

GUJARAT PETROSYNTHESIS LIMITED



ISO COMPANY

THIRTY FOURTH ANNUAL REPORT 2010 - 2011

GO PAPERLESS

With reference to the Green Initiative in Corporate Governance in order to reduce paper consumption and to contribute towards a green environment, companies are permitted to send notices/documents through electronic mode. We once again request you to kindly send us your e-mail address as mentioned in page No 1 of this booklet, if you have not yet registered with us. We are sure as a responsible citizen you will support this initiative.

BOARD OF DIRECTORS

Dr. R.M. THAKKAR

Chairman and Managing Director

Ms. URMI N. PRASAD

Executive Director

Ms. URSULA THAKKAR

Executive Director

Ms. CHARITA THAKKAR

Dr. A.C. SHAH

Mr. T.N.R. RAO

Mr. V.H. PANDYA

Dr. (Mrs.) M.H. MEHTA

Mr. ADHIK SHIRODKAR

Mr. M.D. GARDE

LEGAL ADVISOR

KANGA & CO

AUDITORS

SARJBA & CO.,

**REGD. OFFICE
&
WORKS**

NO. 24, II MAIN PHASE I,
DODDANEKKUNDI INDUSTRIAL AREA,
MAHADEVPURA POST, BANGALORE - 560 048

Gujarat Petrosynthese Limited

Dear Shareholder,

Re: Updating of Shareholders' records

You are one of the valued shareholders of our Company. To serve you efficiently, the Company must have the correct and updated details of the shareholders.

You are therefore requested to provide the following information in the table given below for updating our records and to render you quick & efficient service.

Sr. No.	Particulars	Information required
----------------	--------------------	-----------------------------

- | | | |
|----|---------------------------------|---|
| 1. | PAN Number | : |
| 2. | Contact details - Phone/ Mobile | : |
| 3. | Email Id | : |
| 4. | Details of Bank Account | : |

Kindly return this letter to us after filling in the above details. You may also email your particulars on Email Id – secretarial@gujaratpetrosynthese.com

Thank you,

Dr. R.M. Thakkar
Chairman & Managing Director

NOTICE

NOTICE IS HEREBY given that the 34th 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, Bangalore 560048 on Friday the 30th September, 2011 at 3.00 PM to transact the following business;

ORDINARY BUSINESS

1. To receive consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. T N R Rao, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. M D Garde, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:
"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and such other approvals, as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Ms. Urmi N. Prasad as Wholetime Director of the Company designated as an Executive Director for a further period of three years with effect from 1st April, 2011 upon terms and conditions as approved by the Board of Directors at its meeting held on 29th April, 2011 and as set out in the draft agreement to be entered into by the Company with Ms. Urmi N. Prasad, is hereby specifically approved and sanctioned with a liberty to the Board of Directors, to grant increments and to alter and vary the terms and conditions of the said appointment and / or remuneration and perquisites so as not to exceed the limits of remuneration as specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto and as may be agreed to between the Board of Directors and Ms. Urmi N. Prasad.
6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:
"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and such other approvals, as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Dr. R M Thakkar as Managing Director of the Company for a further period of three years with effect from 11th Oct., 2011 upon terms and conditions as approved by the Board of Directors at its meeting held on 1st August, 2011 and as set out in the draft agreement to be entered into by the Company with Dr. R M Thakkar, is hereby specifically approved and sanctioned with a liberty to the Board of Directors, to grant increments and to alter and vary the terms and conditions of the said appointment and/ or remuneration and perquisites so as not to exceed the limits of remuneration as specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto and as may be agreed to between the Board of Directors and Dr. R M Thakkar.

Regd. Office:
24, II main, Doddanekkundi Industrial Area,
Bangalore - 560 048.

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

Place : Mumbai
Date : 1st August, 2011

(Dr. R. M. Thakkar)
Chairman & Managing Director

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 not less than 48 hours before the commencement of the meeting.
3. 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.
4. As per the requirement of the clause 54 of the Listing Agreement the Company is updating information on its website www.Gpl.in. This portal contains along with business information, quarterly unaudited results, Annual Report containing Notice, Directors Report, Auditors Report, Balance sheet and Profit & Loss Account, quarterly



Gujarat Petrosynthese Limited

- shareholding pattern, contact detail of the Compliance Officer for communicating investor grievances.
5. 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 duly filled in attendance slip at the meeting.
 8. The Register of Members and share transfer books of the Company will remain closed from 24th Sept., 2011 to 30th Sept., 2011 (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.

Regd. Office:
24, II main, Doddanekkundi Industrial Area,
Bangalore - 560 048.

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

Place : Mumbai
Date : 1st August, 2011

(Dr. R. M. Thakkar)
Chairman & Managing Director

ANNEXURE TO NOTICE

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956.

Item No. 5

The term of office of Ms. Urmi N Prasad as an Executive Director ended on 31st March, 2011. The Remuneration Committee in the meeting held on 29th April, 2011 approved the remuneration payable to Ms. Urmi N Prasad. Subject to the approval of the Share holders of the Company, the Board of Directors of the Company at its meeting held on 29th April, 2011 reappointed Ms. Urmi N Prasad as Whole Time Director designated as an Executive Director of the Company for a period of three years with effect from 1st April, 2011.

Ms. Urmi N Prasad, B.Com., A.C.A., M.B.A. (INSEAD France) is having more than 18 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 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, 2011.

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 309(5) of the Companies Act, 1956.

Perquisites:

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

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

Housing III: If the company does not provide accommodation, the Executive 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 Executive Director.

- ii) The Company shall pay as per the company's policy, the Medical Expenses including such expenses as shall relate to the surgical, optical and dental treatment incurred by Ms Urmi N Prasad for herself and her family.

- 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 Mediclaim 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 Wholetime Director's remuneration or perquisites as aforesaid:

- i) The Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act.
- ii) Gratuity payable to the Wholetime Director at the rate of half 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 Wholetime Director, and reimbursement of expenses including entertainment expenses will not be considered as perquisites.

Minimum Remuneration : Subject to the ceiling specified in Section II of Part-II of Schedule XIII to the Companies Act, 1956, the Wholetime Director shall be paid remuneration by way of salary and perquisites (except commission specified above) notwithstanding that in the Financial Year during the currency of tenure of the Wholetime 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 Wholetime Director is terminated, she shall be entitled to compensation for the loss of office subject to the provisions of section 318 of the Companies Act, 1956.

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

The particulars set out above, may be treated as an abstract of the terms of contract for the remuneration/ reappointment of Ms. Urmi N Prasad as Wholetime Director of the Company, which is required to be given to every member under the provisions of section 302(2) of the Companies Act, 1956.

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, Dr. R M Thakkar, Ms. Charita Thakkar and Ms. Ursula Thakkar who are related to each other, are interested in the Resolution as it relates to her own/ relative's term of re-appointment/ remuneration.

None of the other Directors are in any way concerned or interested in the said Resolution.

Item No. 6

The term of office of Dr. R M Thakkar as Managing Director will come to an end on 10th Oct., 2011. The Remuneration Committee in the meeting held on 1st August, 2011 approved the remuneration payable to Dr. R. M. Thakkar. Subject to the approval of the Share holders of the Company, the Board of Directors of the Company at its meeting held on 1st August, 2011 reappointed Dr. R M Thakkar as Managing Director of the Company for a period of three years with effect from 11th Oct., 2011.

Dr. R M. Thakkar, D. Phil (Zurich) is having more than 33 years of experience in the Company having been the Managing Director of the Company since inception. The draft of the Agreement to be entered into between the Company and Dr.



Gujarat Petrosynthese Limited

R M Thakkar, 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 11th Oct., 2011.

Salary: Rs. 1,25000/- (Rupees One lac twenty five thousand only) per month.

Commission: 1.5% on the net profits of the company computed in the manner laid down in Section 309(5) of the Companies Act, 1956.

Perquisites:

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

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

Housing III: If the company does not provide accommodation, the 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 Managing Director.

- ii) The Company shall pay as per the company's policy, the Medical Expenses including such expenses as shall relate to the surgical, optical and dental treatment incurred by Dr. R M Thakkar, for himself and his family.
- 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) Dr. R M Thakkar and family shall be covered under the Mediclaim 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 Managing Director's remuneration or perquisites as aforesaid:

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

Minimum Remuneration : Subject to the ceiling specified in Section II of Part-II of Schedule XIII to the Companies Act, 1956, the Managing Director shall be paid remuneration by way of salary and perquisites (except commission specified above) notwithstanding that in the Financial Year during the currency of tenure of the Managing director, the Company has no profits or its profits are inadequate.

Compensation : If before the expiry of the Agreement, the tenure of his office as Managing Director is terminated, he shall be entitled to compensation for the loss of office subject to the provisions of section 318 of the Companies Act, 1956.

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

The particulars set out above, may be treated as an abstract of the terms of contract for the remuneration/ reappointment of Dr. R M Thakkar as Managing Director of the Company, which is required to be given to every member under the provisions of section 302(2) of the Companies Act, 1956.

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.

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

None of the other Directors are in any way concerned or interested in the said Resolution.

Details of Directors seeking reappointment in the forthcoming Annual General Meeting (in pursuance of Clause 49(VI)(A) of the Listing Agreement)

Name of Directors	Mr. T N R Rao	Mr. M D Garde	Dr. R M Thakkar	Ms Urmi N Prasad
Date of Birth	17/10/1936	19/09/1945	30/09/1924	26/09/1964
Date of Appointment	24/06/2008	31/10/2007	14/09/1977	01/04/1993
Expertise in specific functional areas	Management, Energy, Corporate Governance	Insurance	Dr. R M Thakkar is the Managing Director of the Company inception.	Accounts, Finance, Business Administration & Strategic Planning
Qualifications	MA	BE (Electrical), MBA	D. Phil (Zurich)	B. Com., ACA, MBA, (INSEAD France)
Directorship held in other companies (excluding foreign companies)	1. Quippo Oil & Gas Infrastructure Ltd. 2. South Asia Gas Enterprise Ltd.	Fag Bearings (India) Ltd. Member Audit Committee of Fag Bearings (India) Ltd. Chairman Shareholders Grievance Committee of Fag Bearings (India) Ltd.	Gujarat Polybutene Pvt. Ltd. GPL Finance and Investments Ltd. Guardian Finance Ltd. Multichem Pvt. Ltd. Seagull Tours & Travels Pvt. Ltd.	Gujarat Polybutene Pvt. Ltd. GPL Finance and Investments Ltd. Guardian Finance Ltd. Multichem Pvt. Ltd. Seagull Tours & Travels Pvt. Ltd.
Committee Positions held in other Companies	Chairman Audit Committee of Quippo Oil & Gas Infrastructure Ltd.	Member Audit Committee of Fag Bearings (India) Ltd. Chairman Shareholders Grievance Committee of Fag Bearings (India) Ltd.	NIL	NIL

DIRECTORS' REPORT

To the Members of,
Gujarat Petrosynthese Limited

The Directors have pleasure in presenting the 34th ANNUAL REPORT of the Company together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

Particulars	(Rs. in Lacs)	
	2010-11	2009-10
Sales Turnover	1011.75	924.24
Operating Profit	107.15	112.06
Less : Interest	-	0.13
Depreciation	34.10	32.69
Profit before Tax	73.05	79.24
Less : Provision for Tax	22.00	15.50
Profit After Tax	51.05	63.74
Prior period Adjustments/ Income Tax for earlier years	2.80	6.03
Add : Balance in Profit & Loss Account	675.46	605.68
Balance available for appropriation	729.31	675.45
Balance carried to Balance sheet	729.31	675.45

Dividend

As per prudent financial measures, considering the need to conserve the financial resources and to make necessary investments for the growth of the business, your Directors do not recommend any dividend.

Performance & Future outlook

The polymer industry saw volatile pricing following the crude price fluctuations. This impacted and moderated the demand. The sales grew by 4% in volume and 9% in value.

In a highly competitive environment the growth comes through innovation. The company is pursuing the development of new compounds tailor-made for customers which would result in higher sales revenue and a healthier bottomline.

The long term view of the polymer industry remain very positive as demand would continue to grow in line with GDP at least for the next decade.

Your company will continue its growth efforts, invest in R&D, product development and work with customers to develop products suiting their needs.

Working of 100% subsidiary – Gujrat Polybutenes Private Limited (GPPL)

The performance of the company has been excellent during the year with a 19 % growth in sales revenue. This was despite the very adverse situation in feedstock pricing which continued to show an upward trend throughout the year.

The uncertainty in the feedstock pricing and managing raw material will continue to be a major challenge for the year ahead.

Energy costs continue to increase — overall increase in gas price has been 60 % over last year. GPPL has been working on energy cost reduction through various energy conservation schemes .

GPPL would continue its endeavour to grow by managing uncertainties through prudent proactive planning and bring value to its stakeholders.

Human Resource Management

The Company considers Human Resources as an invaluable asset. Your Directors place on record their appreciation of the hard work, dedication and commitment of employees of the Company at all levels. The efforts of the employees have helped the Company in facing the challenges and competition.

Particulars of Employees

As required by provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 as amended the names and other particulars who are drawing remuneration of Rs. 60.00 lacs p.a. or more or Rs. 5.00 lacs p.m. or more are NIL.

Industrial Relations

Relations between the employees at all levels with the management continue to remain cordial.

Health, Safety & Environment

Occupational safety and environment continue to be an important area for your Company and receive proper attention throughout the year. Necessary steps are regularly undertaken to ensure the safety of personnel and equipment.

Internal Control System

Your Company has adopted an internal control system, commensurate with its size. The external auditors and high powered audit committee supplement the Company's internal control system. Your Company ensures its implementation and compliance so that the assets and business interests of your Company are adequately safeguarded.

Cautionary Statement

Statements in this report on Management discussion and analysis describing the company's objectives, projections, estimates, expectation may be "forward looking statements" within the meaning of applicable securities Laws or Regulations. These statements are based on certain assumptions and expectation of future events. However, actual results could differ materially from those express or implied. The Company assumes no responsibility in respect of forward looking statements, which may undergo changes in the future on the basis of subsequent development, information or events.

Deposits

Your company has not accepted any Deposits to which the provisions of section 58A of the Companies Act, 1956 are applicable.

Conservation of energy, technology absorption, foreign exchange earnings and outgo.

The information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo are as per attached Annexure.

Corporate Governance

A Compliance Report on Corporate Governance is annexed to this report. The Auditors' Certificate on compliance with the conditions of corporate governance under clause 49 of the Listing Agreement is also annexed to this report.

Director's Responsibility Statement

Pursuant to provisions under section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, the Board of Directors hereby confirm that;

1. in the preparation of annual accounts, the applicable accounting standards have been followed and given proper explanation relating to material departures;
2. appropriate accounting policies have been selected and applied consistently and made judgments and estimates which 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 or loss of the company for the year under review;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis.

Directors

At the forthcoming Annual General Meeting, Mr. T N R Rao and Mr. M D Garde retire by rotation as per the provisions of the Companies Act, 1956, and the Articles of Association of the Company, and being eligible offer themselves for reappointment.

The term of appointment of Ms. Urmi N Prasad as Executive Director has expired on 31st March, 2011. The Board of Directors at its meeting held on 29th April, 2011 reappointed her as Executive Director for a further period of 3 years w.e.f. 1st April, 2011.

The term of appointment of Dr. R M Thakkar as Managing Director is expiring on 10th Oct., 2011. The Board of Directors at its meeting held on 1st August, 2011 reappointed him as Managing Director for a further period of 3 years w.e.f. 10th Oct., 2011. The enabling Special Resolutions have been proposed at the forthcoming Annual General Meeting of shareholders of the Company. The Board recommends the resolutions for approval.

Auditors

M/s SARJBA & Co., Chartered Accountants, Bangalore, the statutory Auditors of the Company, retires at the ensuing Annual General Meeting of the Company but are eligible for reappointment. The Board recommends the reappointment. Members are requested to reappoint the Auditors for the current financial year and authorize the Chairman to fix their remuneration.

As per Section 217(3) of the Companies Act, 1956 the notes/ comments of Auditors referred to in the Auditors' Report are self explanatory and give complete information.

Acknowledgments

The Board of Directors wish to place on record their appreciation for the continuous support of Bankers, vendors and buyers in the performance of the Company.

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

Sd/-
(Dr. R. M. Thakkar)
Chairman & Managing Director

Place : Mumbai
Date : 1st August, 2011

ANNEXURE 1 TO THE DIRECTOR'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 2010-11

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

FORM A

A. POWER AND FUEL CONSUMPTION

1) Electricity		2010-11	2009-10
a) Purchased			
Unit	KWH	660736	657990
Total amount	Rs	3,424,394	3,114,833
Rate / Unit	Rs	5.18	4.73
b) Own Generator			
Through Diesel Generator			
Units	KWH	148,468	130,675
Unit Per Ltr	KWH	8.47	9.63
Rate / Unit	Rs	4.84	3.83
Furnace Oil			
Quantity	KL	NIL	NIL
Other / Internal Generator	Rs	NIL	NIL
Average Rate	Rs	NIL	NIL

B. CONSUMPTION PER UNIT PRODUCTION

Standards (If any)		2010-11	2009-10
Product/Unit : Polymer / Kg			
Electricity	KWH	0.60	0.61
Furnace Oil	N.A	NIL	NIL
Coal	N.A	NIL	NIL
Others	N.A	NIL	NIL

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 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	Rs. 26,30,645 - 26,30,645 2.60%

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 and have resulted in improved efficiency of operation.
2	Benefits derived as a result of above efforts	N.A.
3	In case of imported technology (imported during the last 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 consequent impact on cost of production of goods further plans of action.	N.A.

III. FOREIGN EXCHANGE EARNING AND OUTGO

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : 1st August, 2011

DR. R. M. THAKKAR
CHAIRMAN & MANAGING DIRECTOR

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956 RELATING TO SUBSIDIARY COMPANIES

Name of Subsidiary	GPL Finance and Investments Limited	Gujarat Polybutenes Private Limited
1. The financial year of the subsidiary ended on	March 31,2011	March 31,2011
2. Shares in the Subsidiary held by the Holding Company as at the above date		
(a) Number of Shares	999400	2239995
(b) Extent of Holding	99.99%	99.99%
3. Net aggregate amount of profit/ (loss) of the Subsidiary Company so far as they concern the member of the Holding Company and		
(a) Not dealt within the Holding Company's Account for the year ended March 31, 2011		
(I) For the Subsidiary's financial year ended as aforesaid	612,028	46,176,573
(II) For the previous financial year of the Subsidiary since it become Holding Company's Subsidiary.	2,481,400	33,150,460
(b) Dealt within the Holding Company's Account for the year ended March 31, 2010		
(I) For the Subsidiary's financial year ended as aforesaid	420,525	3,515,417
(II) For the previous financial year of the Subsidiary since it become Holding Company's Subsidiary.	2,159,551	31,057,219
4. (a) Change in the interest of the Holding Company between the end of the last financial year and March 31,2006	NIL	NIL
(b) Material changes occurred between end of the financial year of the Subsidiary and March 31, 2006	NIL	NIL

For and on behalf of the Board of Directors

Sd/-

DR. R. M. THAKKAR

CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Date : 1st August, 2011

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

1. Company's philosophy on Corporate Governance

The company's philosophy on corporate governance looks at the high level of transparency, accountability and integrity, in all the operations and actions with its stakeholders including shareholders, customers, employees, government and lenders.

The company believes that its philosophy of corporate governance must succeed in achieving the desired goal of strengthening shareholders values over a sustained period of time.

Your company has complied with the requirements of the Corporate Governance Code, and under noted are the required disclosures.

2. Board of Directors

The Board of Directors consists of 4 promoter directors (one executive chairman, two executive directors and one non executive director), and 5 independent non executive directors.

During the year 2010-11, the Board met 5 times on 08/04/2010, 31/05/2010, 22/07/2010, 28/10/2010, 29/01/2011.

The attendance of the Directors in the Board meeting and Annual General Meeting and category and also the number of other directorships and Committee Member/ Chairmanship was as follows:

Name	Category	No. of Other Directorship (Other than GPL)	Committee Membership (Other than GPL)	Committee Chairmanship (Other than GPL)	No of Board Meetings attended	Last AGM attended
Dr. R.M. Thakkar	Promoter Executive Chairman	5	0	0	5	Yes
Ms. Urmi N. Prasad	Executive Director	5	0	0	5	Yes
Ms. Ursula R. Thakkar	Executive Director	4	0	0	4	No
Ms. Charita R. Thakkar	Non Executive Director	1	0	0	0	No
Dr. A.C. Shah	Independent Non Executive Director	7	14	2	3	No
T N R Rao	Independent Non Executive Director	2	1	1	4	No
Mr. V.H. Pandya	Independent Non Executive Director	0	0	0	5	Yes
Dr.(Mrs) M.H. Hehta	Independent Non Executive Director	0	0	0	0	No
Mr. A.N. Shirodkar	Independent Non Executive Director	0	0	0	4	No
Mr. M.D. Garde	Independent Non Executive Director	1	2	1	5	Yes

3. Audit Committee

The Audit Committee consists of 4 Directors, namely Dr. A C Shah, Mr. M D Garde, Dr. R. M. Thakkar and Mr. Adhik Shirodkar. Dr. A C Shah is the Chairman of the Committee. The terms of reference specified by the Board are to review before submitting to the Board, the Quarterly Results, Half Yearly Results and the Annual Financial Statements, to determine the scope of the audit, to ensure the compliance of internal control systems, and the items specified in clause 49 of the listing agreement.

During the financial year 2010-11 four meetings of the audit committee were held and all the meetings were attended by all the members of the audit committee.

4. Remuneration Committee

The Remuneration Committee consists of Dr. A. C. Shah, Dr. R. M. Thakkar, Ms. Urmi N. Prasad, Mr. Adhik Shirodkar, Mr. M. D. Garde, Mr. V. H. Pandya and Ms. Charita R Thakkar.

The remuneration of the Directors is decided by the Board of Directors/ Remuneration Committee, keeping in view the provisions of The Companies Act, 1956.



Gujarat Petrosynthese Limited

The details of the shareholding and salary/ perquisites paid to the Managing/ Whole Time Directors and non executive directors for the financial year ended March, 2011 are as under:

Name	Salary	Perquisites	Cont. to Pension/ Gratuity/ Super	Cont. To leave Salary	Commission	Other	Total	No. of Equity Shares held
Dr. R. M. Thakkar	2250000	414218	225000		265000	125000	3279218	301916
Ms. Urmi N. Prasad	2250000	120221	405000		176500	125000	3076721	161189
Ms. Ursula Thakkar	2250000	103621	405000		176500	125000	3060121	180700
Ms. Charita Thakkar.					25142		25142	159016
Dr. A. C. Shah					25142		25142	Nil
Mr. T.N.R.Rao					25142		25142	Nil
Mr. V. H. Pandya					25142		25142	196
Dr. (Mrs.) M.H. Mehta					25142		25142	94241
Mr. A. N. Shirodkar					25142		25142	2116
Mr. M. D. Garde					25142		25142	Nil

At present, the Company has not formulated any stock option plan.

The Members other than the Managing Director and the Whole Time Directors are paid sitting fees of Rs. 5000/- per each meeting of the Board and Rs. 1500/- per each meeting of Committee attended by them.

The Sitting fees paid for the year 2010-11 to the Directors for Board, Audit Committee, Remuneration Committee and Shareholders/ Investors Grievance Committee are as under;

Name	Sitting Fees Rs	Name	Sitting Fees Rs
Mr. T N R Rao	20000	Dr. A. C. Shah	16500
Mr. V. H. Pnadya	24500	Mr. Adhik Shirodkar	29000
Mr. M. D. Garde	28000		

5.1 Shareholder/ Investors Grievance Committee

The Shareholders/ Investors Grievance Committee is constituted as per the Corporate Governance Code and consist of 3 Members, namely Mr. Adhik Shirodkar and Mr. V. H. Pandya Directors of the Company and Dr. (Mrs) S. R. Thakkar a major shareholder of the Company to review the status of the investor's grievances and its speedy and satisfactory redressal to the satisfaction of complainant. During the financial year 2010-11, 4 meetings of the Shareholders/ Investors Grievance Committee were held.

5.2 Share Transfer Committee

A Share Transfer Committee was constituted consisting of Dr. R. M. Thakkar, Ms. Urmi N. Prasad and Ms. Ursula R. Thakkar. The committee meets periodically to look into and approve the share transfer requests.

6. General Body Meetings

The last three Annual General Meetings were held as under;

Year	Place of AGM	Date	Time
2007-08	24, II Main, Doddanekundi Industrial Area, Bangalore 560048	11.09.08	3.00 PM
2008-09	24, II Main, Doddanekundi Industrial Area, Bangalore 560048	04.09.09	3.00 PM
2009-10	24, II Main, Doddanekundi Industrial Area, Bangalore 560048	07.09.10	3.00 PM

At the last Annual General Meeting held on 07.09.10 no item was transacted through postal ballots.

7. Disclosure

- (a) Disclosure on materially significant related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.
None of the transactions with any of the related parties were in conflict with the interests of the company. Significant related party transactions are described at Note No. 15, of Schedule R of the Accounts.
- (b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
There were no instances of non-compliance of any matter related to the capital markets during the last three years.
- (c) Compliance of Code of Conduct: All members of the Board and senior management personnel have complied with the provisions of the code of conduct.
- (d) Subsidiary Companies: The Company does not have any material non-listed Indian subsidiary Company within the meaning specified in clause 49.

8. Means of Communications

The Company published its quarterly results in two news papers. Viz. one in English Language newspaper, and the other in Kannada Language newspaper.

9. General Shareholders Information

- 9.1 Annual General Meeting Date : 30th Septemeber, 2011
Annual General Meeting Venue : No. 24, II Main Phase I,
Doddanekkundi Industrial Area,
Mahadevpura Post, Bangalore 560048
- 9.2 Financial Calendar for the year 2011-12 (Tentative)
Results for the quarter ending 30th June, 2011 – 1st August, 2011
Results for the quarter ending 30th Sept., 2011 – Last week of October 2011
Results for the quarter ending 31st Dec., 2011 – Last week of January 2012
Results for the quarter ending 31st March, 2012 – Last week of April 2012
Results for the year ending March 31, 2012 – Last week of June 2012
Annual General Meeting (Next year) – September 2012
- 9.3 Book Closure Date: 24th September, 2011 to 30th September, 2011
- 9.4 Dividend Payment Date : Not Applicable
- 9.5 Listing of Equity Shares on Stock Exchanges at :
The Stock Exchange, Mumbai P. J. Tower, Dalal Street, Mumbai
Delisting application had been made to The Vadodara Stock Exchange Ltd. and the permission was received.
Delisting application was made to The Ahmedabad Stock Exchange Ltd. The application was approved, and the permission was received from the Ahmedabad Stock Exchange Ltd.
- 9.6 Stock Code:
Trading Code at The Sock Exchange, Mumbai is 506858-GUJ. PETRO
- 9.7 Stock Market Data: At the Stock Exchange, Mumbai

Month	Month's High Price	Month's Low Price	Month	Month's High Price	Month's Low Price
April 2010	38.00	38.00	Oct., 2010	-	-
May 2010	36.15	32.65	Nov., 2010	-	-
June 2010	-	-	Dec., 2010	-	-
July 2010	-	-	Jan., 2011	-	-
Aug., 2010	-	-	Feb., 2011	-	-
Sep., 2010	-	-	March 2011	-	-

- 9.8 Share Transfer Centre: The Company has in-house share transfer facilities located at its office situated at Plot No. 1, Compartment No. 2, Marol Co-operative Industrial Estate, M.V. Road, J. B. Nagar Post, Andheri (E), Mumbai 400059.
- 9.9 Share Transfer System: Presently the share transfers received are processed and the share certificates are returned within a period of 20 days from the date of receipt, subject to receipt of valid and complete documents in all respects.
- 9.10 Distribution schedule as on 31st March, 2011

Range	No of Shares Held Rs.	% to Capital	No of Shareholders	% to total holders
00001 – 5000	14806490	28.64	18807	96.72
05001 – 10000	2918400	5.65	419	2.15
10001 – 20000	2013790	3.90	142	0.73
20001 – 30000	569600	1.10	24	0.12
30001 – 40000	457510	0.89	14	0.07
40001 – 50000	307490	0.59	7	0.04
50001 – 100000	618700	1.20	9	0.05
100001 & above	29999680	58.03	23	0.12
Total	51691660	100	19445	100

Particulars	No. of shares held	% to total
FI/ Mutual Funds/ Banks/ Insurance Companies	861919	16.68
Bodies Corporate	417212	8.07
Individuals	<u>3890035</u>	<u>75.25</u>
Total	<u>5169166</u>	<u>100</u>

- 9.11 The Company's shares have not been dematerialized.
- 9.12 The Company doesn't have outstanding GDR/ ADRs/ Warrants or Convertible Debentures.
- 9.13 Plant Locations:
- | | |
|--|---|
| Bangalore Unit
No. 24, II Main Phase I,
Doddanekkundi Industrial Area,
Mahadevpura Post, Bangalore 560048 | Waghodia Unit
Plot No. 242/8,
GIDC Estate, Waghodia,
Dist. Vadodara 391760 |
|--|---|
- 9.14 Address for correspondence: Gujarat Petrosynthese Ltd, Secretarial Dept. Plot No. 1, Compartment No. 2, Marol Co-operative Industrial Estate, M.V. Road, J. B. Nagar Post, Andheri (E), Mumbai 400059.
Email Id – secretarial@gujaratpetrosynthese.com

For and on behalf of the Board of Directors

Sd/-

DR. R. M. THAKKAR

CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Date : 1st August, 2011

Auditors' Certificate on Corporate Governance

To
The Members of Gujarat Petrosynthese Limited

We have examined the compliance of conditions of corporate governance by Gujarat Petrosynthese Limited for the year ended on 31st March, 2011, as stipulated in clause 49 of the listing Agreement of the said Company with Stock Exchange(s).

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing agreement.

We state that no investor grievances is pending for a period exceeding one month against the Company as per the records maintained by the Shareholder/investor Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE : BANGALORE
DATE : 1st August, 2011

For **SARJBA & CO.**,
Chartered Accountants
(A. Jagannath Babu)
Chartered Accountant
M.No. 20115

AUDITORS REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of Gujarat Petrosynthese Ltd, as at 31st March 2011 and also the Profit and Loss Account and cash flow statement of the Company for the year ended on that date annexed there to, in which are incorporated the Balance Sheet and the Profit and Loss account of Bangalore Unit of the Company audited by us separately and the same have been appropriately dealt with. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, and on the basis of such checks as we considered necessary and information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - a. We have obtained all the information & explanations, which to the best of our knowledge & 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 appears from our examination of the books.
 - c. The balance sheet, profit & loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the balance sheet, profit & loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e. On the basis of the written representations received from the Directors, as on 31.03.2011, and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31.03.2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. In our opinion and to the best of our information & according to the explanations given to us, the said accounts subject to and read with significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true & 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, 2011,
 - ii) In the case of the profit and loss account of the profit for the year ended on that date, and
 - iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

PLACE : BANGALORE
DATE : 1st August, 2011

For **SARJBA & CO.**,
Chartered Accountants
(A. Jagannath Babu)
Chartered Accountant
M.No. 20115

ANNEXURE - A TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

Re. : Gujarat Petrosynthese Limited

1. In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the management has physically verified assets during the year, in accordance with the programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion, substantial part of fixed assets of the Company has not been disposed off during the year and as such the "going concern status" of the Company is not affected.

2. In respect of its inventories:

- (a) As explained to us, inventories were physically verified during the year by the management at regular intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3. In respect of Loans granted & taken:

The Company has not granted any loans, secured or unsecured to/ from Companies, firms, or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Consequently, requirement of clauses (iii.b), (iii.c) and (iii.d) of paragraph 4 of the order are not applicable.

4. Internal Control:

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchases of inventory and fixed assets and for the sale of goods.

5. Specified Transactions U/s. 301:

According to the information and explanations given to us, we are of the opinion that no transactions need to be entered in the register maintained under section 301 of the Act. Consequently requirement of clause (v)(b) of paragraph 4 of the order is not applicable.

6. Deposits from public:

In our opinion and according to the information and explanations given to us, the Company has not taken any deposit from the public. Hence provisions of Section 58A & 58AA of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public do not apply.

7. Internal Audit System:

In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.

8. Maintenance of Cost Records:

According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.

9. Statutory Dues:

According to the information and explanations given to us in respect of Statutory and other dues:

- a) The Company has been regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess and any other statutory dues with appropriate authorities during the year.
- b) Though there are disputed dues, the same are already paid. No disputed dues are pending at the end of the year.

10. Accumulated Losses & Cash Losses:

The Company neither has accumulated losses at the end of the year, nor incurred cash losses during the current year and in the immediately preceding financial year.

11. Payments to the financial Institutions, Bank etc.:

Based on our audit and information given by the management, the company has not taken any loan from the Financial Institutions. Hence, clause (xi) of paragraph 4 is not applicable.

12. Loans against Shares:

According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. Chit Fund or a Nidhi/Mutual benefits fund / Society:

The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause 4(xiii) of paragraph 4 of the order is not applicable.

14. Trading in Securities etc.:

The Company has maintained proper records of transactions and contracts in respect of trading in securities and other investments and timely entries have been made therein.

The Company holds all investments in its own name.

15. Guarantees for loan to third parties:

In our opinion and according to the information and explanations given to us, no guarantees are given by the Company for loans taken by others from banks and financial institutions.

16. Application of Term Loans:

To the best of our knowledge and belief and according to the information and explanations given to us, there are no outstanding term loans and the Company has not raised any term loan during the year.

17. Application of Short Term Loans:

According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not being used during the year for long term investment (fixed assets etc.), and vice versa.

18. Preferential Allotments:

The Company has not made preferential allotment during the year.

19. Issue of Secured Debentures:

According to the information and explanations given to us, the Company has not issued any secured debentures during the year.

20. Money from Public:

The Company has not raised any money by public issue during the year.

21. Fraud:

To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **SARJBA & CO.**,
Chartered Accountants

Sd/-

(A. Jagannath Babu)
Chartered Accountant
M.No. 20115

PLACE : BANGALORE
DATE : 1st August, 2011

BALANCE SHEET AS AT 31ST MARCH 2011

	Schedule	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
SHARE HOLDERS' FUNDS					
Share Capital	A	51,691,660		60,188,010	
Reserves & Surplus	B	<u>120,567,271</u>		<u>140,671,228</u>	
			172,258,931		200,859,238
DEFERRED TAX LIABILITY					
Secured Loans	C		5,473,845		5,757,710
			<u>-</u>		<u>-</u>
			<u>177,732,776</u>		<u>206,616,948</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	D	89,458,005		87,051,802	
Less : Depreciation		<u>34,428,792</u>		<u>31,018,766</u>	
Net Block			55,029,213		56,033,036
INVESTMENTS	E		50,922,055		47,899,351
CURRENT ASSETS, LOANS AND ADVANCES					
Inventories	F	3,088,009		2,892,519	
Sundry Debtors	G	19,418,287		15,544,178	
Cash and Bank Balances	H	8,066,117		44,683,856	
Loans and Advances	I	<u>65,733,460</u>		<u>58,994,594</u>	
		96,305,873		122,115,147	
Less :					
CURRENT LIABILITIES AND PROVISIONS					
Current Liabilities	J	16,923,270		13,938,800	
Provisions		<u>7,601,095</u>		<u>5,491,786</u>	
		24,524,365		19,430,586	
NET CURRENT ASSETS			71,781,508		102,684,561
MISCELLANEOUS EXPENDITURE					
(To the extent not written off or adjusted)			<u>-</u>		<u>-</u>
			<u>177,732,776</u>		<u>206,616,948</u>
Notes to the accounts	P				

As per our report of even date
For **SARJBA & CO.**,
CHARTERED ACCOUNTANTS

For and on behalf the Board of Directors

Sd/-
(A. JAGANNATH BABU)
PARTNER

Sd/-
Dr. R. M. THAKKAR
CHAIRMAN & MANAGING DIRECTOR

Sd/-
URMI N. PRASAD
EXECUTIVE DIRECTOR

PLACE : BANGALORE
DATE : 1st August, 2011

PLACE : MUMBAI
DATE : 1st August, 2011

PLACE : MUMBAI
DATE : 1st August, 2011

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2011

	Schedule	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Sales		101,174,804		92,423,549	
Other Income	K	26,370,367		22,111,673	
Increase/(Decrease)in Stock of finished goods & WIP	L	363,422		(392,696)	
			127,908,593		114,142,526
EXPENDITURE					
Cost of material consumed	M	80,727,225		71,561,006	
Staff cost	N	6,285,162		5,943,575	
Manufacturing & Other Expenses	O	30,181,427		25,444,616	
Interest		-		-	
Depreciation		3,410,017		3,269,430	
			120,603,831		106,218,627
Profit before tax for the year			7,304,762		7,923,899
Provision for Income Tax					
Current Year			2,200,000		1,550,000
Profit / (Loss) after Tax			5,104,762		6,373,899
Balance brought forward from earlier year			67,545,651		60,568,352
Prior period adjustments			8,046		(13,688)
Income Tax for Earlier Years			-		12,750
FBT Tax Refund			(11,590)		
Deffered Tax of Earlier Years No Longer Required			283,865		604,338
Balance available for appropriation			72,930,734		67,545,651
Balance carried to the Balance Sheet			72,930,734		67,545,651
Basic and Diluted Earning Per Share (See Note 12)			0.85		1.06
Notes to the accounts	P				

As per our report of even date
For SARJBA & CO.,
 CHARTERED ACCOUNTANTS

For and on behalf the Board of Directors

Sd/-
(A. JAGANNATH BABU)
 PARTNER

Sd/-
Dr. R. M. THAKKAR
 CHAIRMAN & MANAGING DIRECTOR

Sd/-
URMI N. PRASAD
 EXECUTIVE DIRECTOR

PLACE : BANGALORE
 DATE : 1st August, 2011

PLACE : MUMBAI
 DATE : 1st August, 2011

PLACE : MUMBAI
 DATE : 1st August, 2011

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "A" SHARE CAPITAL				
Authorised				
80,00,000 (Previous year 80,00,000)		<u>80,000,000</u>		<u>80,000,000</u>
Equity Shares of Rs. 10/- each				
Issued Subscribed & Paid up:				
51,69,166 (Previous year 60,18,801)		<u>51,691,660</u>		<u>60,188,010</u>
Equity Shares of Rs. 10/- each fully paid up				
SCHEDULE "B" RESERVES & SURPLUS				
General Reserve:				
As per Last Balance Shee		<u>47,636,527</u>		<u>73,125,577</u>
Surplus/(Deficit) as per Profit & Loss Account		<u>72,930,744</u>		<u>67,545,651</u>
		<u>120,567,271</u>		<u>140,671,228</u>
SCHEDULE "C" DEFERRED TAX LIABILITY				
DEFERRED TAX ASSETS AND LIABILITIES ARE ATTRIBUTABLE TO THE FOLLOWING ITEMS:				
ASSETS				
LIABILITY				
Difference between book and tax depreciation		<u>5,473,845</u>		<u>5,757,710</u>
		<u>5,473,845</u>		<u>5,757,710</u>
NET DEFERRED TAX		<u>5,473,845</u>		<u>5,757,710</u>

SCHEDULE "D"
FIXED ASSETS AS ON 31.03.2011

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01.04.2010	Additions	Deductions	TOTAL AS AT 31.03.2011	AS AT 01.04.2011	For the Year	Deductions	AS AT 31.03.2011	AS AT 31.03.2010
	LEASE HOLD LAND	15,734,495	-	-	15,734,495	-	-	-	15,734,495
FREEHOLD LAND	4,418,924	-	-	4,418,924	-	-	-	4,418,924	4,418,924
FACTORY BUILDING	17,475,507	87,540	-	17,563,047	6,356,673	586,607	-	6,943,280	10,619,767
PLANT & MACHINERY	35,703,773	1,716,225	-	37,419,998	18,405,653	1,777,450	-	20,183,103	17,236,895
ELECTRICAL INSTALLATION	2,421,730	-	-	2,421,730	1,540,117	115,032	-	1,655,149	766,581
OFFICE EQUIPMENT	1,809,367	139,373	-	1,948,740	541,436	92,421	-	633,857	1,314,883
FURNITURE & FIXTURES	1,991,229	18,563	-	2,009,792	693,391	125,825	-	819,216	1,190,576
COMPUTERS	1,214,161	295,177	-	1,509,338	779,093	235,906	-	1,014,999	494,339
LABORATORY EQUIPMENTS	2,303,053	-	-	2,303,053	1,446,919	109,395	-	1,556,314	746,739
MOBILES	96,081	67,325	-	163,406	46,482	15,588	-	62,070	101,336
JIGS AND MOULDS	180,356	82,000	-	262,356	157,356	-	-	157,356	105,000
VEHICLES	3,703,126	-	-	3,703,126	1,051,655	351,793	-	1,403,448	2,299,678
TOTAL	87,051,802	2,406,203	-	89,458,005	31,018,775	3,410,017	-	34,428,792	55,029,213
TOTAL AS ON 31.03.2010	86,369,864	2,367,115	1,685,177	87,051,802	28,858,844	3,269,432	1,107,510	31,018,766	57,513,019



Gujarat Petrosynthese Limited

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2010		As at 31.03.2009	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "E" INVESTMENT (TRADE-LONG TERM)				
Investments in Shares of companies and Units of Mutual Fund (At Cost)				
Investment in Subsidiary Companies (Un-Listed & Not traded)				
1. In GPL Finance and Investment Ltd				
9,99,400 (Previous year 4,99,940) Fully paid Equity Shares of Rs. 10/- each		9,999,400		9,999,400
2. In Gujarat Polybutene Pvt. Ltd				
22,39,995 (P.Y. Nil) Fully paid up equity shares of Rs. 10 each		22,399,950		22,399,950
Other Investments				
(Listed but not traded)				
1,50,450 fully paid Equity Shares of Rs. 10/- each Southern Agrosynthese Ltd. (See Note 7)		1		1
Investment in Mutual Funds				
Templeton India Equity Income Fund		1,500,000		1,500,000
1,46,627.566 Units of Templeton India Income Fund Market Value Rs.NIL (P.Y.Rs.15,59,971)				
Optimix Star Multi Manager		1,000,000		1,000,000
97,560.9756 Units of Optimix Star Multi Manager Market Value Rs.NIL (P.Y.Rs.6,32,585)				
Fixed Deposit with SBM & SBI		3,022,704		11,500,000
Reliance Vision Fund		1,500,000		1,500,000
31,023.785 Units of Reliance Vision Fund Market Value Rs.8,04,788/- (P.Y.Rs.8,04,788)				
Fixed Deposit with Gujarat Polybutenes Pvt.Ltd		11,500,000		
		50,922,055		47,899,351
Less : Provision for Diminution in Value of Investments		-		-
		<u>50,922,055</u>		<u>47,899,351</u>
SCHEDULE "F" INVENTORIES :				
(As taken, valued and certified by the Management)				
Raw Material & Consumable (At Cost)		777,950		414,528
Finished Goods		2,310,059		2,477,991
		<u>3,088,009</u>		<u>2,892,519</u>
SCHEDULE "G" SUNDRY DEBTORS				
Debts Outstanding for a period less than six months		19,233,174		14,935,269
Debts Outstanding for a period exceeding six months (unsecured)		-		-
Considered Good		185,113		608,909
Less : Provided for		-		-
Total		<u>19,418,287</u>		<u>15,544,178</u>

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "H" CASH & BANK BALANCES				
Cash on Hand	126,936		41,588	
(I) Bank of Baroda (Baroda)	854,829		118,729	
(II) Bank of Baroda (Saki Naka)	145,668		156,228	
(III) State Bank of India (Mumbai)	1,312,412		359,670	
(IV) HDFC Bank (Mumbai)	1,606,034		40,000	
(V) UTI Bank (Mumbai)	1,151,977		226,734	
(VI) HDFC Escrow Account	128,632		12,117,620	
(VII) In Current Accounts	2,739,629		4,465,687	
(VIII) In Deposit Account with Bank of Baroda	-		27,157,600	
		<u>8,066,117</u>		<u>44,683,856</u>
SCHEDULE "I" LOAN AND ADVANCES				
(Unsecured -considered goods)				
Advances recoverable in cash or in kind or value to be received	51,710,635		49,667,365	
Trade Deposits	1,555,491		1,204,643	
Prepaid Expenses	1,352,833		962,830	
Advance Tax Paid	935,000		117,000	
Fringe Benefit Tax paid	238,719		238,719	
Tax Deducted At Source	5,893,493		2,692,858	
Advance Tax Paid F.Y.2009-10	1,200,000		935,000	
Tax Deducted At Source F.Y.2010-11	2,847,289		3,176,179	
		<u>65,733,460</u>		<u>58,994,594</u>
SCHEDULE "J"				
CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
For Goods	12,845,270		9,518,291	
For Expenses	1,984,911		1,961,936	
For Others	2,093,089		2,212,337	
Total	<u>16,923,270</u>		<u>13,692,564</u>	
Unpaid dividend	-		246,236	
PROVISIONS		<u>16,923,270</u>		<u>13,938,800</u>
Provision for Taxation	5,401,095		5,491,786	
Provision for Taxation F.Y.2010-2011	2,200,000			
		<u>7,601,095</u>		<u>5,491,786</u>
		<u>24,524,365</u>		<u>19,430,586</u>
SCHEDULE "K" OTHER INCOME				
Interest on Loans	6,215,257		4,982,574	
Interest on Deposits	1,469,868		1,920,691	
Miscellaneous Income	334,753		65,642	
Profit on Sale of Investments	-		4,579,843	
Dividend recd from Mutual Fund	329,374		853,190	
Income from Services	18,000,000		9,600,000	
Reversal of provision no longer required	21,115			
Debit/Credit Balance W/Back	-		109,733	
		<u>26,370,367</u>		<u>22,111,673</u>
SCHEDULE "L" INCREASE/(DECREASE) IN STOCK OF FIN. GOODS AND W.I.P				
Closing Stock	777,950		414,528	
Less : Opening Stock	414,528		807,224	
		<u>363,422</u>		<u>(392,696)</u>

**SCHEDULES TO THE ACCOUNTS**

	Year Ended 31.03.2011		Year Ended 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "M"				
COST OF MATERIALS CONSUMED				
Opening Stock	2,477,991		2,103,253	
Add : Purchase	80,559,293		71,935,744	
	83,037,284		74,038,997	
Less: Closing Stock	<u>2,310,059</u>		<u>2,477,991</u>	
		80,727,225		71,561,006
SCHEDULE "N" STAFF COST				
Salaries and Wages	5,607,557		5,300,649	
Contribution to Provident and Other Funds	380,713		360,298	
Staff Welfare Expenses	<u>296,892</u>		<u>282,628</u>	
		6,285,162		5,943,575
SCHEDULE "O" MANUFACTURING AND OTHER EXPENSES				
Excise Duty	120,860		769,388	
Power and Fuel	4,151,039		3,611,869	
Repair and Maintenance	2,437,481		1,387,949	
Rates and Taxes	199,126		245,223	
Insurance	300,957		305,434	
AUDITORS REMUNERATION				
Audit Fees	85,000		93,755	
Other Fees	35,000		38,605	
Managerial Remuneration & Perks	9,592,062		9,419,698	
Bank Charges	21,686		13,154	
Travelling Expenses	792,936		489,824	
Directors Sitting Fees	124,000		117,000	
Donations	41,800		12,550	
General Expenses	8,503,160		7,720,013	
Transportation Freight and Octroi	586,671		500,944	
Speciman Charges	16,100		17,600	
Retainers Fees	143,835		176,910	
Machinery Hire Charges	-		45,090	
Research & Development	2,630,645		-	
Loss on Sale of Car	-		150,321	
Vehicle Expenses	<u>399,069</u>		<u>329,289</u>	
		30,181,427		25,444,616

Gujarat Petrosynthese Limited

SCHEDULE "P" NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

i) Basis of Accounting:

- 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, 1956. These historical costs are not adjusted to reflect the impact of changing 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 stated at cost of acquisition including incidental expenses related to acquisition and installation.

iii) Depreciation:

- a) The Company follows the Straight Line Method of depreciation.
- b) Depreciation on assets is provided at the rates as specified in Schedule XIV of the Companies Act, 1956. Jigs and moulds are charged off over a period of 3 years
- c) The revised rates specified in Schedule XIV of the Companies Act, 1956 vide notification No. GSR 756 (E) dated 16-12-1993 of the Department of Company Affairs, Government Of India, New Delhi are adopted only for the additions made from 16-12-1993.
- d) Leasehold land is not amortized over the period of lease.

iv) Treatment of Expenditure during construction period:

Expenditure incurred during the construction period has been allocated to the respective fixed assets on pro-rata basis.

v) 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.

vi) Demerger: 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 to the Division for a consideration of Rs.22,290,719/- for which it has received equity shares in GPPL.

Since most of the business operations of the polybutene business (GPPL) continue to be carried on from the GPL corporate office in Mumbai due to logistical and operational convenience, the common expenses have been shared in the ratio of 15% to Gujarat Petrosynthese and 85% to Gujarat Polybutenes Pvt.Ltd, which interalia is based on estimated usage of facilities by the respective business entities. An amount of Rs 180 lacs has been charged for managerial and technical services rendered by GPL to GPPL which is included in other income.

vi) 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.

vii) Foreign Exchange Transactions:

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

viii) 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 Profit and Loss Account.
- b) The liability of superannuation benefit to the Chairman & Managing Director and the Executive 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.

ix) Taxes on Income:

- a) Current Tax: Provision for Income Tax is determined in accordance with 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).

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

xi) 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.

xii) 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.

xiv) 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.

xv) 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 for the year is debited to Profit & Loss Account.

xvi) 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.

2. Contingent Liabilities not provided in respect of:

All known liabilities are provided for in accounts except liability of a contingent nature in respect of Sales tax demand of Rs.44.19 lacs. The Company has obtained a Stay from Gujarat High Court.

3. 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 no liability, contingent or otherwise, except those which are stated in the accounts.

4. Managerial Remuneration under Section 198 of the Companies Act, 1956 payable to:

	Current Year Rupees in Lacs	Previous Year Rupees in Lacs
I. The Managing Director		
Salary	22.50	22.50
Commission	2.65	1.81
Contribution to Provident and Other Funds	2.25	2.25
Perquisites in cash or kind.	5.39	4.43
	<u>32.79</u>	<u>30.99</u>
II. The Executive Directors		
Salary	45.00	45.00
Commission	3.53	2.41
Contribution to Provident and Other Funds	8.10	8.10
Perquisites in cash or kind	4.78	5.95
	<u>61.37</u>	<u>61.46</u>
III. Non Whole-Time Directors		
Commission	1.76	1.21
	<u>1.76</u>	<u>1.21</u>

5. Computation of Net Profit as per Section 349 r.w.s. 309 (5) and Section 198 of the Companies Act, 1956.

		Rs. In lakhs
Net Profit as per Profit & Loss Account		73.05
Add: Directors Sitting Fees	1.24	
Commission to Non-Whole Time Directors	1.76	
Managing Directors Remuneration	32.79	
Executive Directors Remuneration	61.37	
Diminution in value of assets	-	
		<u>97.16</u>
		170.21
Less: Profits sale of Investments and non-operating income		0.00
Net Profit / (Loss)		<u>170.21</u>
Commission Payable to:		
(i) Managing Director @ 1.5%	2.65	
(ii) Two Executive Directors @ 1.0% each	3.53	
(iii) Non-Whole Time Directors 1.0%	1.76	

As per special resolution passed by the members at the Annual General Meeting held on 23.09.1998, 29.09.1999 and 31.12.2004

6. The investment in the Equity Shares of Southern Agrosynthese Limited amounting to Rs.21,14,549/- is valued at Rs.1/- as the net worth of the said Company is negative.
7. Loans and Advances includes due from officers of the Company Rs. Nil (P.Y. Rs. Nil) and dues from companies Rs.4,37,39,468 /- (P.Y. Rs. 4,27,33,571/-)
8. 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,2011. 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.

9. The Additional Information pursuant to provisions of paragraphs 3, 4C & 4D of Part II of the Schedule VI to the Companies Act 1956 are given to the extent as applicable to the Company.

	31st March 2011		31st March 2010	
	Qty (M.T.)	Value	Qty (M.T.)	Value
a) Turnover				
Alloys & Blends				
Sales	721	9,26,56,692	562	8,34,28,897
Job work Charges	633	85,18,112	737	89,94,652
		<u>10,11,74,804</u>		<u>9,24,23,549</u>

Turnover of Polymers includes 86 Kgs (Previous year 146 Kgs) given as free sample.

b) Consumption of Raw Materials

	31st March 2011		31st March 2010	
	Qty (M.T.)	Value	Qty (M.T.)	Value
Commodity & Engineering Products/Plastics of Different Types	643	8,07,27,225	567	7,15,61,006
		<u>8,07,27,225</u>		<u>7,15,61,006</u>

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

	31st March 2011		31st March 2010	
	Value	%	Value	%
Imported	-	-	-	-
Indigenous	8,07,27,225	100%	7,15,61,006	100%
	<u>8,07,27,225</u>	<u>100%</u>	<u>7,15,61,006</u>	<u>100%</u>

d) Opening and Closing Stock of Goods

	31st March 2011		31st March 2010	
	Qty (M. T.)	Value	Qty (M.T.)	Value
Alloys & Blends	5.668	7,77,949	1.707	4,14,528

e) Capacity and Production

	Alloys & Blends	Alloys & Blends
i) Licensed Capacity (in M.T.)	N.A.	N.A.
ii) Installed Capacity (in M.T.)	1800 MT (P.Y.1800 MT)	1800 MT (P.Y.1800 MT)
iii) Production (in M.T.)	1,354 MT (P.Y.1299 MT)	1,299 MT (P.Y.1089 MT)

Actual Production includes Production on Job work basis also.

	31st March 2011	31st March 2010
f) C.I.F. Value of Imports		
Raw Materials (Banalore Unit)	Nil	Nil
Spares	1,21,645	Nil
g) Expenditure in Foreign Currency		
i) Travelling	Nil	Nil
ii) Others	Nil	Nil
h) Earning in Foreign Exchange		
i) Amount remitted in Foreign Currencies towards dividend (Net Of Tax).	31st March 2011	31st March 2010
ii) Number of Non-resident Equity Shareholders	858	915
iii) Number of Equity Shares	9,64,855	10,31,481
iii) Amount Remitted	NIL	NIL

10. The Company has written off old debit and credit balances of various parties during the year, net debit on this account is Rs.2,20,630/- (Previous Year Rs. 65,642/- net Debit)

11. Prior Period Income of Rs. NIL/- (Previous year Rs. NIL/-)

12. Future lease obligations on assets taken on Finance Lease, over remaining period amounts to Rs.NIL /- (Previous Year Rs. NIL/-)



Gujarat Petrosynthese Limited

13. Earning Per Share :		(Rs. In Lacs)
	2010-2011	2009-2010
a) Net Profit available for equity shareholders (Numerator used for calculation)	53.25	63.74
b) Weighted Average No. of equity shares (Used as denominator for calculating EPS)	51,69,166	60,18,801
c) Basic and Diluted Earnings per share (Rs.) (Equity Share of face value of Rs. 10 each)	1.03	1.06

14. Transaction With Related Parties:		Rs.in Lacs
Related parties Particulars	Subsidiary Company	Relatives Key Management Personnel
Sales	-	-
Expenses		
Remuneration	-	93.74
Others	-	-
Income		
Interest Received (GPPL)	61.34	-
Income from Services (GPPL)	18.00	-
Finance & Investments		
Advance Given	-	-
Advance Received Back (GPL Finance)	-	-
Outstanding		
Receivable	437.40	-
Related Party Information (where transactions have taken place during the year)		

- (a) Subsidiary Company
GPL Finance And Investments Limited
Gujarat Polybutenes Pvt.Ltd
- (b) Relatives
Dr. (Ms.) S. R. Thakkar
- (c) Key Management Personnel
Dr. R. M. Thakkar
Ms. Urmil N. Prasad
Ms. Ursula Thakkar

15. The Company in line with the prescribed procedures and approval of SEBI has bought back 849,635 equity shares during the year at a premium of Rs. 30/- per equity share. Consequently the equity capital is reduced to Rs. 5,16,91,660 and premium of Rs. 2,54,89,050 is paid out available reserves and surplus as on 31st March 2010. The expenses incurred in respect of buyback procedure including the fees/charges paid to SEBI, Merchant Banker, Registrar and other service providers / consultants are treated as deferred expenditure to be written off over a period of 3 years commencing from the current financial year.
16. Balances of Debtors, Creditors and Other Parties are subject to confirmations.
17. Previous year's figures have been re-grouped and re-arranged wherever necessary.

Signature to Schedules

As per our report of even date
For SARJBA & CO.,
CHARTERED ACCOUNTANTS

For and on behalf the Board of Directors

Sd/-
(A. JAGANNATH BABU)
PARTNER

Sd/-
Dr. R. M. THAKKAR
CHAIRMAN & MANAGING DIRECTOR

Sd/-
URMI N. PRASAD
EXECUTIVE DIRECTOR

PLACE : BANGALORE
DATE : 1st August, 2011

PLACE : MUMBAI
DATE : 1st August, 2011

PLACE : MUMBAI
DATE : 1st August, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No. State Code
 Balance Date

II. CAPITAL RAISED DURING THE YEAR

Public
 Right Issue

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities
 Total Assets

SOURCE OF FUNDS

Paid-up Capital (including share application money)
 Reserves and Surplus
 Secured Loans
 Unsecured Loans
 Deferred Tax Liability

APPLICATION OF FUNDS

Net Fixed Assets
 Investments
 Net Current Assets
 Miscellaneous Expenditure

IV. PERFORMANCE OF COMPANY

Turnover
 Profit / (Loss) before Tax
 Earning per Share Rs.
 Total Expenditure
 Profit / (Loss) after Tax
 Dividend Rate %

V. GENERIC NAME OF PRINCIPAL PRODUCTS OF COMPANY (as per Monetary Terms)

Item Code No. (ITC Code)	Product Description	Item Code No. (ITC Code)	Product Description
390710	ALLOYS & BLENDS	390740	ALLOYS & BLENDS

As per our report of even date
For SARJBA & CO.,
 CHARTERED ACCOUNTANTS

For and on behalf the Board of Directors

Sd/-
(A. JAGANNATH BABU)
 PARTNER

Sd/-
Dr. R. M. THAKKAR
 CHAIRMAN & MANAGING DIRECTOR

Sd/-
URMI N. PRASAD
 EXECUTIVE DIRECTOR

PLACE : BANGALORE
 DATE : 1st August, 2011

PLACE : MUMBAI
 DATE : 1st August, 2011

PLACE : MUMBAI
 DATE : 1st August, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(Rs. in lacs)

Sl.No.	Particulars	2010-2011	2009-2010
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	75.25	79.24
	Adjustments for :		
	Prior period	0.035	(0.090)
	Depreciation	34.10	32.69
	Income Tax and FBT	(22.00)	(15.50)
	(Profit)/Loss on sale of fixed Assets	-	4.28
	(Profit)/Loss on Redemption of Investments	-	(45.80)
	Buyback expenses	8.07	-
	Dividend Received	(3.29)	-
	Interest Received	(76.85)	(69.03)
	Operating profits before working capital changes	15.31	(14.21)
	Adjustments for:		
	Decrease/(Increase) in Inventories	(1.95)	0.18
	Decrease/(Increase) in Trade & other receivables	(40.95)	(52.79)
	Decrease/(Increase) in Loans & Advances	(67.39)	(12.89)
	Increase/(Decrease) in Payables	50.94	43.31
	Cash Generated From Operations	(44.04)	(36.40)
	Net Cash inflow/(outflow) from operating activities	(44.04)	(36.40)
B.	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Purchase of Fixed Assets	(24.06)	(23.67)
	Sale of Fixed Assets (net)	0.00	1.50
	(Purchase)/Sale of Investments	(30.23)	276.78
	Profit/(Loss) on sale of investments	-	45.80
	Interest Received	76.85	69.03
	Decrease/(Increase) in loans to Bodies Corporates & Others		
	Net Cash inflow / (outflow) from Investing Activities	22.56	369.44
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowings		
	Repayment of Borrowings		
	Buyback of Equity Shares	(339.85)	-
	Buyback Expenses	(8.07)	-
	Dividends Paid		
	Dividends Received	3.29	-
	Net Cash inflow/(outflow) in cash from Financing Activities	(344.63)	-
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(366.11)	333.04
	Cash and cash equivalents at beginning of year	446.76	113.72
	Cash and cash equivalents at end of year	80.66	446.76

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

For SARJBA & CO.

For and on behalf the Board of Directors

CHARTERED ACCOUNTANTS

Sd/-

(A. JAGANNATH BABU)

Partner

Sd/-

Dr. R. M. THAKKAR

CHAIRMAN & MANAGING DIRECTOR

Sd/-

URMI N. PRASAD

EXECUTIVE DIRECTOR

PLACE : BANGALORE

DATE : 1st August, 2011

PLACE : MUMBAI

DATE : 1st August, 2011

PLACE : MUMBAI

DATE : 1st August, 2011

Directors' Report

The Directors have pleasure in presenting before you the 8th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

(Rs. in lacs)

Particulars	2010-11	2009-10
Sales	4404.26	3579.84
Operating Profit	637.73	145.58
Less : Interest	157.00	92.34
Depreciation	18.96	18.09
Profit before Tax	461.77	35.15
Less : Provision for Tax	156.00	15.00
Add: Provision for Deferred Tax	(1.16)	0.64
Less : Fringe Benefit Tax	0.97	0.14
Profit After Tax	305.58	20.93
Add: Brought Forward Profit	331.50	310.57
Profit available for appropriation	<u>637.08</u>	<u>331.50</u>
Transfer to General Reserve	-	-
Balance Carried to balance sheet	<u>637.08</u>	<u>331.50</u>

Dividend

As per prudent financial measures, considering the need to conserve the financial resources and to make necessary investments for the growth of the business, your Directors do not recommend any dividend.

Performance and future outlook

The performance of the company has been excellent during the year with a 19 % growth in sales revenue. This is despite very adverse situation in feedstock pricing which continued to show an upward trend throughout the year.

The uncertainty in the feedstock pricing and managing raw material will continue to be a major challenge for the year ahead.

Energy costs continue to increase — overall increase in gas price has been 60 % over last year. GPPL has been working on energy cost reduction through various energy conservation schemes .

GPPL would continue its endeavour to grow by managing uncertainties through prudent proactive planning and bring value to its stakeholders.

Deposits

Your company has not accepted any Deposits to which the provisions of section 58A of the Companies Act, 1956 are applicable.

Conservation of energy, technology absorption, foreign exchange earnings and outgo.

The information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo are as per attached Annexure I.

Personnel

As required by provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 as amended the names and other particulars who are drawing remuneration of Rs. 60.00 lacs p.a. or more or Rs. 5.00 lacs p.m. or more are NIL.

Directors

Ms. Urmi N. Prasad, and Ms. Ursula R Thakkar Directors of the Company retire by rotation at the forthcoming Annual General Meeting. The Board recommends their re- appointment.

The term of appointment of Dr. (Mrs.) S R Thakkar as Executive Chairperson has expired on 30th July, 2011. She has also resigned as Director of the Company. The Board of Directors of holding company viz. Gujarat Petrosynthese Ltd. at its meeting held on 1st August, 2011 has approved the same amount of salary and perquisites as monthly retirement benefit till life time of Dr. (Mrs.) S R Thakkar.

Director's Responsibility Statement

Pursuant to provisions under section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed that :

- a) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) That the Board 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 or loss of the Company for the period.
- c) That the Board had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Board had prepared the annual accounts on a going concern basis.

Secretarial Audit

A Compliance Certificate issued by the Practising Company Secretaries, pursuant to provisions of section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, is attached to this Report.

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 but are eligible for reappointment. Directors recommend their re-appointment. As per Section 217(3) of the Companies Act, 1956 the comments of Auditors in the Auditors' Report are self explanatory and do not call for further explanation.

Acknowledgments

Your Directors acknowledges with gratitude the cooperation and assistance received from Bankers, vendors, buyers and employees in the performance of the Company.

For and on behalf of the Board
Gujarat Polybutenes Private Limited

Sd/-

Dr. S. R. THAKKAR
Executive Chairperson

Place : Mumbai
Date : 1st August, 2011

ANNEXURE - I TO THE DIRECTOR'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 2010-11

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

FORM A
A. POWER AND FUEL CONSUMPTION

		2010-11	2009-10
1) Electricity			
a) Purchased			
Unit	KWH	3,029,196.00	3,012,309.00
Total amount	Rs	17,293,760.00	17,410,236.71
Rate / Unit	Rs	5.71	5.78
b) Own Generator through Diesel Generator			
Units	KWH	22,220.00	35,244.00
Unit Per Ltr	KWH	1.73	2.74
Rate / Unit	Rs	15.68	13.48
Furnace Oil			
Quantity	MT	-	400.861
Total amount	Rs	-	7,657,302.49
Average Rate	Rs	-	19,102.14
Natural Gas			
Quantity	scm	2,050,347.00	1,964,085.00
Total amount	Rs	41,651,616.00	37,334,697.52
Average Rate	Rs	20.31	19.01

B. CONSUMPTION PER UNIT PER PRODUCTION

Standards (If any)		2010-11	2009-10
Product/Unit : Polymer / MT			
Electricity	KWH	457.304	577.486
Furnace Oil	N.A	-	0.076
Natural Gas	scm	307.277	372.178

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 variety of PIB
4.	Expenditure on R & D	Rs.
	a) Capital	-
	b) Recurring	410,889.00
	c) Total	410,889.00
	d) Total R & D Expenditure as a percentage of Total Turnover	0.09%

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 and have resulted in improved efficiency of operation.
2	Benefits derived as a result of above efforts	N.A.
3	In case of imported technology (imported during the last 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 consequent impact on cost of production of goods further plans of action.	N.A.

III. FOREIGN EXCHANGE EARNING AND OUTGO

During the year, the Foreign Exchange outgo was Rs. Nil/- During the year Company has earned Foreign Exchange of Rs.49,86,826/- During the year.

For and on behalf the Board of Directors
GUJARAT POLYBUTENES PRIVATE LIMITED

Sd/-
Ms. Dr. S.R. Thakkar
(Executive Chairperson)

PLACE : MUMBAI
DATE : June 20, 2011

AUDITORS REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of **GUJARAT POLYBUTENES PRIVATE LIMITED** as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered necessary and information and explanations given to us, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph 1 above ; we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, the proper books of account as required by the law have been kept by the Company so far appears from our examination of the books
 - c) The Balance Sheet and the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of the written representations received from the Directors, as on 31.03.2011, and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March 2011 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 ;
 - f) In our opinion and to the best of our information and according to explanations given to us, the said accounts subject to and read with significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956, 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, 2011;
 - ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Suresh Thakkar & Co.
Chartered Accountants
Sd/-
(SURESH THAKKAR)
PROPRIETOR
M. No. 11650

PLACE : VADODARA
DATE : June 20, 2011

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

Re : Gujarat Polybutenes Private Limited

1. In respect of its fixed assets :

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the management has physically verified assets during the year, in accordance with a program of verification, which in our opinion provides for physical verification of the fixed assets at reasonable

intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial assets during the year and as such the "going concern status" of the Company is not affected.

2. In respect of its inventories :

- (a) As explained to us, inventories were physically verified during the year by the management at regular intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3. In respect of Loans granted :

The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, requirement of clauses (iii, b), (iii, c) and (iii, d) of paragraph 3 of the order are not applicable.

4. In respect of loans taken

The company has taken unsecured loan from holding company viz. : Gujarat Petrosynthese Ltd., and its subsidiary GPL Finance & Investments Ltd and from a company and also from directors which are covered in the register maintained u/s 301 of the Companies Act, 1956.

Name of the Company / Party	Amount outstanding at the end of the year
Gujarat Petrosynthese Limited (Holding Co)	Rs.5, 25, 00,000/-
GPL Finance & Investments Ltd (Subsidiary of holding co)	Rs. 31, 00,000/-
Multichem Private Ltd (other co)	Rs.3, 75, 00,000/-
Mrs. S R Thakkar, Director (Prop. of Industrial And Allied Chemicals)	Rs. 77, 25,000/-
Mrs. Urmi N Prasad (Director)	Rs. 23, 00,000/-
Dr. R M Thakkar (Additional director)	Rs.3, 98, 00,000/-
Ms. Charita Thakkar (Additional director)	Rs. 13, 00,000/-

The loans are unsecured and terms (not stipulated) are not prejudicial to the interest of the company. No terms are stipulated for interest and repayments of loans. (Interest paid at the end of the month on product basis).

5. Internal Control :

In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sales of goods.

6. Specified Transactions U/s 301:

According to the information and explanations given to us and to the best of our knowledge, the contracts and arrangement that need to be entered into the register maintained under the section 301 of the Act, have been entered in the said register. In our opinion and according to the information and explanations given to us, the transactions as made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

7 Deposits from public :

In our opinion and according to the information and explanations given to us, the Company has not taken any deposit from public; hence provisions of Section 58 and 58AA of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public do not apply.

8 Internal Audit System :

In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

9. Maintenance of Cost Records :

According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956.

10. Statutory Dues :

According to the information and explanations given to us in respect of statutory and other dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income-tax, Vat-tax, Central Sales Tax, Custom duty, Excise Duty, Cess and any other statutory dues with appropriate authorities during the year.

(b) No disputed dues are pending at the end of the year.

11. Accumulated Losses & Cash Losses :

The Company neither has accumulated losses at the end of the year, nor incurred cash losses during the current year and in the immediately preceding financial year.

12. Payments to the financial Institutions, Bank etc. :

Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to banks.

13. Loans against Shares :

According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of share, debentures and other securities.

14. Chit Fund or a Nidhi/Mutual benefit fund/Society :

The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of paragraph 4 of the order are not applicable.

15. Trading in Securities etc :

The company is not trading in securities and other investments as its business activity. The company has made investments in units of mutual funds only and such investments are in its own name.

16. Guarantees for loan to third parties :

In our opinion and according to the information and explanations given to us, no guarantees are given by the Company for loans taken by others from banks and financial institutions.

17. Application of Term Loans :

To the best of our knowledge and belief and according to the information and explanations given to us, there are no outstanding term loans. The Company has not raised any term loan during the year.

18. Application of Short Term Loans :

According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment (fixed assets, etc.) and vice versa.

19. Preferential Allotments :

The Company has not made preferential allotment during the year.

20. Issue of Secured Debentures :

According to the information and explanations given to us, the Company had not issued any secured debentures during the year.

21. Money from Public :

The Company has not raised any money by public issue during the year.

22. Fraud :

To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For Suresh Thakkar & Co.

Chartered Accountants

Sd/-

(SURESH THAKKAR)

PROPRIETOR

M. No. 11650

PLACE : VADODARA
DATE : June 20, 2011

BALANCE SHEET AS AT 31ST MARCH 2011

	Schedule	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
SHARE HOLDER'S FUNDS					
Share Capital	A	22,400,000		22,400,000	
Reserve & Surplus	B	<u>63,708,807</u>		<u>33,150,460</u>	
			86,108,807		55,550,460
LOANS FUNDS					
Secured Loans	C		7,532,712		19,967,835
Unsecured Loans	D		<u>146,795,595</u>		<u>57,055,966</u>
			240,437,114		132,574,261
APPLICATIONS OF FUNDS					
FIXED ASSETS					
Gross Block	E	41,146,440		23,757,286	
Less : Depreciation		<u>13,322,455</u>		<u>11,426,803</u>	
Net Block			27,823,985		12,330,483
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	F	96,172,718		25,731,748	
Sundry Debtors	G	34,095,125		56,360,386	
Cash and Bank Balance	H	62,922,781		40,921,759	
Loans and Advances	I	80,274,304		38,876,212	
Deferred Tax Assets		<u>376,987</u>		<u>492,923</u>	
		273,841,915		162,383,028	
Less : CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	J	36,738,205		29,753,353	
Provisions		<u>24,793,994</u>		<u>12,385,897</u>	
		61,532,199		42,139,250	
NET CURRENT ASSETS			212,309,716		120,243,778
MISCELLANEOUS EXPENDITURE	K		<u>303,413</u>		
			240,437,114		132,574,261
Significant Accounting Policies and Notes on Accounts	R				

As per our report of even date attached for **SURESH THAKKAR & CO.**
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
SURESH THAKKAR
(PROPRIETOR)
MEM. No. 11650

Sd/-
Mrs. Urmi Prasad
(DIRECTOR)

Sd/-
Ms. Ursula Thakkar
(DIRECTOR)

Place : Vadodara
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2011

	Schedule	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Sales (Excluding Excise Duty)		440,426,256		357,983,821	
Other Income	L	3,725,253		4,309,509	
Increase/(Decrease) in stock of Finished goods & Work -in- Progress	M	69,087,999		(3,687,304)	
			513,239,508		358,606,026
EXPENDITURE					
Cost of material consumed	N	322,172,382		224,174,984	
Staff cost	O	22,856,838		21,259,209	
Manufacturing & other expense	P	104,437,457		98,528,027	
Interest	Q	15,700,606		9,233,501	
Depreciation		1,895,652		1,809,202	
Priliminary expenses Written Off		-		85,686	
			467,062,935		355,090,609
Profit(Loss) before tax for the year		46,176,573		3,515,417	
Add (Less) : Deferred Tax Assets		(115,936)		64,490	
Add (Less) : Excess Provisions of I Tax - A Y 2008-09		-		13,334	
Add (Less) : Excess Provisions of I Tax & FBT - A'Y 2009-10		97,710		-	
Less :Provision for Income Tax for the year		15,600,000		1,500,000	
Profit / (Loss) after Tax		30,558,347		2,093,241	
Balance brought forwards from earlier year		33,150,460		31,057,219	
Balance carried to the Balance sheet		63,708,807		33,150,460	
Basic and Diluted Earning Per Share		13.64		0.93	

Significant Accounting Policies and

Notes on Accounts

R

As per our report of even date attached
for **SURESH THAKKAR & CO.**
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
SURESH THAKKAR
(PROPRIETOR)
MEM. No. 11650

Sd/-
Mrs. Urmi Prasad
(DIRECTOR)

Sd/-
Ms. Ursula Thakkar
(DIRECTOR)

Place : Vadodara
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2010		As at 31.03.2009	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE " A " SHARE CAPITAL				
Authorised Share Capital				
50,00,000 Equity Shares of Rs. 10/- each.		50,000,000		50,000,000
Issued Subscribed and Paid up :		22,400,000		22,400,000
2240000 (2240000) shares of Rs. 10/- each. (Out of above 2230000 shares are issued to Gujarat Petrosyntheses Limited a holding company without payment received in cash)				
SCHEDULE " B " RESERVE & SURPLUS				
Surplus as per Profit & Loss Account annexed		63,708,807		33,150,460
		63,708,807		33,150,460
SCHEDULE " C " SECURED LOANS				
Cash Credit from UTI Bank Ltd A/c No. 004010300026345 Secured by Hypo. of stocks, Cash & other Current Assets including monies receivable & Fixed deposit Receipt		7,532,712		19,967,835
		7,532,712		19,967,835
SCHEDULE " D " UNSECURED LOANS				
From Gujarat Petrosyntheses Ltd (a Holding company) - Current A/c		2,570,595		730,966
Fixed Deposit:				
Gujarat Petrosyntheses Ltd (a Holding company)		41,000,000		41,000,000
From Directors & their relatives		62,625,000		6,725,000
From other companies		40,600,000		8,600,000
		146,795,595		57,055,966

SCHEDULE "E" : FIXED ASSETS

Sl. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As at 01.04.2010	Additions	Deductions	As at 31.03.2011	As at 01.04.2010	For the Year	As at 31.03.2011	As at 31.03.2011	As at 01.04.2010
1	Land at Petrochemical Vadodara	2,760,066	-	-	2,760,066	-	-	-	2,760,066	2,760,066
2	Land at Dahej	-	12,258,030	-	12,258,030	-	-	-	12,258,030	-
3	Building	7,696,702	-	-	7,696,702	3,146,752	454,995	3,601,747	4,094,955	4,549,950
4	Plant & Machinery	4,071,561	735,079	-	4,806,640	2,478,009	537,621	3,015,630	1,791,010	1,593,552
5	Vehicles	1,231,739	4,013,475	-	5,245,214	734,611	278,878	1,013,489	4,231,725	497,128
6	Laboratory Equipment	2,837,810	27,216	-	2,865,026	2,247,914	165,437	2,413,351	451,675	589,896
7	Furniture & Fixtures	1,067,360	15,021	-	1,082,381	674,054	71,302	745,356	337,025	393,306
8	Office Equipments	3,366,652	97,020	-	3,463,672	1,743,477	229,091	1,972,568	1,491,104	1,623,175
9	Computer	725,396	243,313	-	968,709	401,986	158,328	560,314	408,395	323,410
	Total	23,757,286	17,389,154	-	41,146,440	11,426,803	1,895,652	13,322,455	27,823,985	12,330,483
	PREVIOUS YEAR	22,755,304	1,001,982	-	23,757,286	9,617,601	1,809,202	11,426,803	12,330,483	13,137,703

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE " F " INVESTMENTS (As certified by the management)				
Raw Material & consumable		14,067,143		12,714,172
Work in Process		2,440,367		2,175,006
Finished Goods		79,665,208		10,842,570
		96,172,718		25,731,748

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE " G " SUNDRY DEBTORS				
Debts Outstanding for a period exeding six months		-		-
Others (Good)		34,095,125		56,360,386
		<u>34,095,125</u>		<u>56,360,386</u>
SCHEDULE " H " CASH & BANK BALANCE				
Cash on hand -BRD	51,464		453,720	
Cash on hand -Mumbai	26,343	77,807	276	453,996
Baiance with banks :				
Bank of Baroda A/c No 27940200001651 (Saki Naka, Mumbai)		198,818		99,509
Bank of Baroda A/c No 01930200000680 (Baroda)		559,600		1,196,123
Bank of Baroda A/c No 01930200000685 (Baroda)		55,253		540,228
HDFC A/c No 0212000019805 (Hyderabad)		348,230		267,276
HDFC A/c No 0211450000024 (Hyderabad)		16,940		76,830
HDFC A/c No 0602560003558 (Mumbai)		190,046		2,604,827
HDFC A/c No 0602320015190 (Mumbai)		34,072		1,853,617
State bank of India A/c No. 30006842631(Baroda)		58,135		58,685
Axis Bank Ltd A/c No. 013010200034663 (Baroda)		449,240		166,973
Axis Bank Ltd A/c No. 01301020040424 (Baroda)		176,561		326,425
Axis Bank Ltd A/c No. 004010200585156 (Mumbai)		862,482		5,999,088
Fixed Deposits with banks		59,895,597		27,278,182
		<u>62,922,781</u>		<u>40,921,759</u>
SCHEDULE " I " LOAN AND ADVANCES				
(Unsecured-considered goods)				
Advances recoverabe in cash or in kind or for value to be received				
Advances to suppliers for goods and expenses		38,220,885		14,854,073
Prepaid expenses		359,254		413,023
Other Deposits		1,090,571		974,299
VAT Input Tax Credit Recivables		10,856,239		7,008,098
Cevant Receivables-Service Tax		210,538		117,496
Balance with Excise Authorities		2,711,935		1,412,954
Advance Tax Paid A Y 2006-07		2,665,037		2,665,037
Advance Tax Paid A Y 2007-08		6,210,704		6,210,704
Advance Tax Paid A Y 2009-10		-		3,209,623
Advance Tax Paid A Y 2010-11		1,210,941		1,210,941
Advance Tax Paid A Y 2011-12		16,103,236		-
Advance FBT Paid A Y 2006-07		287,964		287,964
Advance FBT Paid A Y 2007-08		210,000		210,000
Advance FBT Paid A Y 2008-09		97,000		97,000
Advance FBT Paid A Y 2009-10		-		165,000
Advance FBT Paid A Y 2010-11		40,000		40,000
		<u>80,274,304</u>		<u>38,876,212</u>

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE " J "				
CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
For. Goods & Expenses	11,185,629		7,616,798	
Outstanding Liabilities	<u>25,552,576</u>	<u>36,738,205</u>	<u>22,136,555</u>	<u>29,753,353</u>
PROVISIONS				
Provisions for Income Tax (A Y 2006-07)	1,531,530		1,531,530	
Provisions for Income Tax (A Y 2007-08)	5,711,000		5,711,000	
Provisions for Income Tax (A Y 2009-10)	-		3,110,000	
Provisions for Income Tax (A Y 2010-11)	1,500,000		1,500,000	
Provisions for Income Tax (A Y 2011-12)	15,600,000		-	
Provisions for FBT (A Y 2006-07)	287,964		287,964	
Provisions for FBT (A Y 2007-08)	85,000		85,000	
Provisions for FBT (A Y 2008-09)	78,500		78,500	
Provisions for FBT (A Y 2009-10)	-		81,903	
		<u>24,793,994</u>	<u>81,903</u>	<u>12,385,897</u>
		<u>61,532,199</u>		<u>42,139,250</u>
SCHEDULE " K " MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted.)				
Balance as per last Balance Sheet				85,686
Less: Transferred to Profit & Loss Account				85,686
Dahej Unit Pre operative exp		303,413		-
Less: Transferred to Profit & Loss Account		-		-
		<u>303,413</u>		<u>-</u>
SCHEDULE " L " OTHER INCOME				
Interest		3,053,567		3,119,471
Dividend on units of mutual fund		-		275,501
Profit on redemptions of Mutual Fund (Investment)		-		126,582
Miscellaneous Income		540,442		528,557
Insurance Claim Received		131,244		259,398
		<u>3,725,253</u>		<u>4,309,509</u>
SCHEDULE " M "				
INCREASE (DECREASE) IN STOCK OF FINISHED GOODS AND WORK -IN-PROGRESS				
Closing stock		82,105,575		13,017,576
Less :Opening stock		13,017,576		16,704,880
		<u>69,087,999</u>		<u>(3,687,304)</u>
SCHEDULE " N "				
COST OF MATERIAL CONSUMED				
Opening Stock		11,538,095		6,795,292
Add : Purchase		323,096,792		228,917,787
		<u>334,634,887</u>		<u>235,713,079</u>
Less : Closing Stock		12,462,505		11,538,095
		<u>322,172,382</u>		<u>224,174,984</u>
SCHEDULE " O " STAFF COST				
Salaries and Wages		18,021,697		17,454,871
Contribution to Provident Fund and other Funds		1,664,560		1,119,051
Staff Welfare Expenses		3,170,581		2,685,287
		<u>22,856,838</u>		<u>21,259,209</u>

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "Q"				
MANUFACTURING & OTHER EXPENSES				
Stores and Spares		2,438,256		1,413,107
Purchase of Processing material		287,171		540,169
Power and Fuel		59,400,924		63,067,565
Repairs and Maintenance - Plant & Machineries		2,825,652		4,562,703
Repairs and Maintenance - Building		282,668		178,373
Repairs and Maintenance - Others		121,197		165,912
Rates and Taxes		184,983		595,274
Water Charges		1,623,058		1,854,105
Insurance		623,400		691,414
Auditors' remuneration : Audit Fees		25,000		25,000
Director's Remuneration		1,950,950		1,862,211
Management Services Fees		18,000,000		9,600,000
Travelling Expenses		1,001,488		739,760
Donations		1,005,000		-
Pollution control Expenses		191,255		502,482
Packing Material		2,202,110		2,187,135
Transportation Freight		115,735		138,927
Research and Development		410,889		505,976
Retainers Fees		3,304,272		2,396,838
General Expenses		1,928,646		2,368,217
Vehicle Expenses		1,397,639		1,087,544
Business & Sales Promotion		168,004		182,198
Computer Expenses		225,932		187,863
Conveyance		406,539		386,889
Guest House Expenses		282,349		584,350
Legal and Professional Charges		1,859,001		434,418
Office/Factory Expenses		503,123		500,493
Printing and Stationery		257,709		321,913
Security Expenses		970,759		874,813
Telephone Expenses		443,748		572,378
		<u>104,437,457</u>		<u>98,528,027</u>
SCHEDULE " Q " INTEREST				
Interest to banks		387,736		655,086
Interest of Fix Deposit		14,867,641		8,384,231
Interest- others		31,438		8,711
Processing Fees & Bank charges		413,791		185,473
		<u>15,700,606</u>		<u>9,233,501</u>

SCHEDULE 'S' NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH ,2011

1. ACCOUNTING POLICIES

- i) a) Financial statements are based on historical cost convention in accordance with the generally accept accounting principles in India and the provisions of the Companies Act, 1956. These historical cost 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 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 Straight Line Method of Depreciation as per the rates prescribed in the Schedule XIV of the Companies Act, 1956.
 - 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 income 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.

2. Contingent Liabilities:

Contingent liabilities for letters of credit of Rs. 0.72 crores.

Gujarat Polybutenes Private Limited

3. Security Offered to Bank

Cash Credit from the bank is secured by the hypothecation of stocks of raw materials, stock in process, finished goods, stores and spares and books debts of the Company. The charge is further secured by FDR of Rs. 1.5 (1.5) crores.

4. Loans of Officers

Loans and Advances includes due from officers of the Company Rs. NIL.

5. Outstanding of M S M Enterprises

Based on the information received by the company, the company has not received any intimation from suppliers regarding 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.

6. Additional Information

The additional information pursuant to provisions of paragraphs 3, 4C & 4D of part II of the Schedule VI to the Companies Act, 1956 are given to the extent as applicable to the Company.

a) Turnover	Year 2010-2011		Year 2009- 2010	
	Qty. (MT)	Value	Qty. (MT)	Value
Sales (Excl. Excise duty)	5585	420290662	5302	339622690
Sales Other	-	20135594	-	18361131
b) Consumption of Raw Material				
Raw Materials incl. LPG	-	322172382	-	224174984
c) Value of Imported and Indigenous Raw Materials consumed during year				
Imported	-	NIL	-	NIL
Indigenous	100	322172382	100	224174984
d) Opening and Closing Stock of Goods				
Polybutene	1255.099	79101268	167.343	10368186
Others	35.127	563940	29.859	474384
e) (A) Capacity and Production - Polybutens				
i) Licensed Capacity (in M T)		Not Applicable		
ii) Installed Capacity (in M T)		7,380 *		
iii) Production (in M T)		6,673 (5277)		

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

(B) Production, Sales and Stocks (Including Conversion Charges of Polybutens)

	Year 2010-2011		Year 2009-2010	
	Qty. (MT)	Value	Qty. (MT)	Value
Opening Stock	167	10368186	192	13509948
Production	6673	446927340	5277	336643792
Sales	5585	420290662	5302	339622690
Closing Stock	1255	79101268	167	10368186

f) C I F Value of Imports	
Raw Material	NIL
Capital Goods	NIL
g) Expenditure in Foreign Currency.	
Traveling	Rs. Nil (Rs.46,842/-)
h) Earnings in Foreign Currency.	Rs.49, 86,826/-(Rs. 65, 50,479/-)
i) Amount remitted in Foreign Currency	NIL

7. Segment Reporting

The company is engaged in the business of manufacturing and selling Polybutenes and it's 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.

8. Deferred Tax Assets	As at	As at
	31st March 2011	31st March 2010
Tax impact of differences between book depreciation in the Financial Statements and depreciation as per Income Tax	376987	492923
9. Earning Per Shares		
a) Net Profit available for equity shareholders (Numerator used for calculation)	Rs.305.58 lacs	20.93 lacs
b) Weighted Average No. of Equity Shares used as denominator for calculating EPS	22,40,000	22,40,000
c) Basic and Diluted Earnings per share (Rs.) (Equity shares of face value of Rs. 10 each)	Rs.13.64	Rs. 0.93

10. 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.
- II) Key Management Personnel

Name	Designation
Dr. S R Thakkar	Executive Chairman
Ms. Urmi Prasad	Director
Ms. Ursula Thakkar	Director
Dr. R M Thakkar	Additional Director
Ms. Charita Thakkar	Additional Director

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

Related Party Transactions	Enterprises having Significant control over the Company	Key Management Personnel	Total
(a) Transfer of Exp. From Holding Company	31713766 (19752176)	- -	31713766 (19752176)
(b) Loans (Net)	43570595 (41730966)	7725000 (5225000)	51295595 (48287615)
(c) Payment to Dr . S. R. Thakkar Executive Chairman	- -	1950950 (1862211)	1950950 (1862211)

Gujarat Polybutenes Private Limited

11. Managerial Remuneration :

- (a) Computation of net profit U/s.349 of the Companies Act,1956 is as under.

	31.03.2011 (Rs. In Lacs)
Net profit before tax as per P&L a/c.	461.77
Add : Provision for Bad Debt Reserve	-
	461.77
Less : Bad Debt W/off	-
Net Profit as per Section 349	<u>461.77</u>
Add : Managerial Remuneration	19.51
Net Profit for the purpose of Directors Remuneration as per Section 198	<u>481.28</u>

- (b) Profit and Loss Account includes payments and provisions on account of remuneration to the Chair Person and Managing Director as under :

Salary	Rs.12, 00,000
House rent allowance	Rs. 6, 00,000
Medical exp	<u>Rs. 1,50,950</u>
Total	<u>Rs. 19,50,950</u>

12. (i) No adjustments of provision of Income Tax with advance I T & TDS paid for FY 2005-06 is made even though I T Assessment order for Asst. Year 2006-07 is received by the company on account of non receipt of refund & pending application for rectification.
- (ii) No Assessment orders or intimations u/s 143 (1) are received for AY 2007-08 & 2010-11 hence no adjustments for provision of I Tax and advance tax of I Tax is made.
- (iii) No orders of F B T are received for AY 2006-07 to 2008-09 hence no adjustments for provision of F B T and advance F B T is made.
13. The company has entered into an agreement with GIDC, Ankleshwar, for purchase of Plot No. CH/22, at Dahej- I, Industrial Estate valuing Rs. 3.10 crores, out of which sum of Rs. 1.23 crores is paid. Balance amount is to be paid in eleven installments as specified by GIDC office Ankleshwar.
14. (A) Balances of certain debtors, creditors, & loans & advances are subject to confirmations, reconciliation and adjustments, if any, having consequential impact on profits 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.
15. Previous year's figures have been re-grouped and re-arranged wherever necessary.
16. Figures have been rounded off to the nearest rupee.
17. 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 Schedule "A" to "R"

As per our report of even date attached
for **SURESH THAKKAR & CO.**
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
SURESH THAKKAR
(PROPRIETOR)
MEM. No. 11650

Sd/-
Mrs. Urmi Prasad
(DIRECTOR)

Sd/-
Ms. Ursula Thakkar
(DIRECTOR)

Place : Vadodara
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

Gujarat Polybutenes Private Limited



Statement pursuant to Part IV of the Schedule VI to the Companies Act, 1956.
Balance Sheet Abstract and Company's General Business Profile

I. REGISTRATION DETAILS

Registration No. State Code

Balance Date

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue/Bonus Issue
Rights Issue/Private Placement

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities
Total Assets

SOURCE OF FUNDS

Paid-up Capital
Reserves and Surplus
Secured Loans
Unsecured Loans

APPLICATION OF FUNDS

Net Fixed Assets
Investments
Net Current Assets
Miscellaneous Expenditure
Accumulated Loss
Deferred Tax Balance

IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Turnover (Including Other Income)
Total Expenditure
Profit before Tax
Profit after Tax
Earning per Share Rs.
Dividend Rate %

V. GENERIC NAME OF PRINCIPAL PRODUCTS OF COMPANY

Item Code No. (ITC Code)
Product Description

As per our report of even date attached
for **SURESH THAKKAR & CO.**
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
SURESH THAKKAR
(PROPRIETOR)
MEM. No. 11650

Sd/-
Mrs. Urmi Prasad
(DIRECTOR)

Sd/-
Ms. Ursula Thakkar
(DIRECTOR)

Place : Vadodara
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

ASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011

	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Rupees	Rupees	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax :		461.77		35.15
Adjustments for :				
Depreciation	18.96		18.09	
Dividend	-		(2.76)	
Gain from Sale of Mutual Funds	-		(1.27)	
Interest Income	(30.54)		(31.19)	
Interest Paid	157.01		92.34	
F B T Paid	-		-	
Provision for Income Tax	(30.94)		-	
Preliminary Expenses W/Off	-		0.86	
Prior Period Exp	-	114.49	-	76.07
Operating Profit before Working Capital changes		576.26		111.22
Adjustments for :				
(Increase) / Decrease in Current Assets				
Trade & Other Receivable	222.64		(157.35)	
Inventories	(704.42)		(3.63)	
Loans & Advances / Others	(413.98)		(80.45)	
		(895.76)		(241.43)
Increase / (Decrease) in Current Liabilities				
Trade Payables		69.85		(51.29)
Cash Generated from Operations		(249.65)		(181.50)
Interest Paid		(157.01)		(92.34)
Net Cash from Operating Activities (A)		(406.66)		(273.84)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(173.89)		(10.01)	
Increase in Investment	-		145.09	
Gain from Mutual fund investments	-		1.27	
Dividend Received	-		2.76	
Misc. Expenditure towards land at Dahej	(3.03)		-	
Interest Received on Fixed Deposits	30.54		31.19	
Net Cash generated/ (used) in Investing Activities (B)		(146.38)		170.30
C. CASH FLOW FROM FINANCING ACTIVITIES				
Receipts				
Increase in Secured Borrowings	(124.35)		(63.75)	
Increase in Unsecured Borrowings	897.40		(203.33)	
Net Cash from Financing Activities		773.05		(267.08)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS (A + B + C)		220.01		(370.62)
Cash and Cash Equivalents as at 31.3.2010		409.22		779.84
Cash and Cash Equivalents as at 31.3.2011		629.23		409.22

As per our report of even date attached
for **SURESH THAKKAR & CO.**
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
SURESH THAKKAR
(PROPRIETOR)
MEM. No. 11650

Sd/-
Mrs. Urmi Prasad
(DIRECTOR)

Sd/-
Ms. Ursula Thakkar
(DIRECTOR)

Place : Vadodara
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

Place : Mumbai
Date : 20th June, 2011

DIRECTORS' REPORT

The Directors have pleasure in placing before you the 17th Annual Report of the Company, together with the Audited Statement of Accounts for the year ended 31st March 2011.

OPERATIONS DURING THE YEAR

During the year the Company earned an income of Rs 7,02,221/- and reported a net Profit of Rs. 4,80,213/- during the year.

DIVIDEND

Your Directors do not recommend any dividend.

DIRECTORS

Dr.(Mrs.) S R Thakkar, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment. The Board recommends her reappointment.

OTHER INFORMATION

Information under section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, Part A and B relating to conservation of energy and technology absorption are not applicable to the Company.

PERSONNEL

During the year under review none of the employees was in receipt of remuneration in excess of the ceiling prescribed under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors hereby states as under:

- a) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) That the Board 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 or loss of the Company for the period.
- c) That the Board had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Board had prepared the annual accounts on a going concern basis.

DEPOSITS

The Company has not accepted any deposit during the year.

SECRETARIAL AUDIT

A Compliance Certificate issued by Practicing Company Secretaries, pursuant to section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001 is attached to this report.

AUDITORS

M/s. Ford, Rhodes, Parks & Co. retires at the Annual General Meeting and being eligible offer themselves for reappointment. The Board recommends the reappointment. Members are requested to reappoint the Auditors for the current financial year and authorize the Board to fix their remuneration. As per Section 217(3) of the Companies Act, 1956 the notes/ comments of Auditors referred to in the Auditors' Report are self explanatory and give complete information.

Acknowledgments

Your Directors acknowledges with gratitude the co-operation and assistance received from the Bankers, staff and all those associated with the Company during the year under review.

By Order of the Board
GPL Finance and Investments Limited

Sd/-

Sd/-

Place : Mumbai

DR. R. M. THAKKAR

Ms. Urmi N Prasad

Date : 1st August, 2011

DIRECTOR

DIRECTOR

Compliance Certificate

[as per rule 3 of the Companies (Compliance Certificate) Rules, 2001]

Registration No. of the Company : 11 -76332

Nominal Capital : Rs. 1,00,00,000/-

To,
The Members,
GPL Finance and Investments Ltd.,
Plot No. 1, Compartment No. 2,
Marol Co-operative Industrial Estate, M.V. Road,
J.B. Nagar Post, Andheri (E), Mumbai - 400 004.

We have examined the registers, records, books and papers of GPL Finance and Investments Ltd. (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year beginning from 1st April, 2010 and ending on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, at the time stated in the said annexure.
3. The Company, being a public limited Company, the restrictive clauses as provided in section 3(1)(iii) of the Act is not applicable. Hence, comments are not required.
4. The Board of Directors duly met 4 times on 31st May, 2010, 22nd July, 2010, 28th Oct., 2010 and 29th Jan., 2011 in respect of which meetings notices were given and the proceedings were recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required (and not opted) to close its Register of Members, during the financial year under review.
6. The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 25th Sept., 2010 after giving notice to the members of the Company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and/ or persons or firms or companies referred in the section 295 of the Act.
9. The Company has complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. i) There was no allotment/ transfer/ transmission of securities during the financial year;
ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year;
iii) The Company was not required to post warrants to any members of the Company as no dividend was declared during the financial year.
iv) The Company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

- v) The Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year.
 15. The Company has not appointed any Managing Director/ Whole-time Director/ Manager during the financial year.
 16. The Company has not appointed any sole-selling agent during the financial year.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act, during the financial year.
 18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The Company has not issued shares, debentures or other securities during the financial year.
 20. The Company has not bought back any shares during the financial year.
 21. The Company does not have any redeemable preference shares or debentures and hence the question of redemption does not arise at all.
 22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited/ accepted any deposits including unsecured loans falling within the purview of sections 58A during the financial year.
 24. The amount borrowed by the Company during the financial year ending 31st March, 2011 is within the borrowing limits of the Company.
 25. Being finance company, as per provisions of section 372A(8) of the Act, the provisions of section 372A of the Act, relating to inter corporate loans and investments are not applicable.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
 30. The Company has not altered its Articles of Association during the year under scrutiny.
 31. As per the information given by the management, no prosecution has been initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for the offences under the Act.
 32. The Company has not received any security deposits from its employees during the financial year.
 33. The Company has not constituted for its employees, Provident Fund scheme of its own, as per the meaning of section 418 of the Act.

for J. J. Gandhi & Co.
Company Secretaries

Sd/-
(J. J. Gandhi)
Proprietor

Place : Vadodara
Date : 1st August, 2011

ANNEXURE 'A'

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Transfers
3. Register of Directors, Managing Director, Manager and Secretary u/s 303
4. Register of Directors shareholding u/s 307
5. Register of contracts, companies and firms in which directors are interested u/s 301(3)
6. Register of charges u/s 143
7. Minutes of Meeting of Board of Directors u/s 193
8. Minutes of Meeting of General Meeting u/s 193

ANNEXURE 'B'

Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ending on 31st March, 2010.

Sr. No	Form No.	Filed under Section	For	SRN No.	Up loaded with MCA21
1	Form 23AC	220	Balance sheet and its attachment	P53702064	05/10/2010
2	Form 66	383A	Compliance Certificate	P53701074	05/10/210
3	Form 20B	159	Annual Return	P54806591	16/10/2010

**AUDITORS' REPORT TO THE MEMBERS OF
GPL FINANCE & INVESTMENTS LIMITED**

1. We have audited the attached Balance Sheet of GPL Finance & Investments Limited as at 31st March, 2011, together with the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments referred to in paragraph (3) above, we report that:
 - a) We have 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 appears from our examination of the books;
 - c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report are in compliance with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e) On the basis of the written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director in terms of Section 274 (1)(g) of the Companies Act, 1956;



- f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon, give the information required by the Companies Act, 1956, 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, 2011;
- and
- ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

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

Place : Mumbai
Date : 1st August, 2011

S.B. Prabhu
Partner
Membership No. 35296

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF
GPL FINANCE AND INVESTMENTS LIMITED
(Referred to in paragraph 3 of the report of even date)

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 (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. During the year the Company has disposed off its fixed assets which does not affect the going concern status of the Company.
2. The Company does not have any inventory.
3. The Company has neither granted nor taken any loans secured or unsecured to and from companies firms or other parties covered in the register maintained under section 301 of the companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of shares and fixed assets and for the sale of shares. The company does not have any sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. On the basis of our examination of the books of account and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register in pursuance of Section 301 of the Act have not been so entered in the said register since there are no such transactions.
6. The Company has not accepted any deposits from the public within the meaning of the provisions of Sections 58A and 58AA of the Act or any other relevant provisions of the Act.
7. The Company is not listed on any stock exchange and but its paid up capital and reserves exceeded Rs. 50 lakhs at the commencement of the financial year. Its average annual turnover for three consecutive financial years immediately preceding the financial year not exceeded Rs. 5 crores. The company does not does not have an internal audit system.
8. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Act for any of the products of the Company.
9. (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 Investor Education and Protection Fund, Income tax, Sales tax, Wealth tax, Service tax, Excise duty, Cess and other statutory dues, wherever applicable, with the appropriate

authorities. There were no undisputed arrears of statutory dues in respect of Income tax, Sales tax, Wealth tax, Service Tax, Excise duty and Cess outstanding as at 31st March, 2011 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, Wealth tax, Service tax, Customs duty, Excise duty and Cess not deposited as at 31st March, 2011.
10. There are no accumulated losses of the Company as at 31st March, 2011.
 11. The Company has not taken any loan from financial institution or bank nor has it issued any debentures.
 12. As per the books and records of the Company examined by us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the nature of the activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
 14. In our opinion, the Company has maintained proper records of transactions and contracts in respect of dealing and trading in shares, securities, debentures and other securities during the year and timely entries have been generally made therein. All shares, securities, debentures and other securities have been held by the Company in other securities its own name or are in the process of transfer in its name.
 15. According to the information given to us, the Company has not given any guarantee for the loans taken by others from banks or financial institutions during the year.
 16. On the basis of our examination and according to the information given to us the Company has not taken any term loans.
 17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
 18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
 19. The Company has not issued any debentures during the year.
 20. The Company has not raised any money by public issue during the year.
 21. 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.

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

Place : Mumbai
Date : 1st August, 2011

S.B. Prabhu
Partner
Membership No. 35296

BALANCE SHEET AS AT 31st MARCH 2011				
Schedule	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SOURCE OF FUND				
SHAREHOLDERS FUNDS				
Share Capital	1	10,000,000		10,000,000
Reserves & Surplus	2	2,961,613		2,481,400
Deferred Tax Liability		12,170		
		<u>12,973,783</u>		<u>12,481,400</u>
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	3	2,319,390	2,332,655	
Less: Depreciation		75,441	42,151	
Net Block		2,243,949	2,290,504	
INVESTMENTS	4	6,594,856	6,594,856	
CURRENT ASSETS, LOANS & ADVANCES				
a) Cash & Bank Balance	5	1,082,242	437,039	
b) Other Current Assets		35,544	28,435	
c) Loans & Advances		3,298,920	3,254,744	
		4,416,706	3,720,218	
Less: CURRENT LIABILITIES & PROVISIONS	6	281,728	124,178	
		4,134,978	3,596,040	
Profit & Loss Account				
		<u>12,973,783</u>	<u>12,481,400</u>	

As per our report of even date attached for **FORD, RHODES, PARKS & CO.** For and on behalf of the Board of Director Chartered Accountants. Regn.No: 102860 W

Sd/- S. B. PRABHU (PARTNER) Membership No.35296
 Sd/- DR. R. M. THAKKAR (DIRECTOR)
 Sd/- URMI N. PRASAD (DIRECTOR)

Place : Mumbai Date : 1st August, 2011
 Place : Mumbai Date : 1st August, 2011
 Place : Mumbai Date : 1st August, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011				
Schedule	For the year ended on 31.03.2011		For the year ended on 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
INCOME				
Dividends		148,470		115,949
Profit on sale of Vehicle		88,751		
Interest on Loans		465,000		394,094
		<u>702,221</u>		<u>510,043</u>
EXPENDITURE				
Administrative and Other Expenses	7	52,388		49,625
Depreciation		37,806		39,893
		<u>90,194</u>		<u>89,518</u>
PROFIT BEFORE TAX		612,027		420,525
Less : Deferred Tax Liability		12,170		
Less : Provision for Income Tax		119,644	106,000	
Less: Adjustment for Provision			(7,324)	
		131,814	98,676	
PROFIT AFTER TAX		480,213	321,849	
Balance brought forward from earlier year		2,481,400	2,159,551	
Balance carried forward to Balance Sheet		<u>2,961,613</u>	<u>2,481,400</u>	
Earning Per Share (See Note 4)		0.48	0.32	

As per our report of even date attached for **FORD, RHODES, PARKS & CO.** For and on behalf of the Board of Director Chartered Accountants Regn.No: 102860 W

Sd/- S. B. PRABHU (PARTNER) Membership No.35296
 Sd/- DR. R. M. THAKKAR (DIRECTOR)
 Sd/- URMI N. PRASAD (DIRECTOR)

Place : Mumbai Date : 1st August, 2011
 Place : Mumbai Date : 1st August, 2011
 Place : Mumbai Date : 1st August, 2011

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011		
	As At 31.03.2011	As At 31.03.2010
	Rupees	Rupees
SCHEDULE "1"		
SHARE CAPITAL		
Authorised		
10,00,000 Equity Share of Rs. 10/- each		
a) Issued, Subscribed & Paid-Up		
10,00,000 Equity Shares of Rs. 10/- each	10,000,000	10,000,000
fully paid up (Of the above 9,99,940) shares		
are held by the holding Company Gujarat Petrosynthese Limited)		
SCHEDULE "2"		
RESERVES & SURPLUS		
Profit & Loss Account balance	2,961,613	2,481,400

SCHEDULE " 3 "										
FIXED ASSETS										
Particulars	Balance as on 31.03.2010	Additions	Deductions	As at 31.03.2011	As at 31.03.2010	For the Year	Deductions	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
Vehicle	23,765	-	23,765	-	4,516	-	4,516	-	-	19,249
Flats	2,308,890	10,500		2,319,390	37,635	37,806	-	75,441	2,243,949	2,271,255
Total	2,332,655	10,500	23,765	2,319,390	42,151	37,806	4,516	75,441	2,243,949	2,290,504
Total as on 31.03.10	2,332,655			2,332,655	2,258	39,893		42,151	2,290,504	

SCHEDULE " 4 "

INVESTMENTS

Long Term Investments
A. Investments in Equity Shares

NAME OF THE COMPANY	NO. OF SHARES	BOOK VALUE AS AT 31.03.2011	NO. OF SHARES	BOOK VALUE AS AT 31.03.2010
Andhra Sugars Ltd	500	56,600	500	56,600
Air Deccan	100	29,081	100	29,081
Aifa Lavel	150	172,895	150	172,895
Andhra Bank Ltd.	5363	500,406	5363	500,406
Avant Feed Ltd.	1000	87,116	1000	87,116
Alstom Project	50	20,687	50	20,687
Astrazen Pha	300	202,990	600	202,990
Bhagy Nagar	200	15,618	200	15,618
Castrol India Ltd	2050	487,897	2050	487,897
CESC	50	35,379	50	35,379
Disa India	100	148,549	100	148,549
Exide Industries	10	161	10	161
Foseco India	500	198,700	500	198,700
Good Value Marketing Co. Ltd.,	3450	181,540	3450	181,540
Grasim Cement	15	54,671	15	54,671
Gujnrecoke	420	42,693	300	42,693
Hindustan Organic Chemicals Ltd.,	1500	54,433	1500	54,433
Haryana Petro Chemicals Ltd.,	1200	21,060	1200	21,060
Hind Oil Export	100	16,799	10	16,799
ICRA	20	22,454	20	22,454
Kodak Bank	15	19,900	15	19,900
Maharashtra Polybutenes Ltd	5	742	100	742
Man Aluminium Ltd	50	0	50	0
Mircelectr	200	8,090	200	8,090
Nagarjuna Finance Ltd.,	1000	362,850	1000	362,850
National Thermal Power	134	8,308	134	8,308
Orchid Chemical	100	37,365	100	37,365
Pratibha Industries Ltd	100	43,944	100	43,944
Reliance Industries Ltd	1430	1,612,572	1430	1,612,572
Reliance Energy Ltd	150	234,473	150	234,473
Reliance Communication Ltd.	1050	774,253	1050	774,253
Reliance Natural Resource Ltd	200	48,545	200	48,545
Reliance Petroleum Ltd	100	22,563	100	22,563
Siemens	550	492,938	550	492,938
Srinivas Shipping Project Ltd	200	45,715	200	45,715
Sterlite Industries Ltd	125	88,281	125	88,281
Subros Ltd	1500	75,520	1500	75,520
State Bank of India	100	216,707	100	216,707
Suman Motels Ltd.,	900	16,495	900	16,495
Southern Magnesium & Chemicals Ltd.,	75000	825,000	75000	825,000
Triveni Sheet Glass Works Ltd.,	700	61,655	700	61,655
Larsen & Toubro Ltd	550	752,077	275	752,077
Colgate Palmolive	150	63,908	150	63,908
Sun Pharmaceuticals	100	90,630	100	90,630
Sun Pharma Advance Research Co	100	0	100	0
Uniflex Cables Ltd	1000	42,600	100	42,600
		8,294,856		8,294,856
Less : Provision for Diminution in Value of Shares		1,700,000		1,700,000
		6,594,856		6,594,856
Aggregate Value of				
Quoted Investments		7,558,700		6,887,911
Market Value - Quoted Investments		6,672,453		7,216,081
Un Quoted Investments		736,156		1,406,945

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011		
	As at 31.03.2011	As at 31.03.2010
	Rupees	Rupees
SCHEDULE "5"		
CURRENT ASSETS, LOANS AND ADVANCES		
a) Cash and Bank Balances		
Cash on Hand	260,029	38,174
Balance with Scheduled Bank		
In Current Accounts	822,213	398,865
	<u>1,082,242</u>	<u>437,039</u>
b) Others Current Assets :		
Interest receivable	35,544	28,435
	<u>35,544</u>	<u>28,435</u>
c) Loans & Advances :		
(Unsecured - Considered Good)		
nterporate Deposit	3,100,000	3,100,000
Advance recoverable in cash or in kind or value to be received		
Advance Tax & TDS	198,920	154,744
	<u>3,298,920</u>	<u>3,254,744</u>

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011		
	As at 31.03.2011	As at 31.03.2010
	Rupees	Rupees
SCHEDULE "6"		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES :		
Sundry Creditors	281,728	124,178
PROVISION:		
Provision for Taxation	-	-
	<u>281,728</u>	<u>124,178</u>
SCHEDULE "7"		
Accounting Charges	18,000	18,000
Bank Charges	695	2,843
Conveyance Charges	2,475	2,215
Printing and Stationery	3,020	1,875
Motor Car Expenses	-	4,870
Misc Expenses	6,800	2,174
Office Expenses	853	-
Legal & Professional Fees	4,000	-
Auditors Remuneration :		
Audit Fees	13,236	11,030
Taxation Services	3,309	6,618
Out of Pocket Expenses	-	-
	<u>16,545</u>	<u>17,648</u>
	<u>52,388</u>	<u>49,625</u>

SCHEDULE 7 NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

- A) The accounts have been prepared under the historical cost convention and in accordance with generally accepted Accounting Practices.
- B) Income
 - i) All income including dividend is accounted for on accrual basis.
- C) Expenses
 - All expenses are accounted on accrual basis.
- D) Fixed Assets
 - Fixed Assets are stated at the cost of acquisition.
- E) Depreciation
 - Depreciation is provided on the Straight Line Method.
- F) Investments
 - Long Term Investments are stated "At Cost". Permanent Diminution in the Value of these investments is provided for.
- G) Deferred Tax
 - Deferred Tax Assets / Liabilities is recognised in respect of timing differences resulting from the recognition of items in Financial Statements and their allowance under the tax laws, subject to the consideration of prudence.

2) In the opinion of the Board :

- i) All Current assets, loans and advances are approximately of the value stated if realised 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.

3) No Members 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.



4) Earnings per Share	Particulars	31.03.2011	31.03.2010
a) Profit/(Loss) attributable to Equity Shareholders (Rs. in Lacs)		0.48	3.22
b) No. of Equity Shares outstanding during the year		1,000,000	1,000,000
c) Nominal Value of Equity Shares		10	10
d) Weighted Average number of Equity Shares used as denominator for calculating EPS		1,000,000	1,000,000
e) Basic/Diluted Earnings per Share		4.80	0.32

5) Related Party Disclosure

Particulars	Holding Company 31.03.2011	Holding Company 31.03.2010	Other Related Parties 31.03.2011	Other Related Parties 31.03.2010
Income				
Interest	-	-	4.65	3.94
Expenses				
Miscellaneous	-	-	-	-
Finance & Investments				
Loan received	-	-	-	-
Loan Repaid	-	-	-	-
Outstandings				
Receivable	-	-	31.00	31.00
Payable	-	-	-	-

Related Party Information

- (a) Holding Company .
- (b) Other related Parties with whom transactions have been carried out during the year
Fellow Subsidiary Company Gujarat Polybutenes Pvt Ltd
- (c) Previous Years figures have been regrouped wherever necessary.

As per our report of even date attached

for FORD, RHODES, PARKS & CO.

Chartered Accountants

Regn.No: 102860 W

for and on behalf of the Board of Directors

Sd/-

S.B PRABHU

(PARTNER)

Membership No. 35296

Sd/-

Dr. R.M. THAKKAR

(DIRECTOR)

Sd/-

URMI N. PRASAD

(DIRECTOR)

Place : Mumbai

Date : 1st August, 2011

Place : Mumbai

Date : 1st August, 2011

Place : Mumbai

Date : 1st August, 2011



Additional Information pursuant to part IV of Schedule VI to the Companies Act, 1956.

I. REGISTRATION DETAILS

Registration No.
 State Code
 Balance Date

II. CAPITAL RAISED DURING THE YEAR

Public Issue (Issued through Prospectus)	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Rights Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Bonus Issue	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Private Placement (Firm Allotted to be Promoters and their Associates)	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="6"/>	Total Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="6"/>
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SOURCE OF FUNDS

Paid-up Capital (including share application money)	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>	Reserves and Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="6"/> <input type="text" value="2"/>
Secured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

APPLICATION OF FUNDS

Net Fixed Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="4"/>	Investments	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="5"/>
Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="5"/>	Miscellaneous Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Deferred Tax Balance	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

IV. PERFORMANCE OF COMPANY

Turnover (Including Other Income)	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="2"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="0"/>
Profit / (Loss) before Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="2"/>	Profit / (Loss) after Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="0"/>
Earning per Share Rs.	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="8"/>	Dividend Rate %	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

V. GENERIC NAME OF PRINCIPAL PRODUCTS OF COMPANY

(as per Monetary Terms)
 Item Code No. (ITC Code): Not Applicable Product Description : Finance & Investments

As per our report of even date attached for **FORD, RHODES, PARKS & CO.**
 Chartered Accountants
 Regn.No: 102860 W

for and on behalf of the Board of Directors

Sd/-
S.B PRABHU
 (PARTNER)
 Membership No. 35296

Sd/-
Dr. R.M. THAKKAR
 (DIRECTOR)

Sd/-
URMI N. PRASAD
 (DIRECTOR)

Place : Mumbai
 Date : 1st August, 2011

Place : Mumbai
 Date : 1st August, 2011

Place : Mumbai
 Date : 1st August, 2011

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

We have examined the attached consolidated Balance Sheet of Gujarat Petrosynthese Limited (the company) and its subsidiaries as at 31st March 2011, the consolidated Profit and Loss and also the consolidated Cash Flow Statement for the Year on 31st March 2011.

These Consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit includes assessing the accounting principles and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for opinion.

We did not audit the financial statement of subsidiaries, GPL Finance & Investments Limited whose financial statements reflect total assets of Rs. 1,29,73,783/- as at 31st March 2011 and the total revenue of Rs.7,02,221/- for the year on 31st March 2011 and Gujarat Polybutenes Private Limited whose financial statements reflect total assets of Rs.24,04,37,114/- as at 31st March 2011 and the total revenue of Rs.51,32,39,508/- for the year on 31st March 2011. These Financial statements have been audited by other auditors whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of subsidiary, is based on the report of the other auditors.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21 - Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India, and on the basis of the separate audited financial statement of the Company and its subsidiary included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the company and its aforesaid subsidiaries and to the best of our information and according to explanations given to us, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India to the extent applicable, in case of

- (a) The Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiaries as a Group as at 31st March 2011.
- (b) The Consolidated Profit and Loss Account, of the consolidated results of operations of the company and its subsidiaries for the year ended on as on that date; and
- (c) The Consolidated Cash Flow Statement, of the consolidated cash flows of the company and its subsidiaries for the year ended on that date.

For SARJBA & CO
Chartered Accountants

Sd/-

(A. Jagannath Babu)
Chartered Accountant
M. No. 20115

Place : Bangalore
Date : 1st August, 2011

**Consolidated Balance Sheet of Gujarat Petrosynthese Limited
and it's subsidiary Company as at 31st March, 2011**

	Schdeule	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
SHARE HOLDERS' FUNDS					
Share Capital	A	51,691,660		60,188,010	
Reserves & Surplus	B	<u>187,237,683</u>		<u>176,303,090</u>	
			238,929,343		236,491,100
MINORITY INTEREST ON EQUITY	C		650		650
DEFERRED TAX LIABILITY/ASSETS	D		5,109,028		5,264,787
LOANS FUNDS	E		99,257,712		35,292,834
Secured Loans & Unsecured Loan			-		
			<u>343,296,733</u>		<u>277,049,371</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	F	132,923,835		113,141,743	
Less : Depreciation		<u>47,826,688</u>		<u>42,487,720</u>	
Net Block			85,097,147		70,654,023
INVESTMENTS	G		13,617,561		22,094,857
CURRENT ASSETS,					
LOANS AND ADVANCES					
Inventories	H	99,260,727		28,624,267	
Sundry Debtors	I	53,513,412		71,904,564	
Cash and Bank Balances	J	72,071,132		86,042,654	
Loans and Advances	K	<u>105,771,633</u>		<u>59,957,021</u>	
Deffered Tax Liabilities		<u>330,616,904</u>		<u>246,528,506</u>	
Less :					
CURRENT LIABILITIES					
AND PROVISIONS					
Current Liabilities	L	53,943,203		43,816,332	
Provisions		<u>32,395,089</u>		<u>18,411,683</u>	
		<u>86,338,292</u>		<u>62,228,015</u>	
NET CURRENT ASSETS			244,278,612		184,300,491
MISCELLANEOUS EXPENDITURE			303,413		
(To the extent not written off or adjusted)					
			<u>343,296,733</u>		<u>277,049,371</u>

Notes to the accounts

As per our report of even date
For **SARJBA & CO**
CHARTERED ACCOUNTANTS
Sd/-
(A. JAGANNATH BABU)
Partner

For and on behalf of Board of Directors
Sd/-
Dr. R. M. THAKKAR
CHAIRMAN &
MANAGING DIRECTOR

Sd/-
URMI .N. PRASAD
EXECUTIVE DIRECTOR

PLACE : BANGALORE
DATE : AUGUST 1, 2011

PLACE : MUMBAI
DATE : AUGUST 1, 2011

PLACE : MUMBAI
DATE : AUGUST 1, 2011

**Consolidated Profit and Loss Account of Gujarat Petrosynthese Limited
and its subsidiary Company as at 31st March, 2011**

	Schdeule	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
INCOME			
Sales		541,601,060	450,407,370
Other Income	M	6,582,584	12,348,651
Increase/(Decrease)in Stock of finished goods & WIP	N	69,451,421	(4,080,000)
		617,635,065	458,676,021
EXPENDITURE			
Cost of material consumed	O	402,899,607	295,735,990
Staff cost	P	29,142,000	27,202,783
Manufacturing & Other Expenses	Q	116,670,561	114,406,270
Interest	R	9,486,044	4,266,924
Depreciation		5,343,491	5,118,525
Preliminary expenses Written Off		-	85,686
		563,541,703	446,816,178
Profit before tax for the year		54,093,362	11,859,843
Provision for income Tax			
Add(Less) Deferred Tax Assets		(128,106)	(64,490)
Add(Less) Excess Provision for Taxation		97,710	(20,658)
Current Year		17,919,644	3,156,000
Profit / (Loss) after Tax		36,143,322	8,788,991
Balance brought forward from earlier year		103,177,513	93,785,123
Prior period adjustments		8,046	(13,689)
Income Tax for Earlier Years		-	12,750
FBT Tax Refund		(11,590)	
Deferred Tax of Earlier Years Not Required		283,863	604,338
Balance available for appropriation		139,601,156	103,177,513
Balance carried to the Balance Sheet		139,601,156	103,177,513
		139,601,156	103,177,513
Notes to the accounts	S		
Basic and Diluted Earning Per Share (See Note 12)		6.01	1.46

As per our report of even date
For **SARJBA & CO**
CHARTERED ACCOUNTANTS
Sd/-
(A. JAGANNATH BABU)
Partner

For and on behalf of Board of Directors
Sd/-
Dr. R. M. THAKKAR
CHAIRMAN &
MANAGING DIRECTOR

Sd/-
URMI .N. PRASAD
EXECUTIVE DIRECTOR

PLACE : BANGALORE
DATE : AUGUST 1, 2011

PLACE : MUMBAI
DATE : AUGUST 1, 2011

PLACE : MUMBAI
DATE : AUGUST 1, 2011

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "A" SHARE CAPITAL				
Authorised				
75,00,000(Previous year 75,00,000)				
Equity Shares of Rs.10/- each		<u>75,000,000</u>		<u>75,000,000</u>
Issued Subscribed & Paid up:				
60,18,801 (Previous year 60,18,801)				
Equity Shares of Rs.10/- each fully paid up		<u>51,691,660</u>		<u>60,188,010</u>
SCHEDULE "B" RESERVES & SURPLUS				
General Reserve:		<u>47,636,527</u>		<u>73,125,577</u>
As per Last Balance Sheet				
Surplus /(Deficit) as per Profit & Loss Account		<u>139,601,156</u>		<u>103,177,513</u>
		<u>187,237,683</u>		<u>176,303,090</u>
SCHEDULE "C" MINORITY INTEREST ON EQUITY				
GPL Finance & Investments Ltd				
60 Equity Shares (2003-2004 : 60) held by minority				
Interest (0.01% holding, 2003-2004 :0.01% holding)	<u>600</u>		<u>600</u>	
Gujarat Polybutenes Pvt.Ltd	<u>50</u>		<u>50</u>	
		<u>650</u>		<u>650</u>
SCHEDULE "D" DEFERRED TAX ASSETS/LIABILITY				
DEFERRED TAX ASSETS AND LIABILITIES ARE ATTRIBUTABLE TO THE FOLLOWING ITEMS:				
ASSETS				
Provision for Leave Encashment				
Provision for Gratuity				
LIABILITY				
Difference between book and tax depreciation		<u>5,109,028</u>		<u>5,264,787</u>
NET DEFERRED TAX		<u>5,109,028</u>		<u>5,264,787</u>
SCHEDULE "E" SECURED AND UNSECURED LOANS				
Secured Loans				
Cash Credit from Banks:				
(I) State Bank of India				
(II) Bank of Baroda (Bombay)				
(III) Bank of Baroda (Baroda)				
(IV) UTI Bank (Mumbai)		<u>7,532,712</u>		<u>19,967,834</u>
(V) From a Director & Relatives		<u>62,625,000</u>		<u>1,500,000</u>
(VI) From a Holding Company		-		-
(VII) From a Other Companies		<u>29,100,000</u>		<u>13,825,000</u>
		<u>99,257,712</u>		<u>35,292,834</u>

**SCHEDULE " F "
 FIXED ASSETS**

Particulars	Gross Block			Depreciation			Net Block	
	As at 1.04.2010	Additions	Deductions	As at 31.03.2011	For the Year	Deductions	As at 31.03.2011	As at 31.03.2010
LEASE HOLD LAND	15,734,495	-	-	15,734,495	-	-	-	15,734,495
LAND AT DAHEJ	7,178,990	12,258,030	-	12,258,030	-	-	-	12,258,080
FREEHOLD LAND	25,172,209	87,540	-	25,259,749	1,041,602	-	10,545,027	7,178,990
FACTORY BUILDING	2,308,890	10,500	-	2,319,390	37,896	-	75,441	2,243,949
FLATS	39,775,334	2,451,304	-	42,226,638	2,315,071	-	23,198,733	19,027,905
PLANT & MACHINERY	2,421,730	-	-	2,421,730	115,032	-	1,655,149	766,581
ELECTRICAL INSTALLATION	5,176,019	236,393	-	5,412,412	321,512	-	2,606,425	2,805,987
OFFICE EQUIPMENT	3,058,589	33,584	-	3,092,173	197,127	-	1,564,572	1,691,146
FURNITURE & FIXTURES	5,140,863	27,216	-	5,168,079	274,832	-	3,969,665	1,198,414
LABORATORY EQUIPMENTS	180,356	82,000	-	262,356	-	-	157,356	105,000
JIGS AND MOULDS	96,081	67,325	-	163,406	15,588	-	62,070	101,336
MOBILES	1,939,557	538,490	-	2,478,047	394,234	-	1,575,313	902,734
COMPUTERS	4,958,630	4,013,475	23,765	8,948,340	630,671	4,516	2,416,937	6,531,403
VEHICLES								
TOTAL	113,141,743	19,805,857	23,765	132,923,835	5,343,475	4,516	47,826,688	85,097,147
TOTAL AS ON 31.03.2010	109,148,932	5,677,987	1,685,177	113,141,743	5,118,527	1,107,510	42,487,720	706,654,023

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees

SCHEDULE "G" INVESTMENT (TRADE-LONG TERM)

A. Listed and Quoted

NAME OF THE COMPANY	NO.OF SHARES	BOOK VALUE		NO.OF SHARES	BOOK VALUE	
		AS AT			AS AT	
		31.03.2011			31.03.2010	
Andhra Sugars Ltd	500	56,600.00		500	56,600.00	
Air Deccan	100	29,081.00		100	29,081.00	
Alfa Lavel	150	172,895.15		150	172,895.15	
Andhra Bank Ltd.	5363	500,406.00		5363	500,406.00	
Avant Feed Ltd.	1000	87,116.00		1000	87,116.00	
Alstom Project	50	20,687.00		50	20,687.00	
Astrazen Pha	600	202,990.00		600	202,990.00	
Bhagy Nagar	200	15,618.00		200	15,618.00	
Castrol India Ltd	2050	487,896.67		2050	487,896.67	
CESC	50	35,378.50		50	35,378.50	
Disa India	100	148,548.81		100	148,548.81	
Exlde Industries	10	161.00		10	161.00	
Foseco India	500	198,699.86		500	198,699.86	
Good Value Marketing Co. Ltd.,	3450	181,540.00		3450	181,540.00	
Grasim Cement	15	54,670.75		15	54,670.75	
Gujnrecoke	300	42,693.00		300	42,693.00	
Hindustan Organic Chemicals Ltd.,	1500	54,433.25		1500	54,433.25	
Haryana Petro Chemicals Ltd.,	1200	21,060.00		1200	21,060.00	
Hind Oil Export	10	16,799.00		10	16,799.00	
ICRA	20	22,453.90		20	22,453.90	
Kodak Bank	15	19,899.75		15	19,899.75	
Maharashtra Polybutenes Ltd	100	742.00		100	742.00	
Man Aluminium Ltd	50	-		50	-	
Mircelectr	200	8,090.00		200	8,090.00	
Nagarjuna Finance Ltd.,	1000	362,850.00		1000	362,850.00	
National Thermal Power	134	8,308.00		134	8,308.00	
Orchid Chemical	100	37,365.00		100	37,365.00	
Pratibha Industries Ltd	100	43,943.53		100	43,943.53	
Reliance Industries Ltd	1430	1,612,571.80		1430	1,612,571.80	
Reliance Energy Ltd	150	234,472.65		150	234,472.65	
Reliance Communication Ltd.	1050	774,253.11		1050	774,253.11	
Reliance Natural Resource Ltd	200	48,544.45		200	48,544.45	
Reliance Petroleum Ltd	100	22,563.00		100	22,563.00	
Siemens	550	492,937.50		550	492,937.50	

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
Srinivas Shipping Project Ltd	200	45,715.00	200	45,715.00
Sterlite Industries Ltd	125	88,280.80	125	88,280.80
Subros Ltd	1500	75,519.92	1500	75,519.92
State Bank of India	100	216,706.75	100	216,706.75
Suman Motels Ltd.,	900	16,495.00	900	16,495.00
Southern Magnesium & Chemicals Ltd.,	75000	825,000.00	75000	825,000.00
Triveni Sheet Glass Works Ltd.,	700	61,655.00	700	61,655.00
Larsen & Toubro Ltd	275	752,076.88	275	752,076.88
Colgate Palmolive	150	63,908.00	150	63,908.00
Sun Pharmaceuticals	100	90,630.00	100	90,630.00
Sun Pharma Advance Research Co	100	0.00	100	0.00
Uniflex Cables Ltd	100	42,600.00	100	42,600.00
		8,294,856		8,294,856
B. Listed But Not Traded				
1,50,450 fully paid Equity Shares of Rs.10/- each Saurthern Agrosynthese Ltd.		1		1
C. Investments in Mutual Funds				
SBI Blue Chip Fund				
2,50,000 Units of SBI Blue Chip Fund		-		
SBIMF Magnum Global Fund				
46,296,296 units of SBIMF Magnum Global Fund		-		
SBIMF Magnum Multiplier Plus Scheme-93				
45,998.160 units of SBIMF Magnum Multiplier Scheme		-		
UTI Contra Fund		-		
LICMF Bond Fund				
2,95,485.571 units of LICMF Bond Fund		-		
Templeton India Equity Income Fund		1,500,000		1,500,000
SBI Magnum Insta Cash Fund		-		
SBI Magnum Insta Cash Fund		-		
SBI Magnum Insta Cash Fund		-		
Optimix Star Multi Manager		1,000,000		1,000,000
Fixed Deposit with SBM & SBI		3,022,704		11,500,000
Reliance Vision Fund		1,500,000		1,500,000
SBIMF Income Fund Growth		-		
Fixed Deposit with Gujarat Polybutenes Pvt.Ltd		-		
Fixed Deposit with UTI Bank (Mumbai)		-		
Standard Chartered Liquidity		-		
		15,317,561		23,794,857
Less: Provision for Diminution in Value of Investments		1,700,000		1,700,000
		13,617,561		22,094,857

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "H" INVENTORIES				
(As taken, valued and certified by the Management)				
Raw Material & Consumable (At Cost)	14,845,093		13,128,700	
Work-in-Process	2,440,367		2,175,006	
Finished goods	81,975,267		13,320,561	
		<u>99,260,727</u>		<u>28,624,267</u>
SCHEDULE "I" SUNDRY DEBTORS				
Debts Outstanding for a period exceeding six months				
Considered Good	185,113		608,909	
Debts Outstanding for a period less than six months				
Considered Good	53,328,299		71,295,655	
Considered Doubtful	-		-	
	<u>53,513,412</u>		<u>71,904,564</u>	
Less: Provided for				
	<u>53,513,412</u>		<u>71,904,564</u>	
Others(Unsecured) considered goods	-		-	
		<u>53,513,412</u>		<u>71,904,564</u>
SCHEDULE "J" CASH & BANK BALANCES				
Cash on Hand	464,762		533,758	
Balance with Banks				
(I) State Bank of India (Mumbai)	1,312,412		359,670	
(II) Bank of Baroda (Baroda)	854,829		118,729	
(III) Bank of Baroda (Saki Naka)	145,668		156,228	
(IV) HDFC Bank (Mumbai)	1,796,080		2,644,827	
(V) UTI Bank (Mumbai)	1,151,977		226,734	
(VI) In Current Accounts	3,561,842		4,864,552	
(VII) Bank of Baroda (Baroda A/c No.685)	55,253		540,228	
(VIII) Bank of Baroda(Baroda A/c.No.680)	559,600		1,196,123	
(IX) HDFC Bank (Hyd)	348,230		267,276	
(X) HDFC Bank (Mumbai)	34,072		1,853,617	
(XII) State Bank of India (Baroda)	58,135		58,685	
(XII) UTI Bank (Baroda)	449,240		166,973	
(XIII) UTI Bank (Mumbai)	862,482		5,999,088	
(XIV) Bank of Baroda (Mumbai)	198,818		99,509	
(XV) HDFC Bank (Hyd)	16,940		76,830	
(XVI) UTI Bank (Brd-Self)	176,561		326,425	
(XVII) In Deposit Account with Bank of Baorda	-		27,157,600	
(XVIII) In Deposit Account with Bank	59,895,597		27,278,182	
(XIX) HDFC Escrow Account	128,632		12,117,620	
		<u>72,071,130</u>		<u>86,042,654</u>
SCHEDULE "K" LOAN AND ADVANCES				
(Unsecured considered goods)				
Advances recoveratble in cash or in kind or value to be received				
	71,535,500		36,384,649	
Trade Deposits	2,646,062		2,178,942	
Balance with Excise Authorities	2,711,935		8,421,052	
Advance Tax Paid	2,145,941		3,378,623	
Tax Deducted At Source	5,906,913		3,114,716	
Fringe Benefit Tax	278,719		403,719	
Advance Tax Paid -FY.2010-2011	17,139,000		2,196,704	
Tax Deducted At Source-FY:2010-2011	3,197,025		3,721,120	
Fringe Benefit Tax- FY.2010-2011	-		40,000	
Cenvat receivable-Service Tax	210,538		117,496	
		<u>105,771,633</u>		<u>59,957,021</u>

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "L"				
CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
For Goods	24,030,899		17,135,089	
For Expenses	2,266,639		2,086,114	
For Others	27,645,665		24,348,892	
	<u>53,943,203</u>		<u>43,570,095</u>	
Unpaid dividend	-		246,236	
		<u>53,943,203</u>		<u>43,816,332</u>
PROVISIONS				
Provision for Taxation	14,595,089		16,796,683	
Provision for Taxation (FY:2010-2011)	17,800,000		1,615,000	
Provision for Others	-		-	
		<u>32,395,089</u>		<u>18,411,683</u>
		<u>86,338,292</u>		<u>62,228,015</u>
SCHEDULE "M" OTHER INCOME				
Interest on Deposits/Loans	465,000		394,094	
Interest on Deposits	4,523,435		5,040,162	
Interest on I.T.Refund	-		-	
Profit on Sale of Vehicle	88,751		-	
Miscellaneous Income	1,006,439		853,598	
Rent received	-		-	
Dividend recd from Mutual Fund	477,844		1,244,640	
Profit on Sale of Investments	-		4,579,843	
Rent received	-		-	
Profit on redemption of Mutual Funds	-		126,582	
Income from Services	-		-	
Reversal of Provision no longer required	21,115		-	
Doubtful Debts written back recovered	-		-	
Debit/Credit Balances Writtenoff	-		109,732	
Doubtfull Debts Written back recovered	-		-	
Excess Provision of Diminution in Value of Investments Written Bank	-		-	
		<u>6,582,584</u>		<u>12,348,651</u>
SCHEDULE "N" INCREASE/(DECREASE) IN STOCK OF FIN.GOODS,W.I.P AND TRADING SHARES				
Closing Stock	82,883,525		13,432,104	
Less: Opening Stock	<u>13,432,104</u>		<u>17,512,104</u>	
		<u>69,451,421</u>		<u>(4,080,000)</u>
SCHEDULE "O" COST OF MATERIALS CONSUMED				
Opening Stock	14,016,086		8,898,545	
Add: Purchases	403,656,085		300,853,531	
	<u>417,672,171</u>		<u>309,752,076</u>	
Less: Closing Stock	14,772,564		14,016,086	
		<u>402,899,607</u>		<u>295,735,990</u>

SCHEDULES TO THE ACCOUNTS

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "P" STAFF COST				
Salaries and Wages	23,629,254		23,255,966	
Contribution to Provident and Other Funds	2,045,273		1,479,348	
Staff Welfare Expenses	3,467,473		2,467,469	
		<u>29,142,000</u>		<u>27,202,783</u>
SCHEDULE "Q" MANUFACTURING AND OTHER EXPENSES				
Tores and Spares	2,725,427		1,953,276	
Bank Charges	21,686			
Power, Fuel and Water	63,551,963		66,679,434	
Repairs & Maintenance	5,666,998		6,294,937	
Rates and Taxes	384,109		840,497	
Excise Duty	120,860		769,388	
Water Charges	1,623,058		1,854,105	
Insurance	924,357		996,848	
AUDITORS REMUNERATION				
Audit Fees	123,236		129,785	
Other Fees	35,000		38,605	
Out of Pocket Expenses	-		-	
Taxation Services	3,309		6,618	
Managerial Remuneration & Perks	11,543,012		11,281,909	
Directors Sitting Fees	124,000		117,000	
Travelling Expenses	1,794,424		1,229,584	
Donations	1,046,800		12,550	
Pollution Control Expenses	191,255		502,482	
Transportation Freight and Octroi	702,406		639,871	
Research and Development	3,041,534		505,976	
Retainers Fees	3,448,107		2,573,748	
General Expenses	17,786,212		16,344,942	
Speciman Charges	16,100		17,600	
Loss on Sale of Car	-		150,321	
Machinery Hire Charges	-		45,090	
Vehicle Expenses	1,796,708		1,421,704	
Packing Material	-		-	
Managerial Service Fees	-		-	
		<u>116,670,561</u>		<u>114,406,270</u>
SCHEDULE "R" INTEREST				
Interest to Banks	419,174		663,797	
Interest on Security Deposit & Other Interest	8,652,384		3,401,657	
Processing Fees & Bank Charges	414,486		201,470	
		<u>9,486,044</u>		<u>4,266,924</u>

Schedules to the Consolidated Accounts

SCHEDULE "S" NOTES TO THE ACCOUNT

1. 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:

2. 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.

3. 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) Contingent Liabilities not provided in respect of :

Liability of a contingent nature in respect of Sales Tax demand of Rs.44.19 lacs. The Company has obtained a Stay from Gujarat High Court. All other known liabilities are provided for in accounts.
- 3) 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.
- 4) Managerial Remuneration under Section 198 of the Companies Act, 1956 payable to Managing Director, Executive Directors and Non-working Directors, please refer to Note no.4&5 of schedule "Q" of the Company.
- 5) The investment in the Equity Shares of Southern Agrosynthese Limited amounting to Rs.21,14,549/- is valued at Rs.1/- (Previous year Rs.1/-) as the net worth of the said Company is negative.
- 6) 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.

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 15% to Gujarat Petrosynthese Limited and 85% to Gujarat Polybutenes Pvt.Ltd. An amount of Rs.96.00 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.

- 7) Loans and Advances includes due from officers of the Company Rs.9,59,000/- (P.Y.Rs Nil/-).
- 8) 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, 2011. 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.
- 9) Amount remitted in Foreign Currencies towards dividend (Net of Tax).

	31st March 2011	31st March 2010
Number of Non-resident Equity Shareholders	859	915
Number of Equity Shares	965,765	1,031,481
Amount Remitted	NIL	NIL

- 10) Prior Period Items: A net debit amount of Rs.8,046 /- (Previous year Rs. 19,719/)
- 11) Segment Reporting:

A. Primary Segment Information

Business Segment	Polybutene	Alloys & Blends	Total
Segment Revenue			
Sales	440,426,256	101,174,804	541,601,060
Less: Inter Segment sales			
Net Sales	440,426,256	101,174,804	541,601,060
Segment Results			
Profit/(Loss) before Interest & Tax	61,877,179	7,917,484	69,794,663
Less: Interest	15,700,606	695	15,701,301
Profit/(Loss) before Tax	46,176,573	7,916,789	54,093,362
Provision for Taxation			
Current year	15,502,290	2,319,644	17,821,934
Deferred Tax	(115,936)	(12170)	(128,106)
Profit/(Loss) after Tax	30,558,347	5,584,975	36,143,322
Other Information			
Segment Assets	240,060,127	190,706,548	430,766,675
Segment Liabilities	240,060,127	190,706,548	430,766,675
Capital Expenditure	17,389,154	2,406,203	19,795,357
Depreciation	1,895,652	3,447,839	5,343,491
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.

12 Earning Per Share:	2010-2011	(Rs. In Lacs)
		2009-2010
a) Net Profit available for equity Shareholders (Numerator used for calculation)	361.43	87.89
b) Weighted Average No. of equity shares Used as denominator for calculating EPS(Including shares to be issued to erstwhile KPL shareholders)	51,69,166	60,18,801
c) Basic and Diluted Earning per share (Rs) (Equity Share of face value of Rs.10 each)	6.99	1.46

13. Transaction with Related Parties:

The related party disclosure, please refer to note no.13 in Schedule "Q" of the Company and note no.10 of Schedule "S" of subsidiary company.

14. 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.

15. Deferred Tax Liability:

The Net deferred tax liability is on 31st March 11 is Rs.51.09 lacs

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

17) Previous year's figures have been re-grouped and re-arranged wherever necessary.

Signature to Schedule "A" to "S"

As per our report of even date
For **SARJBA & CO**
CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

Sd/-
(A. JAGANNATH BABU)
Partner

Sd/-
Dr. R. M. THAKKAR
CHAIRMAN &
MANAGING DIRECTOR

Sd/-
URMI .N. PRASAD
EXECUTIVE DIRECTOR

PLACE : BANGALORE
DATE : AUGUST 1, 2011

PLACE : MUMBAI
DATE : AUGUST 1, 2011

PLACE : MUMBAI
DATE : AUGUST 1, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

S.NO.	PARTICULARS	2010-2011	2009-2010
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	118.60	137.21
	Adjustments for :		
	Prior period	(0.01)	(6.13)
	Prov. for diminution in value of investments	-	-
	Depreciation	51.19	53.44
	Income Tax and FBT	(31.35)	(45.64)
	Bad Debts written off		
	Preliminary expenses written off	0.86	0.86
	(Profit)/Loss on sale of fixed Assets	-	-
	(Profit)/Loss on Redemption of Investments	(47.06)	-
	Interest Received	(66.79)	(69.61)
	Bad Debts recovered		
	Interest Paid	42.67	46.05
	Operating profits before working capital changes	68.10	116.18
	Adjustments for:		
	Decrease/(Increase) in Inventories	(3.46)	(7.86)
	Decrease/(Increase) in Trade & other receivables	(210.14)	(134.99)
	Decrease/(Increase) in Loans & Advances	(22.49)	(152.85)
	Increase/(Decrease) in Payables	(47.10)	144.23
	Cash Generated From Operations	(215.09)	(35.28)
	Interest paid	42.67	46.05
	Net Cash inflow/(outflow) from operating activities	(257.76)	(81.33)
B.	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Purchase of Fixed Assets	(56.78)	(12.18)
	Sale of Fixed Assets (net)	5.78	2.06
	(Purchase)/Sale of investments	411.88	217.38
	Profit/(Loss) on sale of investments	47.06	-
	Interest Received	66.79	69.61
	Decrease/(Increase) in loans to Bodies Corporates & Others		
	Miscellaneous Receivables		
	Miscellaneous Payables		
	Bad Debts recovered		
	Net Cash inflow / (outflow) from Investing Activities	474.73	276.87
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowings	(254.89)	106.48
	Repayment of Borrowings	-	-
	Public Issue expenses		
	Dividends Paid		
	Net Cash Inflow/(outflow) in cash from Financing Activities	(254.89)	106.48
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(37.92)	302.03
	Cash and cash equivalents at beginning of year	898.35	596.32
	Cash and cash equivalents at end of year	860.42	898.35

As per our report of even date
For **SARJBA & CO**
CHARTERED ACCOUNTANTS
Sd/-
(A. JAGANNATH BABU)
Partner

For and on behalf of Board of Directors
Sd/-
Dr. R. M. THAKKAR
CHAIRMAN &
MANAGING DIRECTOR

Sd/-
URMI .N. PRASAD
EXECUTIVE DIRECTOR

PLACE : BANGALORE
DATE : 1st August, 2011

PLACE : MUMBAI
DATE : 1st August, 2011

PLACE : MUMBAI
DATE : 1st August, 2011



GUJARAT PETROSYNTHESE LIMITED

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

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Members Registered Folio No. _____

No. of Shares held. _____

Name of the attending Member _____

Name of Proxy _____

(To be filled in, if the Proxy attends instead of the Member)

I hereby record my presence at the 34th Annual General Meeting of the Company held at Registered office of the Company at No. 24, IInd Main, Phase I, Doddanekkundi Industrial Area, Mahadevapura Post, Bangalore - 560 048. on Friday the 30th September, 2011 at 3.00 PM.

(Member's / Proxy's Signature)

To be signed at the time of handing over this slip)

Note : Since it will not be possible to distribute copies of the Annual Report at the Meeting Hall, the members are requested to bring their copy of the annual report to the meeting.



GUJARAT PETROSYNTHESE LIMITED

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

PROXY FORM

No. of Shares : _____

Regd. Folio No. : _____

I/We _____ of _____

being a member / members of the above named company hereby appoint _____

_____ of _____ of failing him/her _____

of _____

As my / our proxy to attend and vote for me/us and my/our behalf of at the 34th Annual General Meeting of the Company at No. 24, IInd Main, Phase I, Doddanekkundi Industrial Area, Mahadevapura Post, Bangalore - 560 048. on Friday the 30th September 2011 at 3.00 PM and at any adjournment thereof.

Signed this _____ of _____ 2011.

Affix a Rs.
One
Revenue
Stamp

Signature



Note : This Instrument of Proxy should be deposited at the Registered office of the Company not less than 48 (forty-eight) hours before the time of holding the meeting.



GUJARAT PETROSYNTHESE LIMITED

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