



16th
ANNUAL
REPORT
2015-16

CREATING INGREDIENTS
FOR A GOOD LIFE



Corporate Information

BOARD OF DIRECTORS

Dr. C. K. Jain
Chairman & Managing Director

Ms. Arushi Jain
Whole Time Director

Ms. Aditi Pasari
Whole Time Director

Mr. Ashwani Kumar Vats
Executive Director & CEO

Mr. Suresh Kumar Tewari
Whole Time Director

Mr. Ajay Jain
Director

Mr. A. K. Maheshwari
Director

Mr. J. J. Bhagat
Director

Mr. Rakesh Kumar Gupta
Director

Mr. K. C. Gupta
Director

AUDIT COMMITTEE

Mr. Ajay Jain
Chairman

Mr. A. K. Maheshwari
Member

Dr. C. K. Jain
Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. A. K. Maheshwari
Chairman

Mr. Ajay Jain
Member

Ms. Aditi Pasari
Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Ajay Jain
Chairman

Mr. A. K. Maheshwari
Member

Mr. Rakesh Kumar Gupta
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Ajay Jain
Chairman

Ms. Arushi Jain
Member

Ms. Aditi Pasari
Member

CHIEF FINANCIAL OFFICER

Mr. Rajesh Agrawal

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Nisha Gupta

BANKERS

Bank of Baroda
City Bank

REGISTRAR &
SHARE TRANSFER AGENT
M/s Alankit Assignments Limited
1E/13, Alankit Heights,
Jhandewalan Extension,
New Delhi - 110055
Ph No: 011-42541234/ 955
Fax No: 011-42541201
E-mail: rta@alankit.com

AUDITORS

M/s Shahid & Associates,
Muzaffarnagar

COST AUDITORS

M/s Rahul Jain & Associates,
Cost Accountants, Delhi

SECRETARIAL AUDITORS

Mr. Sanjay Chugh,
Practicing Company Secretaries,
Delhi

REGISTERED OFFICE

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

CORPORATE OFFICE

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

PLANT LOCATIONS

Plot No. 762, Jhagadia Industrial
Estate, Bharuch, Gujarat-393110

9th K. M., Jansath Road,
Muzaffarnagar, U.P. - 251001

Plot No. 769/2, G.I.D.C.
Industrial Estate, Distt. Bharuch,
Gujarat - 393110

Village Rampur Majri, Dhaula
Kuan, Distt. Sirmour, Himachal
Pradesh -173001

E - 21 & 22, RIICO Growth
Centre Phase-II, Abu Road,
Disst. Sirohi, Rajasthan- 307026

Plot No.-10, 11 & Part of 9,
Borgaon Industrial Growth
Centre, Tehsil - Sausar, Dist.
Chhindwara, Madhya Pradesh

On-site Plant of PCC at DSG
Papers Pvt. Ltd., Patiala, Punjab

On-site Plant of PCC at ITC Ltd.,
Hooghly, West Bengal

On-site Plant of PCC at Orient
Paper Mills, Amlai, Madhya
Pradesh

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**NOTICE**

Notice is hereby given that the 16th Annual General Meeting of the members of GULSHAN POLYOLS LIMITED will be held on Saturday, 17th September, 2016 at 12: 15 p.m. at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh 251002 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To confirm the payment of dividend on Preference Shares for the financial year 2015-16.
3. To confirm the payment of Interim dividend during the financial year 2015-16 and to declare a Final dividend on Equity Shares for the financial year ended 31st March, 2016.
4. To appoint a director in place of Mr. Suresh Kumar Tewari (holding DIN no. 00062373), who retires by rotation, and being eligible, offers himself for re-appointment.
5. To ratify the appointment of M/s Shahid & Associates, (Firm Registration No. with ICAI - 002140C), statutory auditors of the Company.

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and pursuant to Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, the appointment of M/s Shahid & Associates, Chartered Accountants (Firm Registration No. with ICAI - 002140C), as Statutory Auditors of the Company be and are hereby ratified from the conclusion of 16th Annual General Meeting (AGM) till the conclusion of 17th AGM of the Company to be held in the year 2017, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

6. Re-appointment of Ms. Arushi Jain as a Whole Time Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment there to or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956), the consent of members of the Company be and is hereby accorded to the re-appointment of Ms. Arushi Jain (DIN 00764520) as Whole Time Director of the Company for a period of five years effective from 1st January, 2016 to 31st December, 2020 on the terms and conditions of re-appointment and she be paid following remuneration by way of salary, commission, perquisites and allowances as approved by the Nomination and Remuneration Committee:

1. Basic Salary per month:
` 1,50,000/- per month in the scale of ` 1,50,000/- to ` 4,00,000/-, with an annual increment as may be decided by the Board on recommendation of Nomination and Remuneration Committee, effective 1st April each year.
2. Commission on profits, in addition to the salary, perquisites payable, as may be recommended by said Committee to the Board of Directors for each financial year calculated with reference to net profits of the Company, subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Companies Act, 2013 payable at such intervals, as may be decided by the Board of Directors.
3. Perquisites :
 - (i) Company's contribution towards Provident Fund, Gratuity and Encashment of accumulated Leaves as per rules of the company. The Gratuity shall not exceed an amount equal to half month's salary for each completed year of service. However, all these shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
 - (ii) Company's Car for use on Company's business with chauffeur and telephone at residence and Mobile phone will be provide but shall not be considered as perquisites. Personal long distances calls and use of car (if any) for private purpose, shall be billed by the company.
 - (iii) Reimbursement of actual medical expenses incurred in India and abroad for self and family. The total cost of travel to and fro and also for the stay in the foreign country of the patient, an attendant and medical supervision, if required, shall be borne by the Company.
 - (iv) Club Memberships: Subscription or reimbursement of membership fees for two clubs in India and/or abroad, including admission and life membership fees.



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

RESOLVED FURTHER THAT necessary forms be filed to Registrar of Companies within stipulated period and Dr. Chandra Kumar Jain, Managing Director, Ms. Aditi Pasari, Whole Time Director and Ms. Nisha Gupta, Company Secretary be and are hereby severally authorized to take all necessary steps in the matter."

7. Re-appointment of Ms. Aditi Pasari as Whole Time Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment there to or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956), the consent of members of the Company be and is hereby accorded to the re-appointment of Ms. Aditi Pasari (DIN 00120753) as Whole Time Director of the Company for a period of five years effective from 1st January, 2016 to 31st December, 2020 on the terms and conditions of re-appointment and she be paid following remuneration by way of salary, commission, perquisites and allowances as approved by the Nomination and Remuneration Committee:

1. Basic Salary per month:

₹ 1,50,000/- per month in the scale of ₹ 1,50,000/- to ₹ 4,00,000/- with an annual increment as may be decided by the Board on recommendation of Nomination and Remuneration Committee, effective 1st April each year.

2. Commission on profits, in addition to the salary, perquisites payable, as may be recommended by said Committee to the Board of Directors for each financial year calculated with reference to net profits of the Company, subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Companies Act, 2013 payable at such intervals, as may be decided by the Board of Directors.

3. Perquisites :

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

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

(iii) Reimbursement of actual medical expenses incurred in India and abroad for self and family. The total cost of travel to and fro and also for the stay in the foreign country of the patient, an attendant and medical supervision, if required, shall be borne by the Company.

(iv) Club Memberships: Subscription or reimbursement of membership fees for two clubs in India and/or abroad, including admission and life membership fees.

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

RESOLVED FURTHER THAT necessary forms be filed to Registrar of Companies within stipulated period and Dr. Chandra Kumar Jain, Managing Director, Ms. Aditi Pasari, Whole Time Director and Ms. Nisha Gupta, Company Secretary be and are hereby severally authorized to take all necessary steps in the matter."

8. Appointment of Mr. Kailash Chandra Gupta (DIN: 01649210) as a Director of the Company

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

Resolved that, pursuant to Section 149,152 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Schedule IV to the Companies Act, 2013, Mr. Kailash Chandra Gupta (DIN 01649210), who was appointed as an Additional Director of the Company, with effect from 28th May, 2016, pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the



Company and who holds office up to the date of this Annual General Meeting, and being eligible, offer himself for appointment and in respect of whom the Company has received a notice in writing from a member, pursuant to the provisions of Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Kailash Chandra Gupta as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of two consecutive years, not liable to retire by rotation.

9. Approval of Remuneration of Cost Auditor of the Company

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

“RESOLVED THAT pursuant to Section 148 and any other applicable provisions of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the Company be and is hereby accorded for the payment of remuneration of ₹ 80,000/- (Rupees Eighty Thousand only) to Company's Cost Auditor, M/s. Rahul Jain & Associates, Cost Accountants, for auditing the cost records maintained by the Company for the financial year 2016-17.”

10. Authorization for Related Party Transactions of the Company

To consider, and if thought fit, to pass, with or without modification, the following resolution as a Ordinary Resolution:

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable provisions of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other provisions of applicable law, the consent of the members be and is hereby accorded, approving and ratifying the transactions between the Company and Ms. Arushi Jain and Ms. Aditi Pasari, Whole Time Directors of the Company (related parties as defined under section 2(76) of the Companies Act, 2013) for entering into contracts and/or agreements with respect to their re-appointment to the office or place of profit in the company.

“RESOLVED FURTHER although all the related party transactions are generally based on ordinary course of business and at the arms' length basis, the aforesaid consent is being sought as an abundant caution and thus the Board of Directors of the Company and/or Audit Committee is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above, if any, and to settle all matters arising out of and incidental thereto and to do all acts, deeds, things as may be necessary proper or expedient to give effect to these resolutions.”

By the order of the Board of Directors

Place: Delhi
Date: 28th May, 2016

Nisha Gupta
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy shall not have right to speak at AGM and shall not be entitled to vote except on poll.
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Provided that a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Shareholder.
4. Proxies in order to be effective must be received at the Company's Corporate Office at G- 81, Preet Vihar, Delhi- 110092 not less than 48 hours before the time fixed for the meeting or Adjourned meeting at which the person named in the instrument proposes to vote. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution / authority as applicable, issued on behalf of the appointing organization. A form of Proxy and Admission Slip is enclosed. Shareholders are requested to bring their copy of the Annual Report to the Meeting.
5. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy



verification of attendance at the Meeting.

6. The Register of Members and Share transfer books of the Company will remain closed from Saturday, 18th June, 2016 to Tuesday, 21st June, 2016 (both days inclusive) in terms of Section 91 of the Companies Act, 2013.
7. Dividend on the Shares, if declared, will be paid at par after 17th September, 2016 to those Members/Beneficial owners whose names appear on the Company's Register of Members/Register of Beneficiaries as at the end of business hours on 17th June, 2016.
8. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special business at item no. 6 to 10 is enclosed.
9. Members who have neither received nor encashed their dividend warrant(s) for the financial years 2008-09 to 2014-15 including Interim Dividend 2015-16, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
10. In terms of the provisions of Section 124 of the Companies Act, 2013 the amount of dividend not encashed or claimed within 7(seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2008-09 is due for transfer to the said Fund. In terms of provisions of Section 124 of the Companies Act, 2013, no claim shall lie against the Company or the said Fund after the said transfer.
11. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
12. Voting through electronic means for 16th Annual General meeting
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 16th AGM by Electronic means and business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).
 - II. The voting period begins at 9:00 A.M. on 14th September, 2016 and ends at 5:00 P.M. on 16th September, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 10th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - III. The process and manner for remote e-voting is as under:
 - i) The shareholders should Log on to the e-voting website www.evotingindia.com.
 - ii) Click on "Shareholders" tab to cast your votes.
 - iii) Now, select the Electronic Voting Sequence Number (EVSN) appearing along with the name of the Company i.e. GULSHAN POLYOLS LIMITED from the drop down menu and click on "SUBMIT"
 - iv) Now enter your User ID.

	For Members holding shares in Demat form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company

- v) Next enter the image verification as displayed and click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- vii) If you are first time user, follow the steps given below:



For members holding shares in Demat form and Physical form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. Sequence number is printed on Attendance Slip ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details	<p>Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> ● Please enter any one of the details in order to login. In case either of the details are not recorded with the depository or Company, please enter the member id / folio number (User ID) in the Dividend Bank details field

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the relevant EVSN for Gulshan Polyols Limited.
- xii) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Shareholders can also cast their vote using CDSL's mobile app m- voting available for android based mobiles. The m- Voting app can be download from Google Play Store.
- xix) Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx) Note for Non-Individual Shareholders & Custodians:
- xxi) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.



- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cDSLindia.com.
 - xxiii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - xxiv) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - xxv) The Company has appointed Ms. Megha Aggarwal, Practicing Company Secretary, who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit her report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour of or against, if any, to the Chairman of the Company. Results will be uploaded on the Company's website as well as intimated to the Stock Exchanges (BSE & NSE).
13. Members can also download the notice of AGM from the website of the Company i.e. www.gulshaindia.com.
 14. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), change of address, change of name, e-mail address, contact numbers, nominations etc., to their Depository Participant (DP). Members holding shares in physical form are requested to intimate such changes to RTA.
 15. Members holding shares in physical form or in multiple folios, in identical names are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
 16. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA /Depositories.
 17. Details of directors seeking re-appointment at Item Nos. 6-8 as required under Regulation 36 (3) of the Listing Regulations is given in the Explanatory Statement.
 18. Copies of all documents referred to in the Notice are available for inspection at the Registered Office of the Company during normal business hours (11.00 a.m. to 5.00 p.m.) on all working days till the date of the AGM.

Explanatory Statement Pursuant to section 102 of the Companies Act, 2013 and Pursuant to Regulation 36 (3) of the Listing Regulations

Item No. 6 & 7

The shareholders at the 13th Annual General Meeting held on 17th July, 2013 had approved the appointment of Ms. Arushi Jain and Ms. Aditi Pasari as Whole Time Directors of the Company for a period of 3 years effective from 1st January, 2013 and approved the remuneration of ₹ 80,000 p.m. for a period of 3 years. The members at the same meeting revised in terms of remuneration payable to them in the scale of ₹ 80,000 to ₹ 2,00,000 of basic salary and add commission in addition to the salary, perquisites and allowances.

Now, the tenure of Ms. Arushi Jain and Ms. Aditi Pasari, Whole Time Directors of the Company, has expired on 31st December, 2015. Considering the substantial growth achieved by the Company and the ambitious growth plan for immediate future, the responsibilities borne by the full time director and the industry standards, the Board of Directors of your Company in the Board Meeting held on 1st February, 2016 has reviewed their performance and unanimously decided to re-appoint them for a term of 5 years with effect from 1st January, 2016 to 31st December, 2020 (both days inclusive) on recommendation of Nomination and Remuneration Committee, on the terms and conditions including remuneration as set out in the above respective resolutions. The Whole Time Director shall also be a Key Managerial Personnel under Section 203 of the Companies Act, 2013 and both shall be liable to retire by rotation.

Ms. Arushi Jain, aged 39 years, is being re-appointed as Whole Time Director of the Company. She is MS in Marketing from City University of New York, USA and she has been associated with GPL since 1996. She holds directorship also in Gulshan Sugars and Chemicals Ltd., Houzilla Interiors Pvt. Ltd, Gulshan Holdings Pvt. Ltd and partner in OyeOye.Com Online Services India LLP. She does not hold any Committee position in other companies.

Ms. Aditi Pasari, aged 37 years, is being re-appointed as Whole Time Director of the Company. She is MBA from Cardiff University, UK. She has the experience of having conceived and set-up a packaging unit in Haridwar, under the umbrella of GPL. She has been associated with GPL since 2009. She holds directorship also in Gulshan Sugars and Chemicals Ltd., Gulshan Lamee Pack Private Limited, Reliance Expovision Private Limited, East Delhi Importers & Exporters Private Limited, and Arp Developers Private Limited. She does not hold any Committee position in other companies.



Except Ms. Arushi Jain and Ms. Aditi Pasari, being appointees and Dr. C. K. Jain being father of Ms. Arushi Jain and Ms. Aditi Pasari in the capacity of Managing director of the Company, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the resolution set out at item no. 6 & 7.

ITEM NO. 8

The Board, at its meeting held on 28th May, 2016, appointed Mr. Kailash Chandra Gupta as an Additional Director of the Company with effect from 28th May, 2016, pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, he will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from member(s) along with deposit of prescribed amount proposing the candidature of Mr. Kailash Chandra Gupta for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Mr. Kailash Chandra Gupta, aged 70 years, is Fellow Chartered Accountant with specialization in Project Financing and Funds Arrangements. He is a member and Vice President of Institute of Internal Auditors (USA), member of Society of Indian Value Management (SIVAM), Bangalore, Member of the Management Association and visiting professor at well known Institute of Management Technology, Ghaziabad.

He joined PICUP Limited in 1983 and worked as Regional Manager and Sr. Finance Manager in Delhi and Lucknow. He served his services to Housing and Urban Development Corporation Limited (HUDCO), IHC, New Delhi and looked after appraisals of projects and empowered for entire disbursement of loans. Later, He joined Oil and Natural Gas Corporation Ltd. (ONGC) and has held roles of increasing responsibility in the organization across strategy, finance management, resource mobilization, investment planning, disinvestment, project finance, MIS and budgeting.

He is also director in Hindustan Adhesives Limited, Avani Innotech Private Limited. He is member of Audit Committee and Nomination and Remuneration Committee in Hindustan Adhesives Limited.

The Company has received declaration from him to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Mr. Kailash Chandra Gupta as an Independent Director of the Company for a period of 2 years from the date of his appointment pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not liable to retire by rotation.

No director, key managerial personnel or their relatives, except Mr. Kailash Chandra Gupta to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 8 for the approval of the members.

Item No. 9

The Board of Directors at its meeting held on 28th May, 2016 appointed M/s. Rahul Jain & Associates, Cost Accountants (Firm Registration No. 101515), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2017, at a remuneration amounting to ` 80,000/- (Rupees Eighty Thousand only) excluding out of pocket expenses, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

Therefore, the Board of Directors recommends the proposed resolution for your approval.

None of the Directors, KMP or their relatives are concerned or interested in the resolution as set out at Item No. 9.

Item No. 10

The provisions of Section 188(1) of the Companies Act, 2013 read with applicable rules and Regulation 23 of the SEBI [Listing Obligations and Disclosure Requirements (LODR)] Regulations 2015 that govern the related party transactions/material related party transactions require a company to obtain prior approval of the Audit Committee/Board of Directors and in case the transactions exceeds specified limits, the prior approval of shareholders by way of ordinary resolution.

All transactions with related party (ies) were in the ordinary course of business and at arm's length basis. The Company has not entered into any transaction of a material nature with the related party (ies) which is in conflict with the interest of the Company. Since the proposed related party contracts or arrangements or transactions which fall under the ambit of related party as per Section 2(76) of the Companies Act, 2013.

The Company has already entered into contract / agreement / transaction with Ms. Arushi Jain and Ms. Aditi Pasari, Whole Time Directors (related parties) in respect of such transactions falling under Section 188(1)(f) of the Companies Act, 2013 for a prescribed period given under an agreement with them respectively, and therefore require your approval/ratification.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014:



Sr. No.	Particulars	Details												
1.	Name of Related Party(ies)	Ms. Arushi Jain, Whole Time Director Ms. Aditi Pasari, Whole Time Director												
2.	Name of Director or Key Managerial Personnel who is related, if any and nature of relation.	Both the above related parties are sisters. Further, the following are directors or key managerial personnel in the Company who are related to Ms. Arushi Jain and Ms. Aditi Pasari:												
		<table border="1"> <thead> <tr> <th>Name</th> <th>Position in the company</th> <th>Relationship</th> </tr> </thead> <tbody> <tr> <td>Dr. C. K. Jain</td> <td>Managing Director</td> <td>Father</td> </tr> <tr> <td>Ms. Aditi Pasari</td> <td>Whole-Time Director</td> <td>Sister of Arushi Jain</td> </tr> <tr> <td>Ms. Arushi Jain</td> <td>Whole-Time Director</td> <td>Sister of Aditi Pasari</td> </tr> </tbody> </table>	Name	Position in the company	Relationship	Dr. C. K. Jain	Managing Director	Father	Ms. Aditi Pasari	Whole-Time Director	Sister of Arushi Jain	Ms. Arushi Jain	Whole-Time Director	Sister of Aditi Pasari
Name	Position in the company	Relationship												
Dr. C. K. Jain	Managing Director	Father												
Ms. Aditi Pasari	Whole-Time Director	Sister of Arushi Jain												
Ms. Arushi Jain	Whole-Time Director	Sister of Aditi Pasari												
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Related parties' appointment to the office or place of profit in the capacity of Whole Time Director of the Company on the remuneration as set out in their resolution above in the Notice.												
5	Other terms and conditions	All related party contracts/arrangements/transactions are generally carried out on arms-length basis in the ordinary course of business.												

In the above context, the necessary Ordinary Resolution is proposed for the approval of the members to comply with the requirement of section 188 of the Companies Act, 2013. The transactions have been approved by the Audit Committee in their meeting held on 28th May, 2016 and also by the Board of Directors subject to the approval of shareholders by passing an Ordinary Resolution.

Further, in terms of Section 188 of the Companies Act, 2013, the Dr. C. K. Jain, Ms. Arushi Jain, Ms. Aditi Pasari, being interested, will not vote on these resolutions as shareholders of the Company.

Except the Dr. C. K. Jain, Ms. Arushi Jain, Ms. Aditi Pasari, none of the Directors or Key managerial persons of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the resolution.

The Board of Directors recommends the passing of this Resolution by way of ordinary resolution.

**DIRECTORS' REPORT**

Dear shareholders,

Your Directors have pleasure in presenting their 16th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2016

1. A. THE STATE OF COMPANIES AFFAIRS

(` in Lakhs)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Gross Turnover	46692.68	42649.54
Less : Excise Duty	3274.50	2817.51
Net Turnover	43418.18	39832.03
Add: Other Operating Income	697.12	384.38
: Other Income	462.83	297.65
Total Revenue	44578.13	40514.06
Expenditure	38038.19	34813.77
Earnings before Interest, Tax , and Depreciation & Amortization (EBITDA)	6539.94	5700.29
Finance Cost (Interest)	385.05	264.45
Depreciation	2373.44	2254.37
Profit Before Tax (PBT)	3781.45	3181.47
Less: Tax expenses - Current Tax	804.90	663.38
Add - MAT Credit entitlement	(25.38)	52.43
- Deferred Tax	(47.47)	(81.99)
Net Profit after Tax (PAT)	3049.41	2547.65
Transfer to General reserves Account	300.00	300.00
Dividend & Dividend Tax - Interim Dividend	186.54	186.54
- Final dividend	197.64	186.54
Cash Accruals	5422.85	4802.02
Equity Share Capital	463.04	444.17
Earnings per Share – Basic (`)	31.86	27.57
- Diluted (`)	31.45	27.57

B. RESULTS OF OPERATIONS

Your Company delivered yet another year of consistent, competitive and profitable growth in revenues and high quality earnings. This performance is particularly commendable when viewed against the backdrop of the extremely challenging business context in which it was achieved. This is also reflected in your company's share price scaling a new 52 week high of ` 490 and continued investors confidence including foreign portfolio investment which has registered fresh investment of ` 6.56 cr. during the year.

Gross Revenue for the year grew by 9.5% to ` 466.93 crores. Net Revenue at ` 434.18 crores grew by 9.00% primarily driven by higher capacity utilization of starch derivatives like LG, DMH and MDP at Muzaffarnagar plant of the Company. Cash flows from operations aggregated to ` 55.40 crores compared to ` 49.79 crores in the previous year, was utilized in the investment activities amounting to ` 115.97 crores and for financing activities ` 36.00 crores and the closing cash & cash equivalents as at 31st March, 2016 was ` 44.72 crores.

During the year the business and affairs of the Company have been carried out in its normal course and no significant events have taken place, which are harmful.

2. TRANSFER TO RESERVES

Your Board recommends to transfer to general reserves of ` 3.00 crores (previous year ` 3.00 crores). Consequently, the surplus in the statement of Profit and Loss as at 31st March, 2016 would stand at ` 149.94 crores (Previous Year ` 127.28 crores).

3. DIVIDEND

During the year, the Board of Directors had declared and paid an interim dividend of 35% on equity shares amounting to ` 1.75 per share. Your Directors are pleased to recommend a final dividend of 35% on equity shares amounting to ` 1.75 per share for the year ended 31st March, 2016, subject to the approval of the members at this Annual General Meeting.



Thus, total dividend for the year amounts to 70% on equity shares i.e. ₹ 3.50 per share.

4. FUNDRAISING

a. Convertible Warrants converted into Equity Shares

During FY 2015-16, In the non promoter category of shareholders, Antara India Evergreen Fund Ltd. (a Foreign Portfolio Investor) invested an amount of ₹ 6.56 cr. which comprised of the balance amount due from them for conversion of 5,00,000 Warrants which were issued in FY 2014-15. The equity shares allotted upon conversion of warrants were listed and permitted to trade in by National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) as per the respective dates mentioned in their trading approval letter.

Consequent to above, as on date of this report, the paid up equity share capital of the Company stands increased from ₹ 4,44,17,020 to ₹ 4,69,17,020 divided into 93,83,404 equity shares of ₹ 5 each fully paid up.

b. External Commercial Borrowings (ECBs) - Term Loans

During the year, your Company repaid ECB loan installments of USD 2.20 million and availed a fresh long term ECB loan from Citi bank amounting of USD 11.60 million to finance the Distillery project to make potable alcohol at Borgaon Industrial Area, Chhindwara.

As at 31st March, 2016, long term borrowings stood at ₹ 107.33 crores as against ₹ 45.87 crores on 31st March, 2015.

5. NEW DEVELOPEMENTS & RECOGNITIONS

Your company has taken up major capex programme in potential areas of growth. As part of this programme, during the FY 2015-16, the company has made additions of ₹ 26.95 crores to its gross fixed assets (previous year ₹ 17.34 crores). In addition to this, the company has capital work in progress of ₹ 97.22 crores (previous year ₹ 6.57 crores). Details of the Capex programmes undertaken by the Company during FY 2015-16:

- Your Company has successfully commissioned an onsite PCC Plant for Orient Paper Mills, a Birla Group Company for their Paper Making plant at Amlai, Madhya Pradesh. This is the 6th Onsite PCC plant set up by the Company in India for supply of specialty PCC suitable for Paper industry.
- Your Company has reached to its optimum capacity utilization of the plant, manufacturing Rice based starch derivative namely Liquid Glucose, DMH, MDP at Muzaffarnagar during the year.
- The Company has taken up expansion plan to enhance production capacity of Rice based starch derivatives to produce HFRS, BRS and Rice protein at Muzaffarnagar (UP).
- The Company has set up a unit to produce Native Starch by using corn as raw material at the location of Muzaffarnagar (UP). Presently trial runs are going on and are expected to start commercial production by the end of 2nd quarter of current financial FY17.
- You will be pleased to know that your Company is the first Indian Company to grind CORN & RICE at the same location at its Muzaffarnagar Plant.
- The Company is setting up a grain based distillery for manufacturing potable alcohol in Borgaon industrial area in Chhindwara (M.P.). The construction and erection of plant is going on and is expected to be operational by the start of Q4 of the current FY17.
- The Bharuch Sorbitol Unit of the Company achieved its highest ever target of corn grinding of 300 TPD in FY 16.

The progress of the Company has been noticed and put on record by various reputed channels viz. ET NOW, CNBC Awaz and Paper-ex magazine etc. from time to time.

ITC has also recognized your Company's efforts put in make in India initiative by awarding the Company for its Onsite Unit at ITC Tribeni, West Bengal.

6. PUBLIC DEPOSITS

Your Company has not accepted or renewed any deposits from the public during the year under review.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note no. 13 to the Financial Statements.

8. DISCLOSURE REGARDING SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

M/s Gulshan Holdings Pvt. Ltd. is an associate company by holding 40.78% equity share capital of the Company. There are no other holding, subsidiary, and joint venture or associate company.

9. CREDIT RATINGS

Your Company has adequate liquidity and a strong Balance Sheet. During the year, Credit Analysis & Research Limited (CARE) has maintained the ratings of CARE A+ [Single A Plus] for your Company's long-term facilities having tenure of more than one year and CARE A1 + [A one plus] for your Company's short-term facilities having a tenure upto one year.

10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31st MARCH, 2016 AND 28th MAY, 2016 (DATE OF THE REPORT)

There were no material changes and commitments affecting the financial position of the Company between the end of



financial year (31st March, 2016) and the date of the Report (28th May, 2016).

11. MATERIAL ORDERS BY GOVERNING AUTHORITIES AND COURTS

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

12. ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH RESPECT TO THE FINANCIAL STATEMENT

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. The Internal Audit Reports were reviewed periodically by Audit Committee as well as by the Board. Further, the Board annually reviews the effectiveness of the Company's internal control system.

13. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure-A to this report.

14. CORPORATE SOCIAL RESPONSIBILITY OF THE COMPANY

During the year, the meeting of CSR Committee was held on 30th May, 2015 for discussing contribution require to made by the company for fulfilling the objectives as per Company's CSR policy. The contributions in this regard have been made by both ways i.e. directly and corpus to the registered trust / Society. The Annual report on CSR activities is annexed herewith as Annexure B.

15. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Change in Directors and KMPs

During the year under review, Mr. K. K. Pandey resigned from the directorship of the Company effective from closing of the Board meeting held on 1st August, 2015.

The agreement for appointment of Ms. Arushi Jain and Ms. Aditi Pasari as Whole Time Director(s) of the Company completed on 31st December, 2015. Being eligible, they both expressed their willingness to be re-appointed as Whole Time Director of the Company respectively. The Board of Directors in their meeting held on 1st February, 2016 re-appointed Ms. Arushi Jain and Ms. Aditi Pasari as Whole Time Directors of the Company with effect from 1st January, 2016 for a term of five years.

The Board of Directors has appointed Mr. Kailash Chandra Gupta as an Independent Director of the Company effective from 28th May, 2016 for a period of two consecutive years. He will not be liable to retire by rotation.

Retirement by rotation

In terms of Section 152 of the Companies Act, 2013, Mr. S. K. Tewari, Executive Director would retire by rotation at the forthcoming AGM. Being eligible, he has offered himself for re-appointment.

Statement on declaration given by Independent Directors

The Board of the Company consist five independent directors and all the Independent Directors have given the declaration that they meet the criteria of independence as provided in section 149 (6) of the Companies Act 2013.

Performance evaluation

The Board carried out the annual evaluation of its own performance, and of each of the directors individually including the independent directors, as well of the working of its Committees. The manner in which the evaluation has been carried out explained in detail in Corporate Governance Report, which forms part of this Annual Report.

Remuneration Policy

Remuneration Policy of the Company aims at recommending and reviewing the remuneration of Managing Director, Non-Executive Directors and Key Managerial Personnel of the Company and is based on evaluation criteria such as industry benchmarks, company's annual performance & its strategy, expertise, talent and meritocracy including criteria for determining qualification, positive attributes, independence of a director etc. The detailed policy is available on website of the Company i.e. www.gulshanindia.com.

Number of Meetings

The Board of Directors duly met 5 times in the financial year 2015-16 on 30th May 2015, 1st August 2015, 31st October, 2015, 1st February 2016 and 30th March, 2016.

16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' state that;

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in



accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. the Directors' have devised proper systems to ensure compliances with the provisions of all applicable laws and that such systems were adequate and operating effectually.

17. RELATED PARTY TRANSACTION

During the financial year 2015-16, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and SEBI (Listing Obligations and Disclosure Requirements), 2015. Further, there were no transactions with related parties which qualify as material transactions under Regulation 23 of SEBI (LODR), 2015.

All transactions with related parties entered by the Company in the normal course of business were periodically reviewed and approved by the Audit Committee. The Form AOC - 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure [C].

18. DEMAT OF SHARES

Necessary arrangements are made for Dematerialization of Shares, with NSDL and CDSL. Out of the total, 95.81% of the equity shares of the company are already in Demat form. Since the shares of the company are traded on stock exchange in compulsory Demat form, the shareholders holding shares in physical form may avail this facility in their own interest.

19. INDUSTRIAL RELATIONS

The industrial relations have been cordial at all the plants of the Company. The Board records its appreciation of the commitment and support of employees at all levels.

20. INSURANCE

All the insurable interests of your company, including inventories, buildings, plant & machinery are insured against risk of fire and other risks.

21. SAFETY AND ENVIRONMENT

All the manufacturing plants of your company are running in an eco-friendly manner and have a focus on workplace health and safety.

22. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

Company has developed and implemented a Risk Management Policy and formed a Risk Management Committee to address and evaluate various risks impacting the Company and a report on risk management is provided in this Annual Report in Management Discussion and Analysis.

23. VIGIL MECHANISM

Pursuant to provisions of Section 177(10) of Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has established a Vigil Mechanism for directors and employees to report the instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The said policy is explained in the Corporate Governance Report and also displayed on Company's website www.gulshanindia.com under investors/policy documents/Vigil Mechanism Policy link.

24. SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaint under this policy during the year 2015- 2016.

25. PARTICULARS OF EMPLOYEES

The particulars of employee(s), as per Section 197 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, employed throughout the year and were in receipt of remuneration in aggregate of not less than ` 60 lacs per annum is given as under:



Name	Designation	Remuneration Received	Nature of Employment	Qualification & Experience	Date of Appointment	Age	Last employment	% of Equity held	Such employee relative of director in the Co.
Dr. C.K. Jain	Managing Director	1.88 Cr	Contractual	Phd. in Science & 48 yrs. Experience	20.10.2000	67 Yrs	No	10.47%	Ms. Arushi Jain Ms. Aditi Pasari

26. AUDIT OBSERVATIONS

Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory.

27. AUDITORS:**i) Statutory Auditors:**

M/s. Shahid & Associates (Firm Registration No.002140-C), Chartered Accountants have been appointed as Statutory Auditors of the Company at the Annual General Meeting held on 20th September, 2014 for a period of three years subject to ratification by members at every consequent Annual General Meeting. Members are requested to consider the ratification of the appointment of M/s. Shahid & Associates and authorize the Board of Directors to fix their remuneration. M/s. Shahid & Associates, Chartered Accountants have submitted a certificate, confirming that their appointment, if ratified, will be in accordance with Section 139 read with Section 141 of the Act.

ii) Internal Auditors:

a. M/s Pankaj K. Goyal & Co., Chartered Accountant performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time. They have been appointed as Internal Auditors for the FY 2016-17 for all the Units of the Company except Bharuch Sorbitol Unit.

b. M/s S. S. KOTHARI MEHTA & Co. appointed as Internal Auditor for audit of Bharuch Sorbitol Unit for the FY 2016-17.

iii) Cost Auditors:

M/s Rahul Jain & Associates, Cost Accountants have been appointed as Cost Auditors for auditing the cost accounts of your Company for the year ending 31st March, 2017 by the Board of Directors. Pursuant to the provisions of Section 148 of the Act read with The Companies (Audit and Auditors) Rules, 2014, Members are requested to consider the ratification of the remuneration payable to M/s Rahul Jain & Associates. The Cost Audit Report for the year 2014-15 has been filed under XBRL mode within the due date of filing.

iv) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and (The Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of your Company at its meeting held on 28th May, 2016 has appointed Mr. Sanjay Chugh, Practicing Company Secretary (CP No.: 3073, FCS: 3754) as the Secretarial Auditor to conduct an audit of the secretarial records, for the financial year 2016-17.

The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith as 'Annexure D'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

28. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as 'Annexure E'.

29. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Corporate Governance and Management Discussion & Analysis Report, which forms an integral part of this Report, are set out as separate Annexure F, together with the Certificate from the Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Regulation 27 of Listing Regulations, 2015.

ACKNOWLEDGEMENT

Your Directors express their appreciation of sincere co-operation and assistance of State & Central Govt. authorities, bankers, customers and suppliers as well as all of the Company's employees & Shareholders of the Company.

For and on behalf of the Board of Directors

Date : 28th May, 2016
Place : Delhi

Sd/-
Dr. Chandra Kumar Jain
Chairman and Managing Director



ANNEXURE A TO DIRECTOR'S REPORT

FORM-A (See Rule-2)

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

Conservation of energy

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

A	Power Consumption and Fuel Consumption:	31.03.2016	31.03.2015
1	Electricity :		
a	Purchased:		
	Units	26220976	24708814
	Total Amount (`)	181021045	168071567
	Average Rate (`)/Unit	6.90	6.80
b	Own Generation:		
i	Through Diesel Generator		
	Units	16294	212288
	Cost (`)	301202	3432152
	Cost (`)/unit	18.49	16.17
ii	Through Steam Turbine/Generator :		
	Units	22797876	20993819
	Cost (`)	50265069	56896645
	Cost (`) /Unit	2.20	2.71
2	Coal /Coke/Pet Coke : (Used in Boiler & Gas Producer)		
	Qty. (MT)	55049.640	64524.361
	Total Cost (`)	321571678	373612216
	Average Rate (`)	5841.49	5790.25
3.	HSD : (Used in Process)		
	Qty. (Ltrs.)	5925	44000
	Total Cost (`)	301202	2754478
	Average Rate (`)	50.84	62.60



B	Consumption Per Unit (MT) of Production		
	Products		
	Production (MT)		
	CALCIUM CARBONATE	102826.120	98928.053
	SORBITOL & SWEETNER	81510.970	65533.765
	Electricity (Units/Ton)		
	CALCIUM CARBONATE	242	236
	SORBITOL & SWEETNER	307	354
	Coal/Coke / Pet Coke (MT/Ton)		
	CALCIUM CARBONATE	0.33	0.35
	(On Directly attributable Production)		
	SORBITOL & SWEETNER	0.52	0.78

FORM-B**TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION**

No technology ties up were entered into. The Company keeps itself updated with latest technological innovations by way of constant communication, personal discussions and visits to foreign countries/ plants.

FORM-C

Foreign Exchange Earnings & Outgo: Despite severe competition from low cost countries, the Company has made efforts on various fronts for promotion of exports.

(Amount in `)

Sr. No.	Particulars	2015-16	2014-15
i	Earnings by way of Export of Goods calculated on FOB basis	61,49,31,866	76,99,70,565
ii	Payment of interest on loan taken	2,30,64,490	137,86,523
iii	Payment of Commission on Export of Goods	1,39,93,339	3,22,44,831
iv	Expenditure on foreign Traveling	28,88,975	35,19,049
v	Expenditure on Technical Service	70,07,440	89,48,343
vi	Expenditure on Legal & Professional fee	11,73,112	Nil

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken

GPL's Corporate Social Responsibility ("CSR") policy is "to remain a responsible corporate entity, mindful of its social responsibilities towards all stakeholders including consumers, shareholders, employees, local community and society at large. We will consistently strive for opportunities to meet the expectation of our stakeholders by pursuing the concept of sustainable development with focus on the following: -

- a. Enhance the quality of life of the people in areas surrounding the plant and offices;
- b. Create a positive impact by making sustainable developments in the society and promote good environmental practices;
- c. Be responsible and responsive corporate citizen through endeavors to create a safe, harmonious and ecologically balanced environment for its members and the community at large;
- d. Maintain commitment to quality, health and safety in every aspect of the business and people.

The CSR policy contains the activities that can be undertaken by the Company, annual allocation for CSR activities, areas of CSR projects, criteria for selection of CSR projects, modalities of execution/implementation of CSR activities and the monitoring mechanism of CSR activities/ projects. The said policy is placed on the website and is available on the following web link www.gulshanindia.co.in.

In line with CSR Policy and in accordance with Schedule VII to the Act, the Company has undertaken the following CSR projects:

- a. Promoting Education
- b. Providing Sanitation Facilities
- c. Promoting healthcare including preventive healthcare
- d. Ensuring Environment Sustainability
- e. Rural Development

The Company has undertaken the above CSR activities directly and also through registered trust or registered society having an established track record of more than 3 years.

2. The Composition of the CSR Committee:

- | | | | |
|----|------------------|---|----------|
| a. | Mr. Ajay Jain | - | Chairman |
| b. | Ms. Arushi Jain | - | Members |
| c. | Ms. Aditi Pasari | - | Members |

3. Average net profit of the company for last three financial years: ` 30.56 Crores

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): ` 61.12 Lacs

5. Details of CSR spend for the financial year 2015 -16:

- a. Total amount spent for the financial year : ` 61.72 Lacs
- b. Amount unspent if any : Nil
- c. Manner in which the amount spent during the financial year is detailed below



Sr. No.	CSR Project or activity identified	Sector in which projects is covered	Locations	Amount Outlay (Budget) Project or Programme-wise (` Lacs)	Amount spent on the project Or Programme (` Lacs)	Cumulative Expenditure Upto Reporting Period (` Lacs)	Amount Spent: Direct or through implementing agency
1.	Installation of 20 Solar Lights in various villages	Rural welfare and Community development	Muzaffar nagar, U.P.	2.72	3.08	3.08	Direct
2.	Running of Eye centre (Netralaya)	Health and family welfare	Muzaffar nagar, U.P.	2.61	2.72	2.72	Direct
3.	Paint work and name plate installation at local school	Promoting education	Dhaura Kuan, H.P.	0.02	0.02	0.02	Direct
4.	SD inter college Shukartal for distribution of sweets	Promoting education	Muzaffar nagar, U.P.	0.06	0.06	0.06	Direct
5.	Repair of School building including canteen, toilets, administration office, school gate, Drinking water facility	Promoting education & Rural development	Bharuch, Gujarat	2.71	2.84	2.84	Direct
6.	Contribution to Corpus of a trust	Promoting education	Delhi	53.00	53.00	53.00	Through Mridula Literacy Society

We hereby confirm that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and policy of the Company

On behalf of the Board of Directors

Dr. C.K. Jain
Managing Director

Ajay Jain
Chairman of CSR Committee

Date: 28th May, 2016
Place: Delhi



Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not on an arm's length basis:

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Nil
2.	Nature of contracts/arrangements/transaction	Nil
3.	Duration of the contracts/arrangements/transaction	Nil
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5.	Justification for entering into such contracts or arrangements or transactions'	Nil
6.	Date of approval by the Board	Nil
7.	Amount paid as advances, if any	Nil
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188 of the companies act, 2013	Nil
9.	Amount paid as advances, if any	Nil

2. Details of material contracts or arrangement or transactions on an arm's length basis:

Sr. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Nil
2	Nature of contracts/arrangements/transaction	Nil
3	Duration of the contracts/arrangements/transaction	Nil
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5	Date of approval by the Board	Nil
6	Amount paid as advances, if any	Nil

For and on behalf of Board of Directors

(Dr. C. K. Jain)
Chairman and Managing Director



FORM No. MR-3
SECRETARIAL AUDIT REPORT
For The Financial Year ended on 31st March, 2016

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

To,
The Members of
GULSHAN POLYOLS LIMITED
9th KM Jansath Road,
Muzaffarnagar,
Uttar Pradesh-25100

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gulshan Polyols Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India Prohibition of Insider Trading) Regulations, 2015 (applicable with effect from May 15, 2015).
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as the Company has not issued any debt securities)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)



vi) OTHER APPLICABLE LAWS

- (a) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and
- (b) Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards.
- (c) The Factories Act, 1948 and Rules made there under.
- (d) Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and regulations.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India. (Applicable w.e.f. 1.7.2015).
- (b) The Listing Agreement entered into by the Company with the Stock Exchange, /SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 01.12.2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes (during the year under review there were no instance recorded in the minutes where any director has dissented to any particular resolution).

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

I report further that during the audit period of the Company:

The Company has issued and allotted 3,77,438 equity shares upon conversion of 3,77,438 convertible warrants (out of 5,00,000 Convertible warrants issued to Antara India Evergreen Fund Ltd.) in multiple tranches, of ₹ 5/- each at a premium of ₹ 170/- each to a non promoter category shareholder. Later on 02.04.2016, the Company has allotted 1,22,562 equity shares upon conversion of 1,22,562 convertible warrants. The equity shares allotted upon conversion of warrants were listed and permitted to trade in by National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE) as per the respective dates mentioned in their trading approval letter.

Consequent to above, as on date of this report, the paid up equity share capital of the Company stands increased from ₹ 4,44,17,020 to ₹ 4,69,17,020 divided into 93,83,404 equity shares of ₹ 5 each fully paid up.

SANJAY CHUGH
COMPANY SECRETARY
Membership No: F3754
Certificate of Practice No.: 3073

Place: New Delhi
Date: 28th May, 2016

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



To,
The Members of,
GULSHAN POLYOLS LIMITED
9th KM Jansath Road,
Muzaffarnagar,
Uttar Pradesh-251001

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

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

SANJAY CHUGH
COMPANY SECRETARY
Membership No: F3754
Certificate of Practice No.: 3073

Place: New Delhi
Date: 28th May, 2016



**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	CIN	L34102UP1988PLC010141
2	Registration Date	20 th October 2000
3	Name of the Company	Gulshan Polyols Limited
4	Category/Sub-category of the Company	Limited by Shares and having share capital
5	Address of the Registered office & contact details	9 th K.M., Jansath Road, Muzaffarnagar, Uttar Pradesh, 251001, India Contact Details: 0131-3295880, 09837823893 Fax No. (0131) 2661378 Email : gsclmzn@gulshanindia.com Website : www.gulshanindia.com
6	Whether listed company	Yes, at National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE)
7	Scrip name/ ID	GULPOLY (NSE) and 532457 (BSE)
8	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Alankit Assignments Limited 1E/13, Jhandewalan Extension, New Delhi- 110055 Contact Details: (011) 42541234 / 23541234

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No	Name & Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1	Starch Sweetners	106-21, 23,24,26,29	70.30
2	Calcium Carbonate	20119	29.50

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Gulshan Holdings Pvt. Ltd. G-81, Preet Vihar, Delhi 110092	U74899DL1985PTC022582	Associate	40.78%	2(6)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual	1749613	Nil	1749613	19.69	1749613	Nil	1749613	18.89	(0.80)
b) Bodies Corp.	3776207	Nil	3776207	42.51	3776207	Nil	3776207	40.78	(1.73)
Total Shareholding of Promoters (A)	5525820	Nil	5525820	62.20	5525820	Nil	5525820	59.67	(2.53)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	595000	Nil	595000	6.70	616900	Nil	616900	6.66	(0.04)
b) Foreign Portfolio Investor	435000	Nil	435000	4.90	435000	Nil	435000	4.70	(0.20)
b) Banks / FI	200	Nil	200	0.00	500	Nil	500	0.01	0.01
Sub-total (B)(1):-	1030200	Nil	1030200	11.60	1052400	Nil	1052400	11.37	(0.23)
2. Non-Institutions									
(i) Individual shareholders holding nominal share capital up to and equal to Rs 2 lacs	1362853	391140	1753993	19.74	1415350	372596	1787946	19.31	(0.43)
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lacs	227076	Nil	227076	2.56	200000	Nil	200000	2.16	(0.40)
NBFC Registered with RBI	5	Nil	5	0.00	25	Nil	25	0.00	0.00
Any Other # Corporate Domestic	260246	18927	279173	3.14	194767	15428	210195	2.27	(0.87)
Any Other # Corporate Foreign	Nil	Nil	Nil	Nil	377438	Nil	377438	4.08	4.08
Non Resident Indians	67137	Nil	67137	0.76	107018	Nil	107018	1.16	0.4
Sub-total (B)(2):-	1917317	410067	2327384	26.20	2294598	388024	2682622	28.97	2.77
Total Public Shareholding (B) = (B)(1) + (B)(2)	2947517	410067	3357584	37.80	3346998	388024	3735022	40.33	2.53
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	8473337	410067	8883404	100.00	8872818	388024	9260842	100.00	Nil

**B) Shareholding of Promoter-**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dr. C. K. Jain	969398	10.91	Nil	969398	10.47	Nil	(0.44)
2	Gulshan Holdings Pvt. Ltd.	3776207	42.51	Nil	3776207	40.78	Nil	(1.73)
3	Mrs. Mridula Jain	312021	3.51	Nil	312021	3.37	Nil	(0.14)
4	Ms. Arushi Jain	204812	2.31	Nil	204812	2.21	Nil	(0.1)
5	Ms. Aditi Jain	122321	1.38	Nil	122321	1.32	Nil	(0.06)
6	Ms. Anubha Jain	141061	1.59	Nil	141061	1.52	Nil	(0.07)

% to total equity shares capital decreased due to allotment of shares upon conversion of 3,77,438 warrants to a non promoter

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dr. C. K. Jain				
	At the beginning of the year	969398	10.91	969398	10.91
	Change in % due to preferential issue to Non Promoter	-	-	969398	10.47
	At the end of the year	-	-	969398	10.47
2	M/s Gulshan Holdings Pvt. Ltd.				
	At the beginning of the year	3776207	42.51	3776207	42.51
	Change in % due to preferential issue to Non Promoter	-	-	3776207	40.78
	At the end of the year	-	-	3776207	40.78
3	Mrs Mridula Jain				
	At the beginning of the year	312021	3.51	312021	3.51
	Change in % due to preferential issue to Non Promoter	-	-	312021	3.37
	At the end of the year	-	-	312021	3.37
4	Mrs Arushi Jain				
	At the beginning of the year	204812	2.31	204812	2.31
	Change in % due to preferential issue to Non Promoter	-	-	204812	2.21
	At the end of the year	-	-	204812	2.21
5	Mrs Aditi Jain				
	At the beginning of the year	122321	1.38	122321	1.38
	Change in % due to preferential issue to Non Promoter	-	-	122321	1.32
	At the end of the year	-	-	122321	1.32
6	Mrs Anubha Gupta				
	At the beginning of the year	141061	1.59	141061	1.59
	Change in % due to preferential issue to Non Promoter	-	-	141061	1.52
	At the end of the year	-	-	141061	1.52



D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):
 The shareholding pattern of top ten shareholders at the beginning of the financial year and at the end of the financial year is given herein below.

SN	For Each Of The Top 10 Shareholders	Shareholding at the beginning of the financial year 2015-16		Shareholding at the end of the financial year 2015-16	
		No of Shares	%	No of Shares	%
1	Reliance Capital Trustee Co Ltd-a/c Reliance Mid &	595000	6.698	616900	6.661
2	Antara India Evergreen Fund Ltd	435000	4.897	812438	8.773
3	Bhupesh Kumar Lodha	180000	2.026	200000	2.16
4	Trident Creation Pvt. Ltd	29500	0.332	14954	0.161
5	Oasis Trade Capfin Pvt. Ltd.	25663	0.289	25663	0.277
6	Anirudh Mohta	25000	0.281	25000	0.27
7	Rajesh Kumar Agrawal	22076	0.249	21400	0.231
8	Anuja Chintan Virani	20000	0.225	20000	0.216
9	R L Arora	17200	0.194	-	-
10	Sunita Agarwal Jt1: Rajesh Kumar Agrawal	16681	0.188	15960	0.172
11	Ranjan Vimal Bothra	-	-	20081	0.217

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dr. Chandra Kumar Jain	Explained above in Promoters shareholding			
2	Mr. Ashwani Kumar Vats				
	At the beginning of the year	242	0.00	242	0.00
	Buy / Sell during the year	-	-	242	0.00
	At the end of the year	Nil	Nil	Nil	Nil
3	Mr. Suresh Kumar Tewari				
	At the beginning and end of the year	Nil	Nil	Nil	Nil
4	Ms. Arushi Jain	Explained above in Promoters shareholding			
5	Ms. Aditi Pasari	Explained above in Promoters shareholding			
6	Mr. Ajay Jain				
	At the beginning and end of the year	87	0.00	87	0.00
7	Mr. Akhilesh Kumar Maheshwari				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Buy / Sell during the year	-	-	474	0.01
	At the end of the year	-	-	474	0.01
8	Mr. Jeewan Jyoti Bhagat				
	At the beginning and end of the year	74	0.00	74	0.00
9	Mr. Rakesh Kumar Gupta				



	At the beginning of the year	10	0.00	10	0.00
	Buy / Sell during the year	-	-	45	0.00
	At the end of the year	55	0.00	55	0.001
10	Mr. Rajesh Kumar Agrawal				
	At the beginning of the year	400	0.00	400	0.00
	Buy / Sell during the year	-	-	100	0.00
	At the end of the year	300	0.00	300	0.00
11	Ms. Nisha Gupta				
	At the beginning of the year	6	0.00	6	0.00
	Buy / Sell during the year	-	-	37	0.00
	At the end of the year	43	0.00	43	0.00

F) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	43,90,44,063	Nil	Nil	43,90,44,063
ii) Interest due but not paid	-	Nil	Nil	-
iii) Interest accrued but not due	22,99,023	Nil	Nil	22,99,023
Total (i+ii+iii)	44,13,43,086	Nil	Nil	44,13,43,086
Change in Indebtedness during the financial year				
* Addition	77,24,73,676	Nil	Nil	77,24,73,676
* Reduction	13,81,31,252	Nil	Nil	13,81,31,252
Net Change	63,43,42,424	Nil	Nil	63,43,42,424
Indebtedness at the end of the financial year				
i) Principal Amount	1,07,33,86,487	Nil	Nil	1,07,33,86,487
ii) Interest due but not paid	-	Nil	Nil	-
iii) Interest accrued but not due	59,73,675	Nil	Nil	59,73,675
Total (i+ii+iii)	1,07,93,60,162	Nil	Nil	1,07,93,60,16

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Dr. C.K. Jain (MD)	Mr. A. K. Vats (WTD)	Mr. S. K. Tewari (WTD)	Ms. Arushi Jain (WTD)	Ms. Aditi Pasari (WTD)	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,20,00,000	2,871,731	1,989,246	15,00,000	13,20,000	1,96,80,977
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18,39,600	-	-	-	-	18,39,600
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	50,00,000 -	- -	- -	30,00,000 -	25,00,000 -	1,05,00,000 -
5	Others, please specify						
	Total (A)	1,88,39,600	2,871,731	1,989,246	45,00,000	38,20,000	3,20,20,577
	Ceiling as per the act	2,05,82,749			2,05,82,749		4,11,65,499

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors (Non-executive & Independent Directors)					Total Amount
		Mr. K. K. Pandey	Mr. A. K. Maheshwari	Mr. Ajay Jain	Mr. J. J. Bhagat#	Mr. R. K. Gupta#	
1	Non-executive & Independent Directors						
	Fee for attending board & committee meetings	10,000*	50,000	50,000	20,000	40,000	1,70,000
	Commission	-	3,00,000	3,00,000	3,00,000	3,00,000	12,00,000
	Others – Travelling fees	2,500	7,500	7,500	3,000	6,000	26,500
	Total (1)	12,500	3,57,500	3,57,500	3,23,000	3,46,000	13,96,500
	Ceiling as per the act						41,16,550

Mr. K.K. Pandey resigned from the directorship of the Company w.e.f. closing hours of 1st August, 2015

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

SN.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Ashwani Kumar Vats (CEO)	Ms. Nisha Gupta (CS)	Mr. Rajesh Kumar Agrawal (CFO)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,871,731	615,750	1,617,477	51,04,958
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify				
	Total	2,871,731	615,750	1,617,477	51,04,958

XII : Penalties / Punishment / Compounding of Offences: There was no significant penalty / punishment / compounding fee imposed on the Company / Directors / any other officer of the Company which effect the functioning of the Company.

**CORPORATE GOVERNANCE REPORT****I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for its stakeholders. As required under Regulation 27 of Chapter IV of the Listing Regulations 2015 with the Stock Exchange, following disclosures are set out towards achievements of good Corporate Governance.

II. BOARD OF DIRECTORS

Composition and Category of Directors, attendance of each Director at the Board Meetings, the last Annual General Meeting and their directorship and membership of committees of other companies as on 31st March, 2016, is tabulated here under:

Name Of Director	Category	No. of Directorship / Chairmanship / Committees' membership in other Public Limited Companies			Board Meetings Attended	Attendance at last AGM
		Directorship	Chairman	Member		
Dr. C. K. Jain	MD	1	-	-	5	Yes
Ms. Arushi Jain	WTD	1	-	-	5	Yes
Ms. Aditi Pasari	WTD	1	-	-	4	Yes
Mr. A. K. Vats	CEO&WTD	-	-	-	4	Yes
Mr. S. K. Tewari	WTD	-	-	-	3	Yes
Mr. K.K. Pandey#	NE & ID	-	-	-	1	N.A.
Mr. Ajay Jain	NE & ID	-	-	-	5	Yes
Mr. A. K. Maheshwari	NE & ID	-	-	-	5	Yes
Mr. J.J. Bhagat	NE & ID	2	-	-	2	Yes
Mr. R.K. Gupta	NE & ID	-	-	-	4	No

MD - Managing Director, NE - Non-executive, CEO- Chief Executive Officer, ED- Executive Director, ID - Independent Director.

Mr. K. K. Pandey resigned from the directorship of the Company w.e.f. closing hours of Board meeting held on 1st August, 2015

As at 31st March, 2016, the Company's Board of Directors headed by a non regular Chairman comprised total nine directors including two woman directors, out of which four directors are Independent Non-Executive Directors. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies.

During the year, the Board met five times on 30th May, 1st August & 31st October, 2015, and 1st February & 30th March, 2016. The maximum gap between any two Board Meetings was less than one hundred and twenty days. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations. During the year, separate meeting of the Independent Directors was held on 1st February, 2016 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any.

The Company has familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The familiarisation programmes alongwith details of the same imparted to the Independent Directors during the year are available on the website of the Company (web-link <http://www.gulshanindia/investor relations/notes>)

III. AUDIT COMMITTEE**a) Terms of Reference:**

Pursuant to Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act 2013, the Audit committee role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the



financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system; and reviewing the functioning of the whistle blower mechanism.

The Committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

b) Composition

The Audit Committee consists of three directors, Mr. Ajay Jain, Independent Director, being the Chairman of the Committee, Mr. A. K. Maheshwari, Independent Director and Dr. C. K. Jain, Managing Director, being the members of the Committee. Chief Financial Officer, Internal Auditors and Statutory Auditors are also invited to the meetings of the Audit Committee and the Company Secretary officiates as the Secretary of the Committee. During the year 2015-16, the Committee met four (4) times on 28th May, 1st August, 31st October, 2015 and 1st February, 2016 which was attended by all the members of the Committee.

IV. NOMINATION AND REMUNERATION COMMITTEE

a) Terms of reference

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 read with Part D of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of Companies Act, 2013, besides other terms as referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on diversity of Board of Directors; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of their appointment/noting and removal.

b) Composition

The Nomination and Remuneration Committee comprises 3 Non-executive and Independent Directors i.e. Mr. Ajay Jain (Chairman), Mr. A. K. Maheshwari and Mr. R. K. Gupta, being members of the Committee. Mr. K. K. Pandey ceased to be member of the Committee upon relinquishment of his office as a Director of the Company w.e.f. 1st August, 2015, thereafter, the Committee was re-constituted in the Board meeting held on 31st October, 2015 and elected Mr. R. K. Gupta as a new member of the Committee. During the financial year 2015-16, two (2) meetings were held on 30th May, 2015 and 1st February, 2016 which were attended by all the members except Mr. K. K. Pandey was absent in 30th May, 2015 committee meeting.

c) Performance Evaluation

During the year, the Board conducted a formal annual evaluation mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The criteria to evaluate the performance of the Board, Committees, independent Directors and non – independent directors were; a) Board Composition, size mix of skill, experience and role; b) attendance and deliberation in the meetings ; c) contribution / suggestions for effective functioning, development of strategy , board process, policies and others. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

d) Remuneration to Executive Directors: (As on 31st March, 2016)

The appointment of executive directors is by virtue of their employment with the Company as management employees and therefore, their terms of employment are governed by the applicable policies at the relevant point in time. Commission is subject to adequate profits being earned. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), commission (variable components) to its Executive Directors. (` in Lacs)

Name	Salaries	Commission	Perks	Total
Dr. Chandra Kumar Jain	120.00	50.00	18.40	188.40
Ms. Arushi Jain	15.00	30.00	-	45.00
Ms. Aditi Pasari	13.20	25.00	-	38.20
Mr. Suresh Kumar Tewari	19.89	-	-	19.89
Mr. Ashwani Kumar Vats	28.72	-	-	28.72
Total	196.81	105.00	18.40	320.21



e) Remuneration by way of Commission to Non-Executive Directors for the FY 2015-16:

The Non-Executive Directors of your Company are paid sitting fees for attending meetings of the Board or Committees thereof. Apart from the sitting fees, the Non-Executive Directors are also paid commission not exceeding 1% of the net profits of the Company for the year, calculated as per provisions of the Companies Act, 2013.

Name	Designation	Amount in `
Mr. Akhilesh Kumar Maheshwari	Independent Director	3,00,000
Mr. Ajay Jain	Independent Director	3,00,000
Mr. Jeewan Jyoti Bhagat	Independent Director	3,00,000
Mr. Rakesh Kumar Gupta	Independent Director	3,00,000
Total		12,00,000

V. STAKEHOLDERS RELATIONSHIPS COMMITTEE

The Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate shares, exchange of new design share certificates, non receipt of shares, non receipt of declared dividend, review the reports submitted by RTA, recording dematerialization/ re-materialization of shares, to ensure expeditious share transfer process and related matters

This Committee comprising Mr. A. K. Maheshwari (Chairman, Independent Director), Mr. Ajay Jain (Independent Director) and Ms. Aditi Pasari (Executive Director) being members of the Committee. Ms. Nisha Gupta, Company Secretary is the Compliance Officer. The Committee met four (4) times during the year as on 30.05.2015, 01.08.2015, 31.10.2015 and 01.02.2016 which were attended by all the members of the Committee. The Company received total 27 complaints as at 31st March, 2016, all the complaints were responded to as per applicable guidelines and regulations. There were no pending share transfers and shareholders complaints except for disputed cases and sub-judice matters, if any.

VI. GENERAL BODY MEETINGS

Financial Year	Date and Time	Venue	Special Resolution Passed
2014-2015	19.09.2015 at 12:00 noon	Solitaire INN Hotel, 6 miles Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh	i. Change in Memorandum of the Company ii. Amendment of the Liability Clause of the Memorandum of Association. iii. Amendment of the Capital Clause of the Memorandum of Association. iv. Authorization for Related Party Transactions of the Company.
2013-2014	20.09.2014 at 11:30 a.m.	Lala Gulshan Rai Jain Charitable Trust Dharamshala, 54 Gher Khatti, New Mandi, Muzaffarnagar, Uttar Pradesh	i. Creation of Charge /Mortgage in terms of Section 180 (1)(a) of the Companies Act, 2013. ii. Borrowing Powers of the Company under section 180(1)(c) of the Companies Act, 2013. iii. Adoption of New Set of Articles of Association pursuant to Companies Act, 2013. iv. Authorization for Related Party Transactions of the Company. v. Keeping of Registers and Annual returns at a place other than the Registered Office of the Company. vi. Preferential allotment of Equity Shares of the Company. vii. Preferential allotment of Convertible Warrants of the Company.
2012-2013	17.07.2013 at 12:30 p.m.	9th K.M. Jansath Road, Muzaffarnagar, Uttar Pradesh	i. Payment of Commission to Non Executive Directors of the Company



During the year, no special resolution was passed through postal ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

VII. MEANS OF COMMUNICATION

The quarterly, half yearly, nine months and yearly financial results are published in the leading news papers viz. Business Standard (English & Hindi)). The Company updates its results on the website www.gulshanindia.com.

VIII. GENERAL SHAREHOLDER INFORMATION

- a. The 16th Annual General Meeting is proposed to be held on Saturday, 17th September, 2016 at 12:15 p.m. at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh 251002.
- b. Financial Calendar: 1st April to 31st March
- c. Financial Reporting for 2016-17 is as follows:

First Quarter	Mid of August 2016
Second Quarter	Mid of November 2016
Third Quarter	Mid of February 2016
Fourth Quarter	Last week of May 2017
- d. Dates of Book Closures: 18th June, 2016 to 21st June, 2016 (both days inclusive).
- e. Dividend payment date: on or after 17th September, 2016.
- f. Listing of Equity Shares on Stock Exchange at: National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange (BSE). The Company has paid the listing fees for the period 1st April, 2015 to 31st March, 2016.
- g. Demat I S I N Number for Equity Shares: INE255D01016
- h. Stock Code and Stock Market price data for the year 2015-16

MONTH	BOMBAY STOCK EXCHANGE		NATIONAL STOCK EXCHANGE	
	532457		GULPOLY	
	Month's High	Month's Low	Month's High	Month's Low
April, 2015	349.90	283.00	310.00	295.55
May, 2015	374.70	282.50	344.70	333.00
June, 2015	317.80	280.00	304.90	288.20
July, 2015	350.00	288.20	349.90	326.00
August, 2015	407.00	323.00	365.00	355.00
September, 2015	361.10	318.50	355.00	345.10
October, 2015	400.00	347.30	382.00	371.05
November, 2015	430.00	350.10	414.00	397.05
December, 2015	480.00	391.50	458.95	441.00
January, 2016	490.00	379.50	443.80	420.00
February, 2016	432.00	275.00	293.90	278.00
March, 2016	325.50	285.00	320.80	298.90

- i. Registrar and Share Transfer Agent: M/s Alankit Assignments Ltd, 1E/13, Alankit Heights, Jhandewalan Extension, New Delhi 110055, and Phone No: 011-42541234/ 42541955, Fax No: 011-42541201, E-mail: rta@alankit.com.
- j. Share Transfer System: The Board has delegated the power of Share Transfer to the Company's Registrar & Share Transfer Agents, who process the transfers, in respect of physical shares and shares under Demat.

Particulars	2016	2015
Shares Transferred	8831	12126
Total No. of shares as on 31 st March	9260842	8883404
% on Share Capital	0.10	0.14

- k. Dematerialization of Shares: As on 31st March, 2016, 95.81% of the Company's total shares representing 8872818 shares were held in dematerialized form and the balance 388024 equity shares representing 4.19% shares were in Physical form.

I. Distribution of shareholding as on 31st March, 2016:

No. of Shares	Number of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
Up to 1000	12444	97.87	1134350	12.25
1001- 2000	124	0.98	184580	1.99
2001- 4000	71	0.56	212698	2.29
4001- 6000	23	0.17	113036	1.22
6001- 8000	14	0.11	100720	1.09
8001- 10000	16	0.13	151864	1.64
10001- 20000	9	0.07	116292	1.26
20001 and above	14	0.11	7247302	78.26
Total	12715	100.00	9260842	100.00

m. Categories of Shareholders as on 31st March, 2016 :

Category	No. of share holders	No. of shares held	% of share holding
Promoters	6	5525820	59.67
Institutions:			
Mutual Fund	1	616900	6.66
Foreign Portfolio Investor	1	435000	4.70
Bank	2	500	0.01
Non Institutions:			
- Individuals	12268	1987946	21.47
- NBFC Registered with RBI	1	25	0.00
Any other			
- Bodies Corporate (domestic)	240	210195	2.27
- Bodies Corporate (Foreign)	1	377438	4.08
- NRI	195	107018	1.16
Total	12715	9260842	100.00

n. During the year 2015-16: The Allotment of share Committee of Board of Directors has allotted 3,77,438 equity shares upon conversion of 3,77,438 warrants, to a Foreign Portfolio Investor (FPI) namely Antara India Evergreen Fund. Balance warrants were also converted into 122562 equity shares and allotment made in the meeting of Allotment of share Committee held on 2nd April, 2016.

o. Plant Locations:

- 1 Plot no. 762, Jhagadia Industrial Estate, Distt. Bharuch – 393110 (Gujarat)
- 2 Plot no. 769/2, G. I.D.C. Industrial Estate, Distt. Bharuch – 393110 (Gujarat)
- 3 9th K.M. , Jansath Road, Muzaffarnagar, (Uttar Pradesh) – 251001
- 4 Village Rampur Majri, Dhaula Kuan , Distt Sirmour (Himachal Pradesh) -173001
- 5 E-21 & 22, RIICO Growth Centre, Phase - II, Abu Road, Disst. Sirohi, (Rajasthan).
- 6 Plot no.10 &11, Industrial Area, Borgaon, Distt. Chhindwara, Madhya Pradesh
- 7 On-site facilities of Precipitated Calcium Carbonate at Patiala (Punjab)
- 8 Onsite facilities of precipitated calcium carbonate at Hooghly, West Bengal
- 9 Onsite facilities of precipitated calcium carbonate at Amlai, Madhya Pradesh

p. Address for correspondence: Registered office address is at 9th K.M. Jansath Road, Muzaffarnagar 251001 (Uttar Pradesh) and phone: +131-3295880/ 3295888. Email: gsclmzn@gulshanindia.com. Corporate office address & Investor cell of the Company is located at G-81, Preet Vihar, Delhi 110092. Phone no 011-49999200 and Fax no. 011-49999202. Email of share department nishagupta@gulshanindia.com.

IX. OTHER DISCLOSURES

i) Basis of related party transactions

Pursuant to requirements of Regulation 23 of Listing Regulations, the Company has adopted the policy determining material subsidiaries and the policy on related party transactions and the said policies are available on the Company's website at www.gulshanindia.com.



Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company at large - NIL.

Further, the transactions with related parties have been shown in "Note No. 35" to the Notes to the Accounts of the company".

ii) The Company has complied with the requirements of regulatory authorities on capital markets. There were no penalties imposed nor strictures passed on the Company by any Stock Exchange, SEBI or any other Statutory Authority.

iii) Board Disclosures - Risk Management

The Company has laid down procedures and informed the Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

iv) Whistle Blower Policy

The Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behaviour, by using the mechanism provided in the Policy. In terms of Company's Code of Conduct, any instance of non adherence to the code / any other observed unethical behavior are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Compliance Officer of the Company or in exceptional circumstances to the Chairman of the Audit Committee. We affirm that no director or employee has been denied access to the Chairman of the Audit Committee during financial year 2015-16.

v) Disclosure of Accounting Treatment

Disclosure of accounting treatment there has not been any significant changes in accounting policies during the year.

X. NON-MANDATORY REQUIREMENTS

a) The Board has taken cognizance of the non-mandatory requirements of Regulation 27 (1) read with schedule II Part E of Listing Regulations and shall consider adopting the same at an appropriate time.

b) The Company has complied with Corporate Governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XI. CODE FOR PREVENTION OF INSIDER TRADING

As required by the provisions of SEBI (PIT) Regulations, 2015, the Company has adopted a code of conduct for prevention of Insider Trading. The Code of Conduct is applicable to all directors and such identified employees of the Company as well as who are expected to have access to unpublished price sensitive information related to the company.

XII. CEO/ CFO CERTIFICATION

The Chief Executive Officer and Whole Time Director; and the Chief Financial Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2016.

XIII. COMPLIANCE WITH THE CODE OF CONDUCT

The Company has adopted the "Code of Conduct". The updated Code incorporated the duties of Independent Directors. The Code is available on the website of the Company (web link <http://www.gulshanindia/investors/code of conduct>).

The CEO has given below declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code during the year 2015-16:

Declaration

I, Ashwani Kumar Vats, Chief Executive Officer (CEO) of Gulshan Polyols Limited, to the best of my knowledge and belief based on the affirmation received, declared that all the members of the Board of Directors and Senior Management personnel have affirmed Compliance with the Code of conduct of the Company for the year ended March 31, 2016.

Date : 28th May, 2016
Place: Delhi

Ashwani Kumar Vats
Whole Time Director &
Chief Executive Officer



CEO/CFO CERTIFICATION
(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To
The Board of Directors
GULSHAN POLYOLS LIMITED

In terms of regulation 17(8) of SEBI (LODR) Regulations, 2015, Chief Executive Officer and Chief Financial Officer of the Company has certified to the Board that:

- a) We have reviewed financial statements and the Cash flow statement of the Company for the year 2015-16 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into the company during the year, which are fraudulent or illegal of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and Audit committee that:
 - i) there has not been any significant changes in internal control during the year;
 - ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) We are not aware of any instances during the year of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

Ashwani Kumar Vats
Whole Time Director
& Chief Executive Officer

Rajesh Agrawal
Chief Financial Officer

Date : 28th May, 2016
Place : Delhi

Auditors Certificate on Corporate Governance

To,
The Members,
Gulshan Polyols Ltd.

We have examined the compliance of regulations of Corporate Governance by Gulshan Polyols Limited for the year ended March 31st, 2016, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of regulations 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 regulations of 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 regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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.

For SHAHID & ASSOCIATES
Chartered Accountants

Date : 28th May, 2016
Place : Delhi

(MOHD. SHAHID)
Proprietor
Membership No : 070408

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. FORWARD-LOOKING STATEMENT

The report contains forward-looking statements, identified by words like 'expects', 'will', 'foresee', 'hopes', 'confident', 'competent', 'believes', 'projects', 'estimates' and so on all statement that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements.

Industry Structure & Development

At the start of FY 2015-16, India was believed to be in a sweet spot with a strong political mandate and a favorable external environment. Expectations were running high on major reforms which were expected to push the Indian economy on an overdrive. While no major big bang reforms got implemented during the year, incremental improvements have helped the economy. Consequentially, GDP growth in FY 2015-16 has inched up to about 7.6% against 7.2% in FY 2014-15. While, expectations were high on growth, managing 7.6% in an otherwise sluggish global environment is reassuring of India's potential.

During the year gone by, India managed to restore macroeconomic stability. Fiscal Deficit, Current Account Deficit and Inflation levels declined. Fiscal prudence on the part of the Government has helped the country's sovereign ratings. Inflation, as measured by CPI, fluctuated around 5.5% for most part of the year, whereas, the WPI remained in the negative territory since November 2014. Lower inflation was mainly attributed to softening commodity and crude prices.

Implementation of reforms such as liberalizing FDI in Insurance & Defense and pursuing the ease of doing business agenda has led to significantly higher foreign investments. Focus on rural sector was high as the Government rolled out schemes like the Jan Dhan program to push the agenda of financial inclusion and the Direct Benefit Transfer program. Swachh Bharat initiative launched in 2014 has led to an increase in investments around cleanliness and the impact of the same will be seen in the coming years.

While there were many positives and the country remains the fastest growing major economy during the year, performance against the country's potential and expectations remain moderate. Agriculture which had registered low growth for two consecutive years on account of weak monsoon is expected to revive during this FY 2016-17 with predictions for normal monsoon. Since major portion of raw material consumed by your company comprised of agro materials such as maize /corn and rice. The rise in input costs which were observed in preceding year is expected to be in control during this year.

The Calcium Carbonate industry which is produced from lime stone is dominated by the unorganized sector which producing low grade of Calcium Carbonate. The Company is market leader in the organized sector contributing almost 25% of national production of Calcium Carbonate and is focusing on producing premium grades of it, delivering better margins in revenue of the Company.

The Company: Overview and recent developments

Gulshan Polyols Limited ("GPL") is a multi location, multi product manufacturing company and has become a market leader in most of its products in India with global presence in 35 countries, across 3 continents. Its business portfolio covers Starch Sugars, Calcium Carbonate; Alcohol business; Agro based Animal Feed, & On-site PCC plants with production facilities at Muzaffarnagar in Uttar Pradesh, Bharuch in Gujarat, Dhaula Kuan in Himachal Pradesh, Abu Road in Rajasthan, Patiala in Punjab, Tribeni in West Bengal and Amlai in Madhya Pradesh.

Gulshan Polyols Ltd. caters to wide range of industry & niche markets in core sector encompassing pharmaceuticals, personal care products, footwear, tyres, rubber & plastics, paints, alcohol, value added paper, agrochemicals, food and agro products. It caters to leading industrial units of the country such as Colgate, Palmolive, Hindustan Unilever Ltd, Dabur, Asian Paints and ITC etc.

The Company has consistently been exporting its products and is recognized by Government of India as STAR EXPORT HOUSE.

During the year, the Company has set up a unit to produce Native Starch by using corn as raw material at the location of Muzaffarnagar (UP). Presently trial runs are going on and are expected to start commercial production by the end of 2nd quarter of current FY17.

As stated in the last year Annual Report, the Company is setting up a grain based distillery for manufacturing potable alcohol in Bargaon industrial area in Chhindwara (M.P.). The construction and erection of plant is going on and is expected to be operational in beginning of fourth quarter of current Fy17.

2. COMPANY'S PRODUCT CATEGORIES:

2.1 Starch Sugars Business: includes product of Sorbitol-70% solution, Liquid Glucose, Maltro-Dextrin Powder (MDP), Dextrose Mono-Hydrate (DMH), and planning to introduce Native Starch, High Fructose Rice Syrup (HFRS), Brown Rice Syrup and Rice Syrup Solids during the current FY.

The rice based Grain Processing Plant at Muzaffarnagar has achieved optimum level of capacity utilization during the year. In this year, Starch sweetener like Liquid Glucose, MDH, and DMH are the main growth driver and will remain growth driver in future also.

Native Starch / Maize Starch: It is the main carbohydrate nutrient from different sources of vegetation. Maize or corn starch powder is white, odorless and tasteless, which is extracted from kernel of maize/ corn. It is widely used as a thickener and a stiffening agent with numerous industrial applications.

We make different grades of maize starch, which cater to industries ranging from food, textile, paper, pharmaceutical, adhesive,



etc. Our starch powder is made from NON GMO Maize/ corn at our plant in Muzaffarnagar, UP, employing latest technology and best industry practices to ensure top quality of final product. The commercial production of this product is expected by the end of second quarter of this FY 2016-17.

During the year, your Company invested resources to augment its manufacturing capacities to be in a position to support the increased future demand in a timely manner. Therefore, the Company has undertaken capacity expansion of Starch Sugar business at its Rice based Unit with grinding capacity of 45,000 TPA which includes the following products to be manufactured in our plant from Non-GMO rice using the latest technology:

High Fructose Rice Syrup (HFRS) which is naturally found in fruits, honey, corn syrup and molasses. Commercially, High Fructose Rice Syrup is used as a sweetener in flavored and unflavored syrups, energy drinks, processed food, bakery products and cough syrups.

Brown Rice Syrup, popularly known as Liquid Glucose. It is a preferred sweetener for natural/healthy foods. Rice syrup is used as base sweetener in edible sweet syrups (Flavored / Unflavored), blended honey, bakery foods, cakes, pastries, fillings, toppings, candies, canned fruits, health drinks, juices, soft drinks, Dairy products, ice-creams.

Rice Syrup Solids which is also known as dried glucose syrup or Glucose Powder. It is usually used as sweetener and stabilizers for moisture & texture in baked goods, confectionary (hard candy), dairy products, processed meats, seafood and also used by breweries to lighten beer color, add body, rice flavor and fermentable sugars. It is easily dispersed into water for ease of use in quick dissolving beverage mixes.

2.2 Agro based Animal Feed business: After extracting the starch sugars out of corn and rice as raw material, there are other key by-products such as Germ, Gluten, Animal feed. These high value added products contains high nutrition including proteins and fats and popularly used for cattle and poultry feed and corn oil extracting.

India's feed industry is growing at a CAGR of 8% with poultry, cattle and aqua feed sectors emerging as major growth drivers. The demand for animal protein and dairy products in India will increase the compound feed consumption volumes. Consequently, cattle need to be developed, more requirement of nutritious food for them, which implies higher demand of grain by-products.

2.3 Calcium Carbonate business: Your Company also produces over 19 grades of Calcium Carbonate (Precipitated, Activated, Wet and Ground Natural Calcite Powder) used in various industries. The Company has four integrated facilities to manufacture Calcium Carbonate spread across the country.

The Calcium Carbonate is used in PVC irrigation and Cables, Paints, Dentifrice, Detergents, Rubbers, Plastics etc. Your company has imported technology from IVA Industrieberatung GmbH, Germany, for Ground Natural Calcite Powder. In order to make eco-friendly, all the plants of the company are well equipped with desired facilities.

In the Company's endeavor to add new products delivering value addition, the company is gradually shifting its focus from producing lower grade products to higher grade products which will increase the overall profitability of the Company in medium to long term perspective.

2.4 Onsite PCC/WGCC Plants: The Company is 'FIRST' in the country to introduce the concept of On-site PCC manufacturing plant for Value Added Paper (VAP) industries. Company's achievement has been recorded in the Limca Book of Records in 2010. The Company has successfully installed its sixth Onsite PCC plants for paper industry Company namely Orient Paper Mills (OPM) which was commissioned in year 2015-16.

The Management hopes for the exponential growth in this segment in the country, in line with the developed nations, where on-site PCC has become an integral part of Value Added Paper such as printing, photo copier, tissue paper and writing paper.

Your company is the only Indian company which is offering such technology & providing plants to Indian and overseas companies engaged in manufacturing Value Added Paper.

2.5 Alcohol Business: The Company has started implementing potable alcohol manufacturing facility, which will enhance the revenue and profitability of the Company as well as strengthen the positioning of the existing IMFL and Country Liquor business.

3. OPPORTUNITIES & THREATS

Despite a challenging operating environment and heightened competitive intensity, your Company continued to drive volume growth, improve realizations and sustain its market standing during the year. This was achieved by focusing on identified end-use segments, investments in quality systems and processes, and optimizing the energy cost. The Business consolidated its clear market leadership position in supplying On-site PCC plants for leading VAP manufacturers in the country as well as in export market.

The Company is also foreseeing significant growth in the On-site PCC plant for its clients by adding the adequate manpower and enhancing competence and other capabilities required to be a leading player in the market. The company is confident of winning and executing large contracts against stiff competition.

Calcium carbonate (Activated Calcium Carbonate and Precipitated Calcium Carbonate) is linked to growth of PVC irrigation & Cables, Paints, Dentifrice, Detergents, Plastics etc. Since the per capita consumption of these products is regularly increasing in our country, the growth in this field is evidently perpetual. There are inherent opportunities available to the Company to which it is catering for many decades such as pharmaceuticals, personal care products, footwear, tyres, rubber & plastics, paints, alcohol, value added paper, agrochemicals, food and agro products.

Besides domestic growth, the Company has identified exports as a key future growth driver and is seeing untapped opportunity in export markets for starch sugars business. Your company is continuing to earn valuable foreign exchange by exporting starch



sugar and is further gearing up to cater to the growing demand in international markets.

The company operates in commodity types markets. It is therefore important to manage its cost, to ensure it has an edge in pricing over its competitors and delivering value to its customers.

In 2015-16, the monsoon was below normal in maize growing area resulted in lower availability of maize. Due to this, prices were higher of raw material (maize) as compared to previous years. The impact of increase in raw material cost was not fully passed on to the customers.

The Company regularly diversifies its products portfolio and also develops new export markets. It is also investing in projects to strengthen cost competitiveness.

The general threat perception on the company's products is linked to vagaries of weather, shortfall in rain resulting increase in raw material prices, Government policies linked to Energy cost, Foreign exchange volatility, Import-export policies and competition from un-organized sectors to a certain extent in Calcium Carbonate business.

In this scenario, your Company is fully competent to counter such threat from time to time and gearing up to minimize the effect of these threat by improving the efficiency in terms of consumption and yield.

4. RISK AND CONCERNS

While there is a proper structure for risk management, which is regularly implemented across the organization, there are certain regular risks and concerns that surface in the business. Our primary raw material is "Corn and Rice" for Starch Sugar business as well as for Animal Feed & Alcohol business. Corn and rice are agricultural products and its supply and quality are subject to forces of nature. Being items of commodity market, their pricing is to be carefully managed in order to ensure that the company maintains an edge in pricing over its competitive. The Company is exposed to various risks as does any business enterprise. The main ones and the steps undertaken to mitigate these risks are mentioned below:

As a risk mitigating strategy, the company has diversified its product portfolio, and uses alternative raw material considering its viability in terms of prevailing market conditions. The other main raw material is lime stone for Calcium Carbonate business, which we source from the domestic market. The location of our plants is in close vicinity to the source of lime stone due to which we are able to maintain our edge effectively to manage our cost and quality of procuring lime stone.

Power and Fuel are the other major inputs of manufacturing cost. Increase in cost of Power and Fuel has negative impact on the profits of the company. Over the past year, tariff prices for power have been increasing. The Company has set up captive power plant for co-generation of energy to mitigate the adverse impact of rising cost of power. Advancement in technology may require us to make additional capital expenditure for upgrading our manufacturing facilities. However, the Company's diversified product profile, quality approach, value-added segments, manufacturing flexibility, modern technology & strong marketing network has saddled the company to successfully counter the effect of such adversities.

The Management being well acquainted within business risks, is saddled to take care of the risks and concerns and takes appropriate and timely measures as and when the need arises.

5. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company believes in formulating adequate and effective internal control systems and implementing the same to ensure that the assets and interests of the Company are safeguarded and reliability of accounting data and accuracy are ensured with proper checks and balances.

The Company has proper and adequate internal control system commensurate with its size and complexity. The Company has a system of monthly physical verification of all types of stocks viz. finished goods, semi-finished goods and raw materials by Internal Auditor in addition to yearly verification of stores. The monthly monitoring and verification of these stocks helps the management to analyse and focus on the consumption and efficiency of raw materials viz. a viz. production output.

The remedial measures, as and when required, in any process or plant with respect to adverse variation in raw material consumption, etc is taken up immediately to avoid re-occurrence.

The financial statements are prepared in conformity with the established Accounting Standards and Principles. Regular Internal Audit is carried out to ensure that the systems are adequate. The internal audit is conducted by the Independent Auditors.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control system and suggests improvements for strengthening them. The performance review of the internal audit system as well as the reporting system adopted in the Company give the required confidence to the management.

6. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance during the year under reference has been impressive in terms of sales. Even though there has been a decent increase in the turnover, the volume of profits has slightly decreased. The decrease in profitability is due to increase in depreciation and prices of raw material.

During the year under review, your company has achieved gross revenue from operations of ` 46692.69 lacs as compared to ` 42649.54 lacs in the previous year. The profit before tax is achieved at ` 3781.46 lacs as compared to ` 3181.47 lacs during the previous year. After providing for taxes and other adjustments, the Profit after tax is ` 3049.41 lacs as compared to ` 2547.65 lacs during the previous year

7. HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

People are the most valued assets of the Company. They work individually and collectively contributing to the achievement of the objectives of the business. The relation between the employees and the Company remained cordial throughout the year. Your Company's corporate culture and the vision and values help unite the workforce and provide standards for how your Company conducts the business.



AUDITORS' REPORT

To the Members of,
Gulshan Polyols Ltd.
Muzaffarnagar (U.P)

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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

Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2016
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss account & Cash flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the of the Companies (Accounts) Rules , 2014.;
- e. On the basis of the written representations received from the directors as on March 31st, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2016, from being appointed as a director in terms of section 164(2) of the Act.
- f. In our opinion, the company has, in all material respects, an adequate internal financial controls, system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31st, 2016, based on the internal control over financial reporting criteria established by the company.
- g. With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. The cases under litigation are not very material and will not materially affect the financial position of the Company,
 - (ii) The Company has made provisions, as required under applicable laws or accounting standards for material foreseeable losses, if any and as required on long term contracts including derivative contracts and
 - (iii) There has been no delay in transferring the amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

For SHAHID & ASSOCIATES
Chartered Accountants
(Firm Registration No. 002140C)

Date : May 28th, 2016
Place : Delhi

(MOHD. SHAHID)
Proprietor
Membership No. : 070408

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our Report of even date

- (i) In Respect of its Fixed Assets:
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
- (ii) In Respect of its inventory:

According to the information and explanations given to us,
Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us the company has not accepted any deposits during the year.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the Cost Records with a view to determine whether they are accurate and complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The company is generally regular in depositing undisputed statutory dues including provident fund,



employees' state insurance, income-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

- (b) Details of Disputed Statutory dues which have not deposited as on March 31, 2016 on account of disputed matters pending before appropriate authorities are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where pending
Central Excise Act 1944	Excise Duty	40.43	2011-12	CESTAT
Central Excise Act 1944	Excise Duty	263.24	2007-08, 2008-09, 2009-10 & 2010-11	CESTAT
Central Excise Act 1944	Excise Duty	57.86	2014-15 & 2015-16	Addl. Commissioner
Central Excise Act 1944	Service Tax	11.31	2014-15	CESTAT
Central Excise Act 1944	Service Tax	24.06	2010-11, 2011-12, 2012-13, 2013-14 & 2014-15	Addl. Commissioner
Income Tax Act 1961	Income Tax	2.00	A.Y. 2004-05	Income Tax Appellate Tribunal
Income Tax Act 1961	Income Tax	33.43	A.Y. 2007-08	Income Tax Appellate Tribunal

- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and However Company has raised money by term loans during the year.
- (x) We have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) This clause of the Caro 2016 is not applicable to the Company as the Company is not a Nidhi Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) This clause of the Caro 2016 is not applicable to the Company as the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For SHAHID & ASSOCIATES
Chartered Accountants
(Firm Registration No. 002140C)

Date : May 28th, 2016
Place : Delhi

(MOHD. SHAHID)
Proprietor
Membership No. : 070408

**BALANCE SHEET AS AT 31ST MARCH, 2016**

(Amount in `)

Particulars	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	14,88,04,210	14,69,17,020
Reserves and Surplus	3	2,27,05,88,786	1,94,98,27,698
Convertible Warrant Application Money	4	2,14,48,350	2,18,75,000
		<u>2,44,08,41,346</u>	<u>2,11,86,19,718</u>
Non-Current Liabilities			
Long-term Borrowings	5	86,46,33,784	32,52,66,941
Deferred Tax Liabilities (Net)	6	5,93,73,180	6,41,20,146
		<u>92,40,06,964</u>	<u>38,93,87,087</u>
Current Liabilities			
Short-term Borrowings	7	28,56,10,135	43,48,26,816
Trade Payables	8	21,67,00,314	16,67,99,063
Other Current Liabilities	9	30,70,82,260	17,45,72,479
Short-term Provisions	10	18,13,21,182	20,02,54,029
		<u>99,07,13,891</u>	<u>97,64,52,387</u>
TOTAL		4,35,55,62,201	3,48,44,59,192
ASSETS			
Non-Current Assets			
Fixed Assets	11	1,44,67,64,765	1,41,62,97,038
- Tangible Assets	12	97,22,00,141	6,57,72,660
- Capital Work-in-Progress	13	6,94,02,815	4,79,16,239
Non-Current Investments	14	7,12,93,204	5,51,07,741
Long-term Loans and Advances		<u>2,55,96,60,925</u>	<u>1,58,50,93,678</u>
Current Assets			
Inventories	15	41,94,38,869	40,10,61,238
Trade Receivables	16	73,65,97,306	63,57,20,800
Cash and Bank Balances	17	44,72,51,504	69,28,13,002
Short-term Loans and Advances	18	19,26,13,597	16,97,70,474
		<u>1,79,59,01,276</u>	<u>1,89,93,65,514</u>
TOTAL		4,35,55,62,201	3,48,44,59,192
Significant Accounting Policies & Notes to Financial Statements	1 to 37		

As per our report of even date attached
For SHAHID & ASSOCIATES
Chartered Accountants
(Firm Registration No: 002140C)

For and on behalf of the Board of Directors

(MOHD. SHAHID)
Proprietor
Membership no: 070408

DR. C. K. JAIN
Chairman & Managing Director
DIN: 00062221

ASHWANI KUMAR VATS
Whole Time Director and CEO
DIN : 00062413

Date: 28th May, 2016
Place : Delhi

NISHA GUPTA
Company Secretary

RAJESH AGRAWAL
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in `)

Particulars	Note No.	As at 31 ST March, 2016	As at 31 ST March, 2015
REVENUE			
Revenue from Operations (Gross)	19	4,66,92,68,595	4,26,49,53,888
Less: Excise Duty/Service Tax		32,74,50,120	28,17,50,994
Revenue from Operations (Net)		4,34,18,18,475	3,98,32,02,894
Other Operating Income	19	6,97,11,970	3,84,38,501
Other Income	20	4,62,82,758	2,97,65,107
Total Revenue (I)		4,45,78,13,203	4,05,14,06,502
EXPENSES			
Purchase of Stock in Trade	21	10,91,655	-
Cost of Materials Consumed	21	1,98,77,21,393	1,68,92,20,799
Changes in Inventories	22	1,98,66,779	(61,86,307)
Employee Benefits expenses	23	17,11,06,865	14,47,67,702
Manufacturing Expenses	24	1,06,76,88,132	1,07,79,11,490
Other Expenses	25	55,63,43,901	57,56,63,585
Total Expenses (II)		3,80,38,18,725	3,48,13,77,269
Earnings before Interest, Tax, Dep. & Amortisation (EBITDA) (I - II)		65,39,94,478	57,00,29,233
Finance Cost	26	3,85,04,721	2,64,45,482
Depreciation & Amortisation Expenses	27	23,73,44,084	22,54,36,990
Profit Before Exceptional items and Tax		37,81,45,673	31,81,46,761
Add: Exceptional Items		-	-
Profit Before Tax (III)		37,81,45,673	31,81,46,761
Less: Tax Expenses			
Current Tax		8,04,90,016	6,63,38,263
Add: Mat Credit Utilised (Available)		(25,37,958)	52,43,191
Deferred Tax		(47,46,966)	(81,99,849)
Total Tax Expenses (IV)		7,32,05,092	63381605
Profit for the year (III - IV)		30,49,40,581	254765156
Earning per equity share of face value of ` 5 each Basic and diluted (in `)			
Basic		31.86	27.57
Diluted		31.45	27.57
Significant Accounting Policies & Notes to Financial Statements	1 to 37		

As per our report of even date attached
For SHAHID & ASSOCIATES
Chartered Accountants
(Firm Registration No: 002140C)

For and on behalf of the Board of Directors

(MOHD. SHAHID)
Proprietor
Membership no: 070408

DR. C. K. JAIN
Chairman & Managing Director
DIN: 00062221

ASHWANI KUMAR VATS
Whole Time Director and CEO
DIN : 00062413

Date: 28th May, 2016
Place : Delhi

NISHA GUPTA
Company Secretary

RAJESH AGRAWAL
Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2016

(` in lacs)

Particulars	Year ended 31 st March, 2016	Year ended 31 st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	3781.46	3181.47
Adjustment for :		
Finance Costs	385.05	264.45
Depreciation and Amortization Expenses	2373.44	2254.37
Loss/ (Gain) on Sale of Investment/Assets (Net)	8.72	(14.34)
Investing Activities (Net)	(368.93)	(266.87)
Operating profit before working capital changes	6179.74	5419.08
Changes in working Capital:		
Inventories	(183.78)	323.40
Trade and other Receivables	(1294.01)	(501.55)
Trade and other Payables	1580.56	394.44
Cash generation from Operation	6282.51	5635.37
Payment of Direct Taxes	(743.04)	(656.20)
Net Cash generated/ (used) - Operating Activities	5539.47	4979.17
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(11759.54)	(2205.38)
Sale of Fixed Assets	8.43	17.72
Purchase of Investments	(214.87)	(431.68)
Sale of Investments	-	1216.71
Interest Received	364.95	266.11
Dividend Received	3.98	0.76
Net Cash Generated/ (Used) - Investing Activities	(11597.05)	(1135.76)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	-	761.25
Proceeds from issue of Shares Warrant	656.25	218.75
Proceeds/(Repayment) from Long-term Borrowings (Net)	5393.67	(1135.90)
Proceeds/ (Repayment) of Short-term Borrowings (Net)	(1492.17)	787.73
Finance Cost Paid	(385.05)	(264.45)
Dividend Paid (including Dividend Distribution Tax)	(570.74)	(529.58)
Net Cash Generated/ (Used) - Financing Activities	3601.97	(162.20)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(2455.61)	3681.21
Add : Opening Cash and Cash Equivalents	6928.13	3246.92
Closing Cash and Cash Equivalents	4472.52	6928.13

As per our report of even date attached
For SHAHID & ASSOCIATES
Chartered Accountants
(Firm Registration No: 002140C)

For and on behalf of the Board of Directors

(MOHD. SHAHID)
Proprietor
Membership no: 070408

DR. C. K. JAIN
Chairman & Managing Director
DIN: 00062221

ASHWANI KUMAR VATS
Whole Time Director and CEO
DIN : 00062413

Date: 28th May, 2016
Place : Delhi

NISHA GUPTA
Company Secretary

RAJESH AGRAWAL
Chief Financial Officer



1. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1.1 Basis of Preparation of Financial Statements

The Financial Statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant disclosure requirements of the Companies Act, 2013 under historical cost convention and on the basis of going concern.

Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles followed by the company.

1.2 Fixed Assets

Fixed Assets are stated at acquisition cost (net of modvat/cenvat if any) including directly attributable cost of bringing them to their respective working conditions for the intended use less accumulated depreciation. Assets acquired on Hire Purchase are stated at their cash values.

1.3 Depreciation

Depreciation on fixed Assets is provided to the extent of depreciable amount on Written Down Value Method as specified in Part C of Schedule II of Companies Act 2013. Depreciation is provided on useful life of the assets as technically assessed.

1.4 Impairment

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal.

1.5 Inventory Valuation

The company has valued its inventory on "cost or net realizable value whichever is lower" basis and is in compliance with the Accounting Standard-2 issued by ICAI. However, stock-in-process has been valued on estimated cost. Further, the valuation of inventory is inclusive of Excise Duty component wherever applicable as required u/s 145A of the Income Tax Act, 1961.

1.6 Consumption of Raw Materials, Stores, Fuels, Chemicals, Consumables & Packing are accounted for after reckoning the Closing Stock of respective items as ascertained by the Company's experts at the end of the year from the total of the Opening Stock and purchases.

1.7 Revenue Recognition

The Company follows mercantile system of accounting where all the Income and Expenditure items having material bearing on the financial statements are recognized on accrual basis.

1.8 Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Any income or expense on account of exchange difference either on settlement or on transaction is recognized in the Profit & Loss Account except in the case of long term liabilities, where they related to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets and corresponding effect of long term liabilities.

1.9 Retirement Benefits

The retirement benefits such as Contribution to Provident Fund, Leave encashment etc. are accounted for on accrual basis and the payment and provision for Gratuity is made on the basis of actuarial valuation done by life Insurance Corporation of India.

1.10 Excise Duty

Excise Duty is recognized at the point of Production and the value of finished goods lying in the factory as well as at depots are inclusive of Excise Duty. Other inventories are also inclusive of Excise Duty Component wherever applicable.

1.11 Turnover

Turnover include sale of goods, excise duty, trade/sales tax and other recoverable expenses.

1.12 Borrowing Costs

Borrowing cost that is attributable to the acquisition or construction of qualifying asset is capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.13 Provision for Current & Deferred Tax

The provision for Current Tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. The deferred tax liability as per Accounting Standard (AS-22) resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the Balance Sheet date. The deferred tax Asset/credit is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

1.14 Investments

The Investments being long-term investments are valued at cost, after providing for any diminution in value, if such diminution is of a permanent nature.

1.15 The interest accrued and due on secured and unsecured loans have been paid on due dates. Therefore, the amount outstanding is Nil and has not been disclosed under respective heads.



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

(Amount in `)

2. SHARE CAPITAL	As at 31 st March, 2016	As at 31 st March, 2015
Authorized, Issued, Subscribed and Paid up Share capital comprises of equity shares and redeemable preference shares as follows: Authorized Share Capital:		
(I) 4,50,00,000 Equity shares of ` 5 each	22,50,00,000	22,50,00,000
(ii) 2,50,000, 0% Redeemable Preference shares of ` 10 each	25,00,000	25,00,000
(iii) 14,50,000, 8% Redeemable Preference shares of ` 100 each	14,50,00,000	14,50,00,000
TOTAL	37,25,00,000	37,25,00,000
Issued, Subscribed and Paid up:		
(I) 92,60,842 Equity shares of ` 5 each (PY 88,83,404)	4,63,04,210	4,44,17,020
(ii) 10,25,000, 8% Redeemable Preference shares of ` 100 each	10,25,00,000	10,25,00,000
TOTAL	14,88,04,210	14,69,17,020

Terms of Authorised Preference Share Capital has been changed in the Annual General meeting held on 25.09.2010 in which Dividend rate varying from 0% to 10% and redemption period varying from 3rd year to maximum 15th year from the date of the issue.

(a) Reconciliation of Number of shares outstanding at the beginning and at the end of the reporting period

	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares	Amount in `	No. of Shares	Amount in `
Equity shares				
Opening balance	88,83,404	4,44,17,020	84,48,404	4,22,42,020
Add: Issued during the year	3,77,438	18,87,190	4,35,000	21,75,000
Closing balance	92,60,842	4,63,04,210	88,83,404	4,44,17,020
Preference shares				
Opening balance	10,25,000	10,25,00,000	10,25,000	10,25,00,000
Less: Redeemed during the year	-	-	-	-
Closing balance	10,25,000	10,25,00,000	10,25,000	10,25,00,000

(b) Rights, Preferences and restriction attached to shares

(i) Equity shares

The Company has one class of equity shares having a par value of ` 5 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

During the year, The Company has allotted 377,438 equity shares of ` 5 each fully paid up at a premium of ` 170 each upon conversion of 377,438 convertible warrants to a non promoter shareholder namely Antara India Evergreen Fund Ltd.

(ii) Preference shares

Redeemable Preference shares carried a fixed rate of dividend of 8% per annum effective from 1st April, 2011.

During the year, terms of redemption of 10,25,000 issued Preference Share @ ` 100 each has been revised, the period of redemption will be 15th year from the date of its issue.

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

S. No.	Name of shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
		No. of Shares	% of holding	No. of Shares	% of holding
1	Gulshan Holdinds Pvt. Ltd.	37,76,207	40.78%	37,76,207	42.51%
2	Dr. C . K. Jain	9,69,398	10.47%	9,69,398	10.91%
3	Antara India Evergreen Fund Ltd	8,12,438	8.77%	4,35,000	4.90%
4	Reliance Capital Trustee Co.	6,16,900	6.66%	5,95,000	6.70%



(Amount in `)

3. RESERVES AND SURPLUS	As at 31 st March, 2016	As at 31 st March, 2015
Reserves and Surplus consist of the following:		
(a) Capital Reserve		
(i) Opening balance	1,32,35,000	1,32,35,000
(ii) Addition during the year	-	-
TOTAL (I)	1,32,35,000	1,32,35,000
(b) Securities Premium account		
(i) Opening balance	28,51,56,688	21,12,06,688
(ii) additions during the year on issue of shares	6,41,64,460	7,39,50,000
TOTAL (ii)	34,93,21,148	28,51,56,688
(c) General Reserve		
(i) Opening balance	37,86,24,334	34,86,24,334
(ii) Transferred from surplus in statement of profit and loss	3,00,00,000	3,00,00,000
TOTAL (iii)	40,86,24,334	37,86,24,334
(d) Surplus in statement of profit and loss		
(i) Opening balance	1,27,28,11,676	1,09,51,94,504
(ii) Add : Profit for the year	30,49,40,581	25,47,65,156
	1,57,77,52,257	1,34,99,59,660
(iii) Less : Appropriations		
(a) Interim dividend on equity shares	1,55,45,957	1,55,45,957
(b) Interim dividend on Preference Shares	82,00,000	-
(c) Final dividend on equity shares	1,64,20,957	1,55,45,957
(d) Final Dividend on redeemable preference shares	-	82,00,000
(e) Dividend tax	81,77,039	78,56,070
(f) Transfer to General Reserve	3,00,00,000	3,00,00,000
(iv) Closing Balance (iv)	1,49,94,08,304	1,27,28,11,676
TOTAL (i) + (ii) + (iii) + (iv)	2,27,05,88,786	1,94,98,27,698

4. CONVERTIBLE WARRANTS APPLICATION MONEY	As at 31 st March, 2016	As at 31 st March, 2015
Convertible Warrants application money received	2,14,48,350	2,18,75,000
TOTAL	2,14,48,350	2,18,75,000

The Board of Directors of the Company in their meeting held on 9th October, 2014 had issued 5,00,000 Convertible warrants @ ` 175 each. Out of which 377,438 warrants has been converted into equity shares during the year and application money for balance 122,562 warrants has already been received which got converted into equity shares later on 2nd April, 2016.



(Amount in `)

5. LONG TERM BORROWINGS	As at 31 st March, 2016	As at 31 st March, 2015
Secured loans		
(i) Term Loans from banks		
(ii) Long term maturities of Finance Lease obligations/ hire purchase finance	84,44,21,650	30,09,12,813
	2,02,12,134	2,43,54,128
TOTAL	86,46,33,784	32,52,66,941
(a) Nature of security for secured borrowings are given below:		
(i) Term Loans from Banks	1,07,33,86,487	43,90,44,063
The Immovable and Movable Assets of the Unit Located at Boregoan Industrial Area, Distt.Chhindawara (M.P.) and Abu Road, Sirohi, Rajasthan are charged to Citi Bank by way of First charge for Foreign Currency Term Loan of USD 11.60 million.		
The Immovable and Movable Assets of the Unit Loacated at the Jhagadia Industrial Estate, Dist Bharuch (Gujrat) and Mauja Rampur Majri Tehsil Paonta Sahib, District Sirmor, Himachal Pradesh are charged to Bank of Baroda by way of First charge for Foreign Currency Term Loan.		
The Term Loans from banks are further secured by 2nd charge on currents assets of the company.		
(ii) Long term maturities of Finance Lease obligations	2,02,12,134	2,43,54,128
Above loans are secured against vehicles purchased through them under hire purchase agreements.		
(b) The aggregate amount of loans under each head guaranteed by Directors or others are given below:		
(i) Term Loans from Banks	1,07,33,86,487	30,09,12,813
Above term loans are secured by personal gurantees of the Promoter Directors and Corporate Gurantee by Gulshan Holding Pvt. Ltd.		
6. DEFERRED TAX LIABILITIES (NET)	As at 31 st March, 2016	As at 31 st March, 2015
Deferred Tax Liabilities (Net)	5,93,73,180	6,41,20,146
TOTAL	5,93,73,180	6,41,20,146
7. SHORT TERM BORROWINGS	As at 31 st March, 2016	As at 31 st March, 2015
(a) Secured loans		
Working Capital Loan	28,56,10,135	43,48,26,816
TOTAL	28,56,10,135	43,48,26,816

(a) The Working Capital Loan is secured by the Hypothecation of Present and Future stock of Raw Materils, Stores, Stock in Process , Chemicals and Consumables , Fuels, Packing , Finished Goods etc. and Book Debts of the Company.

The Loan is further secured by way of a Second Charge on Fixed Assets of the Company, personal guarantee of Promoter Director of the Company. The aforesaid loan is also secured by the Corporate guarantee of M/s Gulshan Holding Pvt. Ltd.



(Amount in `)

8. TRADE PAYABLES	As at 31 st March, 2016	As at 31 st March, 2015
Payable to other entities	21,67,00,314	16,67,99,063
TOTAL	21,67,00,314	16,67,99,063

9. OTHER CURRENT LIABILITIES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Interest accrued but not due on borrowings	59,73,675	22,99,063
(b) Current maturities of long term debt	22,89,64,837	13,81,31,250
(c) Unclaimed dividends	35,26,891	31,26,605
(d) Customers Credit Balances and Advances against orders	11,25,46,99	73,39,891
(e) Capital liabilities	4,88,68,036	1,67,18,639
(f) Other liabilities	84,94,122	69,57,031
TOTAL	30,70,82,260	17,45,72,479

10. SHORT TERM PROVISIONS	As at 31 st March, 2016	As at 31 st March, 2015
(a) Employee Benefits	2,14,63,583	1,57,50,037
(b) Proposed dividends (including dividend distribution tax)	1,97,63,878	2,84,93,751
(c) Provision for Current Tax	8,04,90,016	6,63,38,263
(d) Expenses payable	5,96,03,705	8,96,71,978
TOTAL	18,13,21,182	20,02,54,029

11. TANGIBLE ASSETS

(Amount in `)

Name of Assets	Gross Block			Depreciation			Net Block			
	Cost as on 01-04-2015	Additions during the year	Deductions during the year	Total upto 31-03-2016	Depreciation upto 31.03.2015	For the year	Adjustment for Assets sold	Total upto 31.03.2016	W.D.V. as on 31.03.2016	W.D.V. as on 31.03.2015
TANGIBLE ASSETS:										
Land & Site Development	12,58,03,062	0	0	12,58,03,062	0	0	0	0	12,58,03,062	12,58,03,062
Building	22,91,78,826	75,08,600	0	23,66,87,426	10,53,65,248	1,19,83,984	0	11,73,49,232	11,93,38,194	12,38,13,578
Plant & Machinery	2,21,10,62,714	25,59,85,140	59,27,849	2,46,11,20,005	1,08,52,42,967	21,21,00,400	42,73,945	1,29,30,69,422	1,16,80,50,583	1,12,58,19,747
Office Furniture & Equipment	2,29,83,159	29,80,398	0	2,59,63,557	1,60,52,588	21,94,254	0	1,82,46,842	77,16,715	69,30,571
Vehicles	6,58,95,760	30,52,127	12,11,028	6,77,36,859	3,19,65,679	1,10,65,446	11,50,477	4,18,80,648	2,58,56,211	3,39,30,081
CURRENT YEAR	2,65,49,23,521	26,95,26,265	71,38,877	2,91,73,10,909	1,23,86,26,482	23,73,44,084	54,24,422	1,47,05,46,144	1,44,67,64,765	1,41,62,97,039
PREVIOUS YEAR	2,50,44,45,427	17,33,88,919	2,29,10,826	2,65,49,23,520	1,03,40,91,359	2,09,01,867	22,54,36,990	1,23,86,26,482	1,41,62,97,038	1,47,03,54,068



(Amount in `)

12. CAPITAL WORK IN PROGRESS	As at 31 st March, 2016	As at 31 st March, 2015
Capital Work in Progress consist of the following:		
Construction work in progress	91,25,41,951	6,25,70,028
Expenditure during Construction pending allocation (a)	5,96,58,190	32,02,632
TOTAL	97,22,00,141	6,57,72,660
(a) Details of expenditure during construction - Pending allocation are given below:		
(i) Expenditure during the year :		
(a) Power & Electricity	49,65,741	15,00,210
(b) Employee Benefits Expenses	47,40,077	20,97,268
(c) Finance charges	5,12,57,031	1,89,93,974
(ii) Other Expenses :		
(a) Printing & Stationary	80,144	-
(b) Lease Rent	3,46,069	9,08,871
(c) Rates and Taxes	3,490	-
(d) Travelling Expenses	14,61,910	3,63,187
(e) Insurance	1,41,408	-
(f) Legal & Professional Charges	58,17,328	44,600
(g) Communication Charges	1,28,587	9,893
(h) Repair and Maintenance	58,719	-
(i) Charity & Donation	11,000	-
(j) Miscellaneous Expenses	7,51,877	19,303
	6,97,63,381	<u>2,39,37,306</u>
(b) Add: Balance brought forward from previous year	32,02,632	-
(c) Less: Amount allocated to Fixed Assets	1,33,07,823	2,07,34,674
(d) Balance pending allocation	5,96,58,190	32,02,632

13. NON CURRENT INVESTMENTS	As at 31 st March, 2016	As at 31 st March, 2015
(a) Investment in Equity Shares - Fully paid up		
(i) 10,500 equity shares of Rs. 10 each - Gujarat Environmental Infrastructure Ltd.	1,05,000	1,05,000
(ii) 4,09,025 equity shares of Rs. 10 each - Bharuch Eco-Aqua Infrastructure Ltd.	40,90,250	40,90,250
(iii) 4778.25 equity shares of Rs. 100 each - Gulshan Mercantile Urban Co-operative Bank Ltd.	4,77,825	4,77,825
(iv) 750 equity shares of Rs. 100 each - Eduspire Serives Private Ltd.	75,000	75,000
(v) 8,780 (P.Y. 4,480) equity shares of Rs. 10 each - Tata Steel Limited	29,79,141	14,92,565
(vi) 11,600 equity shares of Rs. 1 each - NMDC Limited	14,95,799	14,95,799
(b) Investment in Mutual Fund		
(i) 17,72,768.095 units - HDFC Corporate Debt Opportunity Fund - Growth	2,00,00,000	2,00,00,000
(ii) 2,00,000 units - ICICI Prudential Mutual Fund - FMP	2,01,79,800	2,01,79,800
(iii) 1,40,944 units Tata Equity Opportunity Fund Plan	2,00,00,000	-
TOTAL	6,94,02,815	4,79,16,239



(Amount in `)

14. LONG TERM LOANS AND ADVANCES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Secured and Considered Good Security Deposits	2,26,00,299	2,13,50,557
(b) Un-secured and Considered Good Capital Advances	4,86,92,905	3,37,57,184
TOTAL	7,12,93,204	5,51,07,741

There is no outstanding loans and advances to related parties

15. INVENTORIES	As at 31 st March, 2016	As at 31 st March, 2015
(i) Raw Materials	22,48,39,998	20,15,03,108
(ii) Work in Progress	4,35,94,971	3,73,87,111
(iii) Finished Goods	6,91,77,224	9,52,51,863
(iv) Stores and Spares	4,88,94,199	4,00,79,200
(v) Coal and Fuel & Chemicals	3,29,32,477	2,68,39,956
TOTAL	41,94,38,869	40,10,61,238

16. TRADE RECEIVABLES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Un-secured and Considered Good Outstanding for a period exceeding six months	3,93,23,374	2,55,27,372
(b) Un-secured and Considered Good Outstanding for a period less than six months	69,72,73,932	61,01,93,428
TOTAL	73,65,97,306	63,57,20,800

17. CASH AND BANK BALANCES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Cash and Cash Equivalentents		
(i) Balances with banks		
In Current accounts	2,48,59,249	25,77,75,477
In Unpaid dividend account	35,26,891	31,26,605
(ii) Cash on hand	10,30,204	9,46,689
	<u>2,94,16,344</u>	<u>26,18,48,771</u>
(b) Other bank balances		
(i) Earmarked balances with banks	12,17,184	40,46,007
(ii) Deposits maturing within 12 months	41,66,17,976	42,69,18,224
	41,78,35,160	43,09,64,231
TOTAL	44,72,51,504	69,28,13,002



(Amount in `)

18. SHORT TERM LOANS AND ADVANCES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Secured and Considered Good Advance Current Tax	8,05,29,025	6,83,39,063
(b) Un-secured and Considered Good Other Loans and Advances - (a)	11,20,84,572	10,14,31,411
TOTAL	19,26,13,597	16,97,70,474

(a) - Other loans and advances mainly include prepaid expenses, advances to suppliers and service providers, advance and loans to employees, CENVAT / VAT /Service Tax credit receivables etc.

19. REVENUE FROM OPERATIONS	As at 31 st March, 2016	As at 31 st March, 2015
Sales		
(a) Sale of Product	4,38,79,64,097	3,92,62,54,077
(b) Sales Tax realised	8,37,15,471	6,80,19,945
(c) Freight and Handling Charges recovered	19,75,89,027	27,06,79,866
Gross Sales	4,66,92,68,595	4,26,49,53,888
Less: Excise Duty /Service Tax	32,74,50,120	28,17,50,994
Net Sales	4,34,18,18,475	3,98,32,02,894
Other Operating Revenues		
(i) Export and Other Incentives	1,45,31,581	89,13,766
(ii) Miscellaneous Receipts & claims	93,90,713	69,90,868
(iii) Lease Rent, Operation & Maintenance Charges (Net of Service Tax)	4,57,89,676	2,25,33,867
	6,97,11,970	3,84,38,501
Net Revenue from Operations	4,41,15,30,445	4,02,16,41,395

20. OTHER INCOME	As at 31 st March, 2016	As at 31 st March, 2015
(a) Interest Income		
(i) On Bank Deposits & Others	3,64,94,821	2,66,11,118
(b) Dividend Income		
(i) On Long Term Investments	3,97,868	75,726
(c) Gain / (Loss) on sale of investments (Net)		
(i) On Long Term Investments	-	16,70,824
(d) Profit/ (Loss) on Fixed assets sold / discarded (Net)	(8,71,786)	(2,36,518)
(e) Other Non-Operating income*	1,02,61,855	16,43,957
TOTAL	4,62,82,758	2,97,65,107

* It includes Agriculture income

21. COST OF MATERIALS CONSUMED	As at 31 st March, 2016	As at 31 st March, 2015
(a) Raw Material	1,98,77,21,393	1,68,92,20,799
(b) Raw Material purchase (Trading)	10,91,655	-
TOTAL	1,98,88,13,048	1,68,92,20,799



(Amount in `)

22. CHANGE IN INVENTORIES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Opening inventories		
(i) Work in progress	3,73,87,111	3,52,27,319
(ii) Finished Goods	8,69,80,406	8,29,48,187
	12,43,67,517	11,81,75,506
(b) Less: Closing Inventories		
(i) Work in progress	4,35,94,971	3,73,87,111
(ii) Finished Goods	6,24,09,675	8,69,80,406
	1,83,62,871	(61,92,011)
(c) Add: Increase/ Decrease of Excise Duty on Inventories	15,03,908	5,704
TOTAL	1,98,66,779	(61,86,307)

23. EMPLOYEE BENEFITS EXPENSES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Salaries and Wages	14,75,58,120	12,60,27,871
(b) Contribution to Provident and Other Funds	89,79,047	56,53,678
(c) Employee Welfare	1,45,69,698	1,30,86,153
TOTAL	17,11,06,865	14,47,67,702

24. MANUFACTURING EXPENSES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Process Chemicals & Consumables	29,20,56,520	25,87,34,786
(b) Stores, Spare Parts & Packing	21,66,29,273	18,59,84,182
(c) Power and Fuel	50,21,17,595	55,22,13,815
(d) Technical Service Expenses	-	2,75,98,771
(e) Excise Duty#	(15,03,908)	(5,704)
(f) Repair & Maintenance:		
(i) Building	47,04,035	33,10,621
(ii) Plant & Machinery	5,36,84,617	5,00,75,019
TOTAL	1,06,76,88,132	1,07,79,11,490

Excise duty shown under expenditure represents the aggregate of Excise duty borne by company and difference between excise duty on opening and closing stock of finished goods.

25. DEPRECIATION AND AMORTIZATION EXPENSES	As at 31 st March, 2016	As at 31 st March, 2015
Depreciation and Amortization expenses	23,73,44,084	22,54,36,990
TOTAL	23,73,44,084	22,54,36,990

26. FINANCE COST	As at 31 st March, 2016	As at 31 st March, 2015
(a) Interest & Charges on Bank borrowing for working Capital	1,87,35,900	1,07,01,005
(b) Interest on Term and Other Loans	2,16,78,636	2,24,51,542
(c) Net (Gain) /Loss on foreign currency transactions and translation	(19,09,815)	(67,07,065)
TOTAL	3,85,04,721	2,64,45,482



(Amount in `)

27. OTHER EXPENSES	As at 31 st March, 2016	As at 31 st March, 2015
(a) Administrative Expenses		
(i) Rates and Taxes	67,15,715	68,95,001
(ii) Rent	89,73,557	76,90,392
(iii) Printing and Stationary	23,91,578	39,86,058
(iv) Advertisment and Publicity	5,85,001	22,53,002
(v) Subscription and Membership fees	2,75,773	3,90,075
(vi) Travelling Expenses	1,74,01,235	2,24,74,386
(vii) Legal and Professional Expenses	57,02,790	73,76,502
(viii) Communication Charges	68,98,067	63,60,129
(ix) Repair and Maintenance	36,73,250	28,11,683
(x) Insurance	19,14,254	22,06,101
(xi) Auditors' Remuneration - c	8,85,800	8,02,580
(xii) Prior period Items (Net)	2,09,522	-
(xiii) Donation	3,04,165	6,08,145
(xiv) Corporate Social Responsibility expenses	61,71,672	54,85,821
(xv) Wealth Tax	1,66,016	2,43,343
(xvi) Miscellaneous Expenses	12,19,461	27,22,341
(A)	<u>6,34,87,856</u>	<u>7,23,05,559</u>
(b) Selling and Distribution Expenses		
(i) Commission & Discount	2,81,99,790	4,79,84,176
(ii) Freight and Forwarding Expenses	36,18,06,950	36,92,01,904
(iii) Trade Tax paid	8,39,50,592	6,83,51,713
(iv) Others	1,88,98,713	1,78,20,233
(B)	<u>49,28,56,045</u>	<u>50,33,58,026</u>
TOTAL (A+B)	55,63,43,901	57,56,63,585
(c) Details of Auditors Remuneration are as follows:		
(i) Audit Fees	5,75,000	5,45,000
(ii) Taxation matters	1,25,000	1,00,000
(iii) fee for certification	1,25,000	1,00,000
(iv) Reimbursement of expenses	60,800	57,580
	<u>8,85,800</u>	<u>8,02,580</u>

28. DETAIL OF SALES, RAW MATERIAL CONSUMPTION, INVENTORIES, ETC. UNDER BROAD HEADS ARE GIVEN BELOW:

A. Raw Materials Consumed:

Raw Materials Consumed:	2015-16 (Amount in `)	2014-15 (Amount in `)
Rice	39,60,61,140	23,30,85,583
Corn/Starch	1,25,46,07,390	97,30,36,115
Lime & Lime Stone	32,67,99,435	30,19,76,516
Extra Natural Alcohol	22,67,106	56,41,527
Others	79,86,322	17,28,28,161
	1,98,77,21,393	1,68,65,67,902

**B. Traded Goods**

(Amount in `)

Products	Purchases		Sales		Opening Stock		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Chemicals	10,91,655	-	11,52,270	-	-	-	-	-
	10,91,655	-	11,52,270	-	-	-	-	-

C. Manufactured Goods

Products	Sales		Opening Stock		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1.Sorbitol & Sweetner	2,53,11,20,533	2,17,69,48,597	4,22,50,865	2,22,71,559	4,22,65,301	4,22,50,865
2.Calcium Carbonate	1,22,24,58,421	1,14,69,75,797	4,39,54,610	6,52,44,239	2,05,52,631	4,39,54,610
3.Plant & Machinery	2,43,44,385	31,98,78,367	-	86,27,029	-	-
4. By Products	55,36,24,666	32,61,75,883	45,11,402	37,09,549	47,46,126	45,11,402
5. Liquor-IMFL	91,18,200	1,32,24,250	45,34,985	-	16,13,166	45,34,985
	4,34,06,66,205	3,98,32,02,894	9,52,51,862	9,98,52,376	6,91,77,223	9,52,51,862

29. Key Managerial Personnel:	2015-16 (Amount in `)	2014-15 (Amount in `)
Salary & Allowance	2,19,14,204	1,61,14,014
Perquisites	18,39,600	13,46,400
Commission on Profit	1,05,00,000	85,00,000
	3,42,53,804	2,59,60,414

30. Additional information pursuant to paragraphs 5 (viii) of Part II of the Companies Act, 2013 are follows:

A. C.I.F. value of imports by the Company (Excluding imported items purchased locally):

	2015-16 (Amount in `)	2014-15 (Amount in `)
Raw Materials, Stores and Components	12,05,926	30,43,741
Capital Goods	10,17,17,117	6,62,900

B. Expenditure in foreign currency during the year:

	2015-16 (Amount in `)	2014-15 (Amount in `)
Interest	2,30,64,490	1,37,86,523
Commission	1,39,93,339	3,22,44,831
Travelling	28,88,975	35,19,049
Technical Service Expenses	70,07,440	89,48,343
Legal & Professional Fee	11,73,112	-



C. Value of Raw Materials, Coal and Fuel and Stores and Spares consumed during the year ended: (Amount in `)

	Value (Crore `)		Percentage %	
	2015-16	2014-15	2015-16	2014-15
Raw Materials:				
Imported	-	23,85,895	0.00%	0.14%
Indigenous	1,98,77,21,393	1,68,41,82,007	100.00%	99.86%
	1,98,77,21,393	1,68,65,67,902		
Coal and Fuel:				
Imported	-	-	0.00%	0.00%
Indigenous	27,53,99,299	32,20,45,018	100.00%	100.00%
	27,53,99,299	32,20,45,018		
Stores and Spares:				
Imported	12,05,926	16,84,661	7.00%	8.82%
Indigenous	1,60,13,787	1,30,90,225	93.00%	91.18%
	1,72,19,713	1,47,74,886		

D. Earnings in Foreign Exchange:

	2015-16 (Amount in `)	2014-15 (Amount in `)
Export of Goods on F.O.B. basis	61,49,31,866	76,99,70,565

31. The previous figure has been re-arranged and/or regrouped wherever necessary, to conform the current year classification.
32. Contingent Liabilities in respect of:
- Corporate guarantee (in the form of counter guarantee) extended to Gujarat Industrial Development Corporation (GIDC) for ` 7,39,000/- (Previous year ` 7,39,000/-) on account of Bharuch Eco Infrastructure Limited, for proportionate share of financial assistance pertaining to the company extended to GIDC by Industrial Development Finance Corporation (IDFC) for laying the common pipe line for treated water from industrial units.
 - Bank guarantees for ` 78.87 lacs in favour of Government Departments.
 - Estimated amount of contracts remaining to be executed on capital account and not provided for ` 2309.18 lacs.
33. In compliance to the Accounting Standard-11, the outstanding Foreign Currency Term Loan (FCTL) of USD 1,64,14,610 availed for acquisition of fixed assets has been revalued as per the foreign exchange rate as on 31-3-2016 and derivatives booked to hedge these loans. The revaluation has resulted in foreign exchange difference of ` 1,26,33,676/-, the same has been capitalized to fixed assets and FCTL increased by the same amount.
34. In compliance to the Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India (ICAI), Deferred Tax Asset of ` 47,46,966/- (Previous Year ` 81,99,849/-) has been provided as at 31st March 2016 and the same has been charged to the Profit & Loss account of the Company. This pertains to the timing difference in Depreciation on Assets as per books of accounts and WDV as per Income Tax Act. The Deferred Tax Liability has been calculated by applying tax rate that have been enacted and applicable as on the Balance Sheet date. No Liability has been computed in respect of difference considered to be of permanent nature.
35. Disclosure of Related Party transactions as per Accounting Standard 18 issued by ICAI :
- Name of related party and nature of related party relationship where control exist
 - Holding Company : Nil
 - Subsidiary Company : Nil
 - Name of related party and nature of related party relationship other than those referred to in (a) above in transaction with the company :
 - Joint Ventures etc. : Nil
 - Key Management Personnel : Dr. C.K. Jain, Managing Director



Mrs. Aditi Pasari, Whole Time Director
 Mrs. Arushi Jain, Whole Time Director
 Mr. S. K. Tewari, Whole Time Director
 Mr. A. K. Vats, CEO & Whole Time Director
 Mr. Rajesh Agrawal, CFO
 Mrs. Nisha Gupta, CS

(iii) Relative of KMP

Mrs. Mridula Jain

(i) Corporate entities over which key management personnel are able to exercise significant influence: Gulshan Lamee Pack Pvt. Ltd, Gulshan Holdings Pvt. Ltd, and Gulshan Speciality Minerals Private Limited, Gulshan Sugar & Chemicals Ltd., Reliance Expovision Pvt Ltd., East Delhi Importers & Exporters Pvt Ltd., ARP Developers Pvt Ltd., Oye Oye.com Online Services India LLP, Houzilla Interiors Pvt Ltd.

(ii) Transactions with related parties of the period 01.04.2015 to 31.03.2016 :

(Amount in `)

Key Managerial Personnel	2015-16	2014-15
Remuneration to Key Personnel:		
- Salaries & Perks	2,37,53,804	1,74,60,414
- Commission on Profits	1,05,00,000	85,00,000
Rent Paid - Dr. C.K Jain	47,64,000	41,40,000
- Mrs. Mridula Jain, Relative	35,58,000	30,94,400

36. Earning Per Share computed in accordance with Accounting Standard – 20:

(` in Lacs)

	Particulars	Current Year 2015-16	Previous Year 2014-15
1	Net Profit After Tax	3,049.41	2,547.41
2	Less : Dividend on Preference Shares	98.69	98.40
3	Net Profit After Tax available for Equity Shareholders	2,950.72	2,449.01
4	Weighted Average of number of Equity Share outstanding during the year	92,60,842	88,83,404
5	Basic Earning Per Share of Rs. 5/- each	31.86	27.57
6	Diluted Earning Per Share of Rs. 5/- each	31.45	27.57

37. The Company operates in Chemicals Industry and there are no reportable segments.

As per our report of even date attached
 For SHAHID & ASSOCIATES
 Chartered Accountants
 (Firm Registration No: 002140C)

For and on behalf of the Board of Directors

(MOHD. SHAHID)
 Proprietor
 Membership no: 070408

DR. C. K. JAIN
 Chairman & Managing Director
 DIN: 00062221

ASHWANI KUMAR VATS
 Whole Time Director and CEO
 DIN : 00062413

Date: 28th May, 2016
 Place : Delhi

NISHA GUPTA
 Company Secretary

RAJESH AGRAWAL
 Chief Financial Officer



GULSHAN POLYOLS LIMITED
CIN: L24231UP2000PLC034918
Regd. Off.: 9th K.M. Jansath Road, Muzaffarnagar – 251 001 (UP)

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

Name & Address of Member
Regd. Folio No.: D.P. ID / Client ID.....
E-mail Id:
I / WE, being a member(s) of _____ equity shares of the above named Company, hereby appoint
Name: _____ Email: _____
Address: _____
Signature: _____ or failing him/her
Name: _____ Email: _____
Address: _____
Signature: _____ or failing him/her
Name: _____ Email: _____
Address: _____
Signature: _____ or failing him/her
Name: _____ Email: _____
Address: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th Annual general meeting of the company, to be held on the Saturday, the 17th September, 2016 at 12:15 p.m. at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh 251002 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Number	Resolution
	Ordinary Business
1	To receive, consider and adopt the Audited Balance Sheet as at 31 st March 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and Auditors thereon.
2	To confirm the payment of dividend on Preference Shares for the financial year 2015-16.
3	To confirm the payment of Interim dividend during the financial year 2015-16 and to declare a Final dividend on Equity Shares for the financial year ended 31 st March, 2016.
4	To appoint a director in place of Mr. Suresh Kumar Tewari (holding DIN no. 00062373), who retires by retire by rotation, and being eligible, offers himself for re-appointment
5	To ratify the appointment of M/s Shahid & Associates, (Firm Registration No. with ICAI - 0 02140C), Statutory Auditors of the Company.
	Special Business
6	Re-appointment of Ms. Arushi Jain as a Whole Time Director of the Company
7	Re-appointment of Ms. Aditi Pasari as Whole Time Director of the Company
8	Appointment of Mr. Kailash Chandra Gupta (DIN: 01649210) as a Director of the Company
9	Approval of Remuneration of Cost Auditor of the Company
10	Authorization for Related Party Transactions of the Company

Signed this..... day of..... 2016

Signature of shareholder Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

GULSHAN POLYOLS LIMITED
CIN: L24231UP2000PLC034918
Regd. Off.: 9th K.M. Jansath Road, Muzaffarnagar – 251 001 (UP)

Attendance Slip For Attending Annual General Meeting

Regd. Folio No..... No. of Shares held
DP. ID. No. Client ID. No.

I certify that I am a member / proxy for the member(s) of the Company.

I hereby record my presence at the 16th Annual General Meeting of the Company at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh- 251002 at 12:15 p.m. on Saturday, 17th September, 2016

Member's / Proxy's Name in Block Letters Signature of Member/ Proxy

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.



- ### KEY MILESTONES
- Started Calcium Carbonate unit with consistent growth
 - Started Starch Sugar unit to produce Sorbitol & Liquid Glucose
 - Started India's first onsite PCC unit for paper industry
 - Ventured into Alcohol business
 - Started Starch Sugar unit to produce DMH, MDP & LG
 - Partnered with ITC by setting up onsite PCC plant
 - Started production of Native Starch from rice

Plant Locations

Muzaffarnagar, U.P.	Bharuch, Gujarat	Tribeni, W.B.	Dhaura Kuan, H.P.
Abu Road, Rajasthan	Amlai, M.P.	Chhindwara, M.P.	Patiala, Punjab

Registered Office: 9th K.M., Jansath Road, Muzaffarnagar, Uttar Pradesh -251001
 Tel: 0131-32958800, Fax: 0131-2661378, e-mail: gsclmzn@gulshanindia.com
 Corporate Office : G- 81, Preet Vihar, Delhi – 110092