to the statutory auditors and on the basis of our examination of the records of the Holding Company and its subsidiary companies, the Holding Company and its subsidiary companies is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, custom duty, excise-duty, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2016, for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, there are no dues of sales tax, wealth tax, entry tax, excise duty, custom duty and Cess which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in below:

Name of the Statute	Nature of dues	Financial Year	Amount under dispute	Amount paid under protest	Forum Where the Dispute is pending
Income Tax	Rectification Due	F.Y 2007-08 F.Y 2009-10 F.Y 2010-11	Rs. 94,429/- Rs. 6,332/- Rs. 32,170/-	NIL	Rectification filed with AO AORectification filed with Rectification filed with AO
Excise Department	Excise Duty Penalty (due to non allowance of cenvat credit)	F.Y. 2006-07 to December 2010	Rs.8,80,628/-	NIL	Customs, Excise & service tax Appellate Tribunal West Zone, Ahmedabad

- (c) According to the information and explanations given to and on the basis of the examination by the statutory auditors of the records of the Holding Company and its subsidiary companies incorporated in India, no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act and rules made there under;
- (viii) On a consolidated basis, the Holding Company and its subsidiaries companies incorporated in India does not have any accumulated losses at the end of the financial year and has incurred a cash losses of Rs. 4.19 Crores in the financial year and cash loss of Rs 5.06 Crores in the immediately preceding financial year.
- (ix) According to the information and explanations given to the respective statutory auditors, the Holding Company, its subsidiary companies incorporated in India have not defaulted during the year in repayment of dues to its financial institution and bankers. The Holding Company and its subsidiary companies did not have any outstanding debentures during the year.
- (x) According to the information and explanations given to the respective statutory auditors, the Holding Company and its subsidiary companies incorporated in India has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations obtained by the respective statutory auditors, the Holding Company, its subsidiary companies and jointly controlled companies incorporated in India have not raised any term loan during the year.
- (xii) According to the information and explanations given to the respective statutory auditors of the Holding Company and its subsidiary companies incorporated in India, no instances of material fraud on or by each company have been noticed or reported during the course of audit by the statutory auditors of the Holding Company and its subsidiary companies incorporated in India.

Place: Mumbai
Date : 27th May, 2016

For SJH & Co
Chartered Accountants
Firm's Registration No.
012106S
A.Jagannath Babu
Partner
M. No. 020115

'ANNEXURE C' TO THE INDEPENDENT AUDITORS' REPORT

The following subsidiaries have not been audited by SJH & Co., which are considered for the consolidation of Gujarat Petrosynthese Limited:

(Rs. in Crores)

Name of the Company	Accounting Period	Subsidiary	Total Assets	Total Revenue	Name of the Auditor
GPL Finance & Investments Limited	Apr 15 - Mar 16	Direct	1.52	0.09	For Ford, Rhodes, Parks & Co.
Gujarat Polybutenes Private Limited	Apr 15 - Mar 16	Direct	9.65	9.85	Suresh Thakkar & Co.

Place: Mumbai
Date : 27th May, 2016

For SJH & Co
Chartered Accountants
Firm's Registration No.
012106S
A.Jagannath Babu
Partner
M. No. 020115

ANNEXURE B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls Under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 ('the ACT')

We have audited the Internal financial control over financial reporting of M/s. Gujarat Petrosynthese Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the consolidated balance sheet as at 31 March 2016, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for Internal Financial Controls

The company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of Internal control stated in the Guidance note on Audit of Internal Financial Controls over Financials Reporting issued by the Institute of Chartered Accountants of India(ICAI), These responsibilities include the design, implementation and maintenance of adequate internal controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies act 2013

Auditor's Responsibility

Our responsibility is to express an opinion on Company's Internal Financial Controls based on our audit.

We conducted our audit in accordance with the Guidance note on Audit of Internal financial controls over financials reporting ('the Guidance note') and the standards on auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the companies act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and ,both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance note that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial reporting was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial reporting over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statement for external purpose is accordance with generally accepted accounting principles. A company's Internal Financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of record that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company,(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations Of Internal Financial Controls Over Financial Reporting

Because of the Inherent Limitations Of Internal Financial Controls Over Financial Reporting ,including the possibility of collusion or Improper management override of controls, Materials misstatements due to error or frauds may occur and not be detected Also, projections of any evaluation of the internal financial control Over Financial Reporting to future periods are subject to the risk that the internal Financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

For SJH & Co
Chartered Accountants
Firm's Registration No.
012106S
A.Jagannath Babu
Partner
M. No. 020115

Place: Mumbai
Date : 27th May, 2016

**Consolidated Balance Sheet of Gujarat Petrosynthese Limited
and its subsidiary Company as at 31st March, 2016**

(₹ in thousands)

	Note No.	As on 31.03.2016	As on 31.03.2015
I EQUITY AND LIABILITIES			
1 a) Share Capital	1	59,692	59,692
b) Reserves and Surplus	2	61,389	87,902
c) Money received against share warrants		-	1,750
		<u>121,081</u>	<u>149,344</u>
2 Share application money pending allotments			
3 Minority Interest on Equity	3	1	1
4 Non-Current Liabilities	4		
a) Long-term borrowings		54,800	53,400
b) Deferred tax liabilities (Net)		5,610	1,798
c) Other Long-term liabilities		-	-
d) Long-term provisions		<u>60,410</u>	<u>55,198</u>
5 Current Liabilities			
a) Short-term borrowings		-	33,780
b) Trade payables	5	19,545	61,266
c) Other Current liabilities	6	6	127
d) Short term provisions	7	4,394	3,809
		<u>23,945</u>	<u>98,981</u>
TOTAL		<u>205,437</u>	<u>303,524</u>
II ASSETS			
1 Non-Current Assets			
a) Fixed assets			
i) Tangible assets	8	108,810	116,004
b) Non-current investments	9	10,195	10,418
c) Deferred tax assets (net)	4	-	-
d) Long-term loans and advances		-	-
e) Advance for capital assets		464	464
f) Other non-current assets		<u>-</u>	<u>126,886</u>
2 Current Assets			
a) Inventories	10	18,734	55,789
b) Trade receivables	11	20,179	44,953
c) Cash and Cash equivalents	12	23,110	43,907
d) Short -term loans and advances	13	18,549	24,665
e) Other current assets	14	5,396	7,324
		<u>85,968</u>	<u>176,638</u>
TOTAL		<u>205,437</u>	<u>303,524</u>
Explanatory & Significant accounting policies	22		
Notes to the financial statements	1-22		

As per our report of even date
For **SJH & CO.,**
CHARTERED ACCOUNTANTS
Firm's Reg. No. 012106S

For and on behalf the Board of Directors

(A. JAGANNATH BABU)
PARTNER
Member Ship No. 020115

R. M. Thakkar
Chairman & Non-Executive Director
DIN : 00248949

Urmi. N. Prasad
Jt. Managing Director
DIN : 00319482

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

**Consolidated Profit and Loss Account of Gujarat Petrosynthese Limited
and its subsidiary Company as at 31st March, 2016**
(₹ in thousands)

	Note No.	As on 31.03.2016	As on 31.03.2015
I Revenue from Operations	15	207,450	257,051
II Other Income	16	<u>5,308</u>	<u>5,506</u>
III Total Revenue (I + II)		212,758	262,557
IV Expenses			
Cos of material consumed	17	143,063	226,644
Purchase of Stock-in-trade			
Changes in inventories of finished goods, work in progress and Stock-in-trade	18	25,474	(24,357)
Employee benefits expense	19	33,307	30,585
Finance Costs	20	9,461	8,997
Depreciation and amortization expenses	8	7,873	8,796
Other expenses	21	<u>54,739</u>	<u>76,837</u>
Total Expenses		<u>273,917</u>	<u>327,502</u>
V Profit before exceptional and extraordinary items and tax (III - IV)		(61,159)	(64,945)
VI Exceptional Items		15,573	4,711
VII Profit before extraordinary items and tax (V - VI)		(45,586)	(60,234)
VIII Extraordinary items		42	806
IX Profit before tax (V - VI)		(45,544)	(59,428)
X Tax expense			
(a) Current Tax		353	189
(b) Deferred Tax		3,871	(162)
XI Profit / (Loss) for the period from continuing operations (after tax) (IX - X)		<u>(49,767)</u>	<u>(59,456)</u>
XII Profit / (Loss) for the period from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV Profit / (Loss) for the period (XI-XIV)		(49,767)	(59,456)
XVI Earnings per equity share:			
(a) Basic		(8.34)	(9.96)
(b) Diluted			
See accompanying notes to the financial statements			

As per our report of even date
For SJH & CO.,
CHARTERED ACCOUNTANTS
Firm's Reg. No. 012106S

For and on behalf the Board of Directors

(A. JAGANNATH BABU)
PARTNER
Member Ship No. 020115

R. M. Thakkar
Chairman & Non-Executive Director
DIN : 00248949

Urmi. N. Prasad
Jt. Managing Director
DIN : 00319482

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

NOTES TO FINANCIAL STATEMENT PART OF THE BALANCE SHEET

(₹ in thousands)

	31.03.2016	31.03.2015
NOTE-1: SHARE CAPITAL		
Authorized		
80,00,000 equity shares of ₹ 10/- each	80,000	80,000
Issued, Subscribed and Paid-up		
59,69,166 Equity shares of Rs.10/- each fully paid up	59,692	59,692
Total	59,692	59,692
Details of shareholders holding more than 5% in Company		
Charita Thakkar - holds 485417 eq.shares - 8.13%		
Urmi N Prasad - holds 487610 eq.shares - 8.17%		
Ursula Thakkar-holds 352906 eq.shares - 5.91%		
Yashashree Commercial Service Pvt Ltd-holds 800000 eq.shares - 13.40%		
LIC of India - holds 537343 eq.shares - 9.52%		
NOTE-2: RESERVES & SURPLUS		
Capital Reserves		
Security Premium	20,000	20,000
Share Warrant Forfeited	1,750	-
General Reserves	89,406	132,241
Surplus in Profit / (Loss) account	(59,456)	(21,685)
Balance brought forward from earlier period		
Prior period expenses		
Surplus in Profit / (Loss) account for the period	(49,767)	(59,456)
Less: Additional Depreciation		(4,883)
Total	61,389	87,902
NOTE-3: MINORITY INTEREST ON EQUITY		
GPL Finance and Investment Ltd		
60 Equity shares (2003-2004:60) held by minority		
Interest (0.01% holding, 2003-2004 : 0.01% holding)	-	-
Gujarat Polybutenes Pvt Ltd	1	1
Total	1	1
NOTE-4: NON-CURRENT LIABILITIES		
a) Long-term borrowings	54,800	53,400
b) Deferred tax liabilities (Net)- Fixed assets differential	5,610	1,798
Total	60,410	55,198
NOTE-5: TRADE PAYABLES		
Creditors for Expenses	4,513	8,513
Creditors for Goods	13,454	42,796
Creditors for Others	1,578	9,957
Total	19,545	61,266
NOTE-6: OTHER CURRENT LIABILITIES		
Advance Received from Others	-	100
Advance Received from Customers	6	27
Total	6	127
NOTE-7: SHORT-TERM PROVISIONS		
Provision for employee benefits	1,484	215
Provision for Others / Expenses	755	1,887
Others	-	-
Provision for Taxation	1,847	1,706
Provision for Taxation FY:2014-2015	309	-
Total	4,394	3,808

NOTE 8 - DETAILS OF FIXED ASSETS (AS PER COMPANIES ACT) FOR THE F.Y.2015-2016 (₹ in thousands)

ASSETS	GROSS BLOCK					DEPRECIATION				NET BLOCK			
	As at 01.04.2015	Additions before 30th Sep	Additions After 1st Oct	Additions	Deductions	Total As at 31.03.2016	As at 01.04.2015	For the Year ended 31.03.2016	Add. Depn.	Deductions	Total Depn.	As at 31.03.2016	As at 31.03.2015
Leasehold Land	18,495	-	-	-	-	18,495	-	-	-	-	-	18,495	18,495
Land at Dahej	39,243	-	-	-	-	39,243	-	-	-	-	-	39,243	35,777
Freehold Land	4,419	-	-	-	-	4,419	-	-	-	-	-	4,419	4,419
Factory Building	25,541	25	-	25	-	25,566	16,629	1,097	-	-	17,726	7,840	8,699
Plant & Machinery	75,403	522	-	522	-	75,925	35,745	4,732	-	-	40,478	35,447	31,292
Electrical Installation	2,422	-	-	-	-	2,422	2,230	121	-	-	2,351	71	192
Vehicles	9,274	-	-	-	42	9,232	6,311	673	-	-	6,984	2,247	2,905
Laboratory Equipment	5,310	-	-	-	-	5,310	4,719	263	-	-	4,982	328	449
Furniture & Fixtures	3,277	-	-	-	-	3,277	2,842	95	-	-	2,937	341	450
Jigs & Moulds	403	-	-	-	-	403	169	134	-	-	303	100	183
Office Equipments	5,904	58	41	99	-	6,003	5,502	283	-	-	5,785	218	599
Computer	2,830	28	-	28	-	2,858	2,609	186	-	-	2,795	63	78
Mobile	298	13	34	47	-	346	57	288	-	-	345	0	169
Subtotal - A	192,819	646	75	722	42	193,499	76,816	7,872	-	-	84,687	108,811	103,705
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - B	-	-	-	-	-	-	-	-	-	-	-	-	-
Total A+B	192,819	646	75	722	42	193,499	76,816	7,872	-	-	84,687	108,811	103,705
Previous Year	152,796	8,306	21,070	29,376	1,653	180,519	59,483	5,461	-	943	63,998	116,522	-

NOTES TO FINANCIAL STATEMENT PART OF THE BALANCE SHEET

NOTE-9: NON CURRENT INVESTMENTS

Investments in Mutual Funds

Rural Electrification	3,800	3,800
Total	3,800	3,800

(₹ in thousands)

	No. of Shares	31.03.2016	No. of Shares	31.03.2015
Equity shares (Quoted) :				
Andhra Sugars Limited.	500	57	500	57
Alfa Lavel (India) Limited.	150	173	150	173
Andhra Bank Limited.	5,363	500	5363	500
Avanti Feeds Limited.	5,000	87	1000	87
Alstom Projects India Limited.	50	20	50	21
Astrazeneca Pharma India Limited.	300	202	300	203
Bhagyanagar India Limited.	200	16	200	16
Castrol India Limited.	8,200	488	8200	488
CESC Limited.	50	35	50	35
Colgate-Palmolive (India) Limited.	300	64	150	64
Disa India Limited.	100	149	100	149
Exide Industries Limited.	10	-	10	0
Foseco India Limited.	500	199	500	199
Grasim Industries Limited.	15	55	15	55
Gujarat NRE Coke Limited.	462	43	462	43
Hindustan Organic Chemicals Limited.	1,500	54	1500	54
Hindustan Oil Exploration Co Limited.	100	17	100	17
ICRA Limited.	20	22	20	22
Kingfisher Airlines Limited.	100	29	100	29
Kotak Mahindra Bank Limited.	60	20	30	20
Larsen Toubro Limited.	825	752	825	752
Maharashtra Polybutenes Limited.	50	1	50	1
Maan Aluminium Limited.	50	-	50	0
Mirc Electronic Limited.	200	8	200	8
NTPC Limited.	134	8	134	8
Orchid Chemicals Pharmaceuticals Limited.	100	37	100	37
Pratibha Industries Limited.	500	44	500	44
Reliance Industries Limited.	2,872	1,613	2872	1,613
Reliance Infrastructure Limited.	150	257	150	257
Reliance Communications Limited.	1,050	774	1050	774
Reliance Power Limited.	50	49	50	49
Siemens Limited.	550	493	550	493
Vedanta Limited	300	88	300	88
Subros Limited.	1,500	76	1500	76
State Bank of India	1,000	217	1000	217
Sun Pharmaceutical Industries Limited.	1,000	91	1000	91
Sun Pharma Advance Research Company Limited.	100	-	100	0
Srinivas Shipping Project Limited.	200	46	200	46
Southern Magnesium and Chemicals Limited.	75,000	825	75000	825
Triveni Limited.	700	62	700	62
Ultratech Cement Limited	8	-	8	0
Good Value Marketing Company Limited.	-	-	3450	182
Nagarjuna Finance Limited.	-	-	1000	363
		7,671		8,218
Equity shares (Unquoted) :				
Good Value Marketing Company Limited.	3,450	182	0	0
Haryana Petro Chemicals Limited.	1,200	21	1200	21
Nagarjuna Finance Limited.	10,000	363	0	0
Suman Motels Limited.	900	16	900	16
Uniflex Cables Limited.	1,000	43	1000	43
		625		80
		8,298		8,298
Less : Provision for Diminution in Value of Investments		1,900		1,680
Total		6,398		6,618
Note:				
Quoted Investments - Cost and Market Value				
Cost		7,673		8,218
Market Value		16,154		15,774
Unquoted Investments - Cost		625		80

NOTES TO FINANCIAL STATEMENT PART OF THE BALANCE SHEET

(₹ in thousands)

	31.03.2016	31.03.2015
NOTE-10: INVENTORIES		
(As taken, Valued and Certified by the Management)		
Raw Material & Consumables	4,439	16,019
Finished Goods	14,295	39,770
Total	18,734	55,789
NOTE-11-TRADE RECEIVABLES		
Debtors Outstanding for more than Six Months	-	3,352
Debtors - Others	20,179	41,601
Total	20,179	44,953
NOTE-12-CASH AND CASH EQUIVALANTS		
Cash on Hand	145	168
In Current Accounts	16,078	12,881
FD with Banks	6,887	30,858
Total	23,110	43,907
NOTE-13-SHORT-TERM LOANS AND ADVANCES		
Advanced recoverable in cash or kind or for value to be received	5,949	18,441
TDS, Advance Tax and Self Assessment Tax	12,496	5,239
Tax Deducted at Source FY:2014-15	94	87
Service Tax Credit Receivable	-	250
Cenvat on capital goods Receivable	10	647
Total	18,549	24,665
NOTE-14-OTHER CURRENT ASSETS		
Trade Deposits	3,349	3,336
Other Deposits	100	110
Cenvat Credit	1,028	90
Prepaid Expenses	628	919
Balance with Excise Authorities	135	2,757
Interest accrued	156	113
Total	5,396	7,324

NOTES TO FINANCIAL STATEMENT PART OF THE PROFIT AND LOSS ACCOUNT

(₹ in thousands)

	31.03.2016	31.03.2015
NOTE-15: REVENUE FROM OPERATIONS		
Sales (Net)	201,159	248,159
Job work charges	6,291	8,892
Total	207,450	257,051
NOTE-16: OTHER INCOME		
Interest on Deposits	690	423
Interest Income	4,119	4,260
Miscellaneous Income	127	664
Dividends received from Mutual Funds		142
Speciman Testing Charges	14	7
Old Debit/Credit written off	140	10
Dividend on Long-term Investments	218	
Total	5,308	5,506
Note-17: COST OF MATERIAL CONSUMED		
Raw Materials		
Opening Stock of Materials	15,650	34,912
Add: Purchases	130,801	206,337
Less: Closing Stock	4,419	15,650
Packing Materials	1,032	1,045
Total	143,063	226,644
Note-18: INCREASE / DECREASE IN FINISHED GOODS		
Opening Inventories (Finished Goods)	39,770	15,413
Closing Inventories (Finished Goods)	14,295	39,770
Total	25,474	(24,357)
Note-19: EMPLOYEE BENEFIT EXPENSES		
Salary & Wages	24,537	21,847
Contribution to Provident and Other Funds	1,887	1,814
Staff Welfare Expenses	1,276	1,644
Managerial Remuneration & Perks	5,608	5,280
Total	33,307	30,585
Note-20: FINANCE COSTS		
Processing Fees		
Bank Interest	3,073	1,594
Interest on Unsecured Loans	6,251	7,392
Interest on Others	137	11
Total	9,461	8,997
Note-21: OTHER EXPENSES		
Excise Duty	303	331
Bank Charges	92	1,247
Power and Fuel	14,742	25,331
Stores & Spares	468	1,666
Processing Raw Materials	19	45
Repairs & Maintenance	3,471	4,618
Rates and Taxes	651	488
Insurance	1,919	1,457
Auditors Remuneration & Perks	247	238
Travelling Expenses	1,235	1,890
Directors Sitting fees	155	91
Donations	10	9
General Expenses	21,499	21,914
Transportation, Freight & Octroi	7,050	14,933
Retainers Fees	1,151	852
Vehicle Expenses	1,725	1,727
Total	54,739	76,837

Schedules to the Consolidated Accounts
NOTES TO THE ACCOUNT

22. Basis of Consolidation

Basis

- (a) The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.
- (b) The Consolidated Financial Statements comprise the Financial Statements of Gujarat Petrosynthese Limited (“the Company”) and its subsidiaries GPL Finance and Investments Ltd. and Gujarat Polybutenes Private Limited.

Name	Country of Incorporation	% of Ownership Interest
GPL Finance and Investments Ltd.	India	99.99
Gujarat Polybutenes Pvt.Ltd	India	99.99

Principles:

- (a) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities income and expenses. The inter company transactions are fully eliminated.
- (b) Minority Interest: Minority (Interest in Equity) does not have binding obligation to make good losses of the Company. No losses allocated to Minority (Shares Holders) interest.

23. Other Significant Accounting Policies:

The Financial Statement of the Company and the Subsidiary are prepared according to uniform accounting policies in accordance with generally accepted accounting principles in India. These are set out in the notes on accounts under the Head “Significant Accounting Policies” of the Company and the Subsidiaries.

24. Notes to Accounts:

- 1) In the opinion of the Board:
 - I. All Current assets, loans and advances are approximately of the value stated if realized in the ordinary course of business.
 - II. The provision for all known liabilities has been made and such provision is not in excess of the amount reasonably necessary.
- 2) Cash Credit from banks are secured by hypothecation of stocks of raw materials, stock in process, finished goods, stores and spares, cash and other current assets including monies receivable and fixed deposits of the company.
- 3) Managerial Remuneration under Section 196 and 197 read with schedule V of the Companies Act, 2013 payable to Managing Director 1,25,000 per month/-.
- 4) With effect from 01.04.2005 the Company has converted the Polybutene Division into a 100% subsidiary - Gujarat Polybutenes Pvt.Ltd (GPPL) and transferred the Assets and Liabilities of the Division for a consideration of Rs.22,290,719/- for which it has received equity shares in GPPL and With effect from 01.04.2012 the Company has transferred the Loan of Rs.12,500,000/- for which it has received equity shares in GPPL and On allotment of 1250000 Equity shares of Rs.10/- each fully paid at a premium of Rs.10 per share to Gujarat Petrosynthese Ltd.

Since most of the business operations of the polybutene business (GPPL) continue to be carried on from the GPL corporate office Mumbai due to logistical and operational convenience, the common expenses have been shared in the ratio of 50% to Gujarat Petrosynthese Limited and 50% to Gujarat Polybutenes Pvt.Ltd. An amount of Rs.16.00 lacs has been charged for managerial services rendered by GPL to GPPL which is included in other income. These transactions are eliminated in the consolidated accounts in accordance with AS 21.
- 5) Loans and Advances includes due from officers of the Company /- (P.Y.’ 14,65,411/-).
- 6) Based on the information received by the Company from the creditors in regard to their S.S.I Status, there are no amounts due to such creditors outstanding for over 30 days exceeding Rs. One lakh as on 31st March, 2016. Based on such information, there is no liability for interest on delayed payments which would be payable under “The Interest on Delayed Payments to Small Scale and Ancillary Industrial undertakings ordinance, 1992. Moreover, the Company has not received any claims in respect of interest.
- 7) Amount remitted in Foreign Currencies towards dividend (Net of Tax).

	31 st March 2016	31 st March 2015
Number of Non-resident Equity Shareholders	821	835
Number of Equity Shares	4,31,728	4,40,099
Amount Remitted	NIL	NIL

- 8) Prior Period Items: A net debit amount of 36,099/- (Previous year 1,00,536/-)
- 9) Segment Reporting:

A. Primary Segment Information

₹ in Thousands

Business Segment	Polybutene	Alloys & Blends	Total
Segment Revenue			
Sales	95,659	1,11,792	2,07,451
Less: Inter Segment sales			
Net Sales	95,659	1,11,792	2,07,451
Segment Results			
Profit/(Loss) before Interest	(47,675)	(14,011)	(61,686)
Less: Interest	-	-	-
Less: Prior period exps	36	-	36
Add: Exceptional & Extra ordinary items	680	14893	15,573
Profit/(Loss) before Tax	(48319)	882	(47,437)
Provision for Taxation			
Current year	-	158	158
Deferred Tax	29	3842	3,871
Profit/(Loss) after Tax	(48,290)	(3,117)	(51,407)
Other Information			
Segment Assets	96,468	2,34,206	3,30,674
Segment Liabilities	96,468	2,34,206	330674
Capital Expenditure	—	723	723
Depreciation	4,641	3,232	7873
Other significant non-cash expenses			

B. Secondary Segment Information:

The Company operates mainly in the Indian Market and there are no reportable Geographical Segments.

C. Other Disclosures:

The Company's operations predominantly relate to Polybutene and Alloys & Blends, Accordingly, these business segments comprise the primary basis for reporting segmental information. One subsidiary Gujarat Polybutenes Pvt.Ltd is engaged in the business of manufacturing and selling Polybutenes and its byproducts, which constitutes a single business segment for the entity. The other subsidiary company GPL Finance & Investments Ltd. deals in trading in shares and securities and has income from profit on sale of securities/ shares, dividend, interest etc. Segmental information as required under AS 17 issued by the ICAI are captured in the individual financial statements of the respective subsidiaries and accordingly, disclosures are not being made separately as required Under Section AS-17 issued by the ICAI.

10) Earning Per Share:

	2015-2016	2014-2015
		(₹ In Thousands)
a) Net Profit available for equity Shareholders (Numerator used for calculation)	(49,767)	(59,456)
b) Weighted Average No. of equity shares Used as denominator for calculating EPS(Including shares to be issued to erstwhile KPL shareholders)	59,69,166	59,69,166
c) Basic and Diluted Earning per share (Rs) (Equity Share of face value of Rs.10 each)	(8.34)	(9.96)

11) Transaction with Related Parties:

Particulars	Subsidiary Company / Key Management Personnel	As at 31.03.2016 in thousands	As at 31.03.2015 in thousands
Remuneration	Managing Director	2672	2549
Remuneration	Executive Directors	2935	2731

12) Deferred Tax Assets:

The Deferred Tax Assets in respect of carried forward business of one of the Subsidiary Companies have not been considered in view of uncertainty of taxable profit in future years.

13) Deferred Tax Liability:

The Net deferred tax Assets of Rs.38.71 lacs as on 31st March 16.

14) Balances of Debtors, Creditors and Other Parties are subject to confirmations.

As per our report of even date
For **SJH & CO.**,
CHARTERED ACCOUNTANTS
Firm's Reg. No. 012106S

For and on behalf the Board of Directors

(A. JAGANNATH BABU)
PARTNER
Member Ship No. 020115

R. M. Thakkar
Chairman & Non-Executive Director
DIN : 00248949

Urmi. N. Prasad
Jt. Managing Director
DIN : 00319482

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

PLACE : Mumbai
DATE : 27th May, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	2015-16 (Rupees in lacs)	2014-15 (Rupees in lacs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after tax	(497.67)	(648.45)
Adjustments for:	-	-
Depreciation	78.73	127.27
Income Tax , FBT & Deferred Tax	42.23	(1.89)
Extraordinary items	(148.93)	(0.72)
Profit/(Loss) on sale of FA	-	(46.84)
Profit/(Loss) on sale of Investment	-	3.32
Dividend received	(2.18)	(1.42)
Finance costs	82.59	102.23
Interest received	(41.69)	(40.13)
Interest Paid	0.16	-
Operating profits before working capital chages	(487.46)	(506.63)
Adjustments for:	-	-
Decreases / (Increase) in Inventories	370.55	(41.66)
Decreases / (Increase) in Trade & other receivables	314.77	(204.45)
Decreases / (Increase) in Loans & Advances	197.78	121.81
Decreases / (Increase) in Other Non Current asset	(10.64)	(13.53)
Increase / (Decrease) in Payables	(507.15)	206.36
Increase / (Decrease) in Other current liabilities	(339.50)	254.60
Increase / (Decrease) in short term provisions	5.86	-
Increase / (Decrease) in short term liabilities	109.14	-
Cash Generated from Operations	(346.65)	(183.49)
Interest paid	-	-
Net Cash inflow / (outflow) from operating activities	(346.65)	(183.49)
B CASH FLOW FROM INVESTMENTS ACTIVITIES	-	-
Purchase of Fixed Assets	(7.23)	(113.10)
Sale of Fixed Assets (net)	-	66.48
Sale / (Purchase) on sale of investments	(377.80)	17.47
Profit/(Loss) on sale of Investment	-	-
Interest received	29.20	40.13
Provision For tax	3.53	0.17
Dividend received	2.18	1.42
Net Cash inflow / (outflow) from investing activities	(350.12)	12.58
C CASH FLOW FROM FINANCE ACTIVITIES	-	-
Proceeds from Borrowings	(130.00)	263.93
Share Premium	-	81.25
Equity Shares	350.00	32.50
Money received against Share warrants	-	(28.44)
Dividends received	-	-
Finance cost	(95.24)	(102.23)
Income tax refund including Interest	343.04	-
LOAN	(0.27)	-
Current investments considered as part of Cash and cash equivalents	(7.00)	-
Net Cash Inflow / (outflow) in cash from Financing activities	460.53	247.01
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(236.24)	76.49
Cash and cash equivalents at beginning of year	398.47	321.98
Cash and cash equivalents at end of year	162.22	398.47

This is the Cash Flow Statement referred to in our report of even date

As per our report of even date

For and on behalf the Board of Directors

For SJH & CO.,

CHARTERED ACCOUNTANTS

Firm's Reg. No. 012106S

(A. JAGANNATH BABU)

PARTNER

Member Ship No. 020115

R. M. Thakkar

Chairman & Non-Executive Director

DIN : 00248949

Urmi. N. Prasad

Jt. Managing Director

DIN : 00319482

PLACE : Mumbai

DATE : 27th May, 2016

PLACE : Mumbai

DATE : 27th May, 2016

PLACE : Mumbai

DATE : 27th May, 2016

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint shareholders may obtain additional attendance slips on request. (Folio Nos., DP ID*, Client ID* & Name of the Shareholder / Joint holders / Proxy in BLOCK LETTERS to be furnished below).

Shareholder	DP ID*	Client ID*	Folio	No. of Shares held

I hereby record my presence at the 39th Annual General Meeting of the Company, to be held on Wednesday, 10th August, 2016 at 3.00 p.m. at No. 24, II Main, Doddadenekundi, Industrial Area, Phase I, Mahadevapura Post, Bangalore - 560 048.

SIGNATURE OF THE
SHAREHOLDER OR PROXY _____

NOTES:

- (1) Shareholders / Proxy holders are requested to bring the Attendance Slip with them when they come to the Meeting and hand it over at the gate after affixing their signature on it.
- (2) Shareholders are requested to advise, indicating their Folio Nos. DP ID*, Client ID*, the change in their address, if any, to the Registrar & Share Transfer Agents, at Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072.

*Applicable for investors holding shares in Electronic (Demat) Form



GUJARAT PETROSYNTHESI LIMITED

Regd. Office : No. 24, IInd Main, Phase I,
Doddanekundi Industrial Area, Mahadevapura, Bengaluru - 560 048.

Form No. MGT - 11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) :

Registered Address :

E- Mail Id :

Folio No./ Client ID* : _____ DP ID _____

I/We, being the member (s) of holding _____ shares of the above named company, hereby appoint following as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on the 10th day of August, 2016 At 3.00 p.m. at 24, II main, Doddanekkundi Industrial Area, Bengaluru 560048, and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Name:..... Address:.....

E- Mail ID:..... Signature:..... or failing him/her

2. Name:..... Address:.....

E- Mail ID:..... Signature:..... or failing him/her

3. Name:..... Address:.....

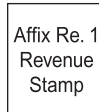
E- Mail ID:..... Signature:..... or failing him/her

Item No.	Resolution(s)	For Resolution	Against
1.	To consider and adopt: a) the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon. b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Auditors thereon.		
2.	To appoint a Director in place of Ms. Charita Thakkar (DIN 00321561), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers herself for re-appointment.		
3.	To appoint Auditors and to fix their remuneration.		
4.	To consider the appointment of Ms. Urmi N. Prasad as joint Managing Director of the Company.		
5.	To consider the appointment of Ms. Charita Thakkar as joint Managing Director of the Company.		

Signed this day of August., 2016.

Signature of Shareholder.....

Signature of Proxy holder(s).....



Note:

- This form of Proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

BOOK POST



If undelivered, please return to:

GUJARAT PETROSYNTHESE LIMITED

Regd. Office : No. 24, IInd Main, Phase I,
Doddanekkundi Industrial Area, Mahadevapura, Bengaluru - 560 048.
Ph. No. : 080-28524133, E-mail : info@gpl.in