

**NOTICE**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the members of GULSHAN POLYOLS LIMITED will be held on Saturday, 29<sup>th</sup> September, 2018 at 12:30 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 31<sup>st</sup> March 2018 and the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To declare a dividend on Preference Shares for the financial year ended 31<sup>st</sup> March, 2018.
3. To confirm the payment of interim dividend during the financial year 2017-18 and to declare a final dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2018.
4. To appoint a director in place of Mr. Ashwani Kumar Vats (holding DIN no. 00062413), who retires by retire by rotation, and being eligible, offers himself for re-appointment.
5. To ratify the appointment of Rajeev Singal & Co. (Firm Registration no. -008692C), 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 Rajeev Singal & Co. Chartered Accountants, (Firm Registration no. -008692C), as Statutory Auditors of the Company be and are hereby ratified from the conclusion of 18<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 19<sup>th</sup> AGM of the Company to be held in the year 2019, 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. Revision in terms of appointment and remuneration of Dr. C. K. Jain, Managing Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Part I and Section II of Part II of Schedule V (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, approval of the members of the Company be and is hereby accorded for variation in terms of appointment and remuneration of Dr. C. K. Jain (DIN: 00062221) Managing Director of the Company, designated as Chairman and Managing Director, who has attained the age of 70 years in June 2018, with effect from 1<sup>st</sup> April, 2017 till his remaining tenure ending on 31<sup>st</sup> March, 2020.

**RESOLVED FURTHER THAT** the remuneration paid / payable to Dr. C. K. Jain, Managing Director with effect from April 1, 2017, as approved by the Nomination and Remuneration Committee shall be as under:

**1. Basic Salary:**

₹ 12,00,000/- per month in the scale of ₹ 12,00,000/- to ₹ 20,00,000/-, with an annual increment as may be decided by the Board on recommendation of Nomination and Remuneration Committee, effective 1<sup>st</sup> April each year.

**2. Commission on profits**, in addition to the salary, perquisites payable, as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee 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 shall provide him suitable owned/ leased accommodation.
- (ii) Company's contribution towards Provident Fund, Gratuity and Encashment of accumulated Leaves as per rules of the company. The Gratuity shall not exceed an amount equal to half month's salary for each completed year of service. However, all these shall not be included in the computation of the ceiling on



perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

- (iii) Company's Car for use on Company's business 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.
- (iv) 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.
- (v) 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 authorized to revise, amend, alter and vary such terms of re-appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Dr. Chandra Kumar Jain, without any further reference to the shareholders in general meeting.

**RESOLVED FURTHER THAT** where in any financial year, during the currency of the tenure of Dr. C. K. Jain as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution the Board of Directors and/or the Nomination and Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard."

#### **7. Variation in terms of remuneration of Ms. Arushi Jain, Whole Time Director of the Company**

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

**"RESOLVED THAT** in partial modification of resolution passed in this regard by the members of the Company at 16<sup>th</sup> Annual General Meeting held on 17<sup>th</sup> September, 2016 and pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent and ratification of the members be and is hereby accorded that Ms. Arushi Jain (DIN: 00764520), Whole Time Director of the Company be paid remuneration by way of Salary, Perquisites and Allowances as approved by the Members at annual general meeting held on 17<sup>th</sup> September, 2016 as minimum remuneration with effect from April 1, 2017 for the remaining period of her tenure ending on December 31, 2020, in case where in any financial year, during the currency of the tenure of Ms. Arushi Jain as Whole Time Director, if the Company has no profits or its profits are inadequate, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

**RESOLVED FURTHER THAT** the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** except for the aforesaid revision in terms of remuneration, all other terms and conditions of her appointment as Whole Time Director of the Company, as approved by the resolution passed at the annual general meeting of the Company held on 17<sup>th</sup> September, 2016 shall remain unchanged.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Board of Directors and/or the Nomination and Remuneration Committee/the Company Secretary is/are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate."

#### **8. Variation in terms of remuneration of Ms. Aditi Pasari, Whole Time Director of the Company**

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

**"RESOLVED THAT** in partial modification of resolution passed in this regard by the members of the Company



at 16<sup>th</sup> Annual General Meeting held on 17<sup>th</sup> September, 2016 and pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent and ratification of the members be and is hereby accorded that Ms. Aditi Pasari (DIN: 00120753), Whole Time Director of the Company be paid remuneration by way of Salary, Perquisites and Allowances as approved by the Members at annual general meeting held on 17<sup>th</sup> September, 2016 as minimum remuneration with effect from 1<sup>st</sup> April, 2017 for the remaining period of her tenure ending on December 31, 2020, in case where in any financial year, during the currency of the tenure of Ms. Aditi Pasari as Whole Time Director, if the Company has no profits or its profits are inadequate, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

**RESOLVED FURTHER THAT** the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** except for the aforesaid revision in terms of remuneration, all other terms and conditions of her appointment as Whole Time Director of the Company, as approved by the resolution passed at the annual general meeting of the Company held on 17<sup>th</sup> September, 2016 shall remain unchanged.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Board of Directors and/ or the Nomination and Remuneration Committee/the Company Secretary is/are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate."

#### **9. Payment of Commission to Non-Executive Directors of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013, the Non-Executive Directors of the Company (i.e. Directors other than the Managing Director and Whole-time Directors) be paid, by way of an annual payment, in addition to the sitting fees for attending the meetings of the Board of Directors or Committees thereof, a commission as the Board of Directors may from time to time determine, not exceeding 1% (one percent) of net profits of the Company, to be calculated in accordance with the provisions of Sections 198 and other provisions, if any, of the Companies Act, 2013, for a period of 5 (five) years with effect from 1<sup>st</sup> April, 2018."

#### **10. 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 2018-19."

#### **11. Approval of Gulshan Polyols Limited Employees - Stock Option Plan 2018 (GPL ESOP 2018)**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations"), issued by the Securities and Exchange Board of India ("SEBI") and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded respectively to the 'GPL - Employees Stock Option Plan 2018' (hereinafter referred to as the "GPL ESOP 2018") and the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee,



including the Nomination and Remuneration /Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) be and hereby authorised to create, offer and grant from time to time such number of options, to the permanent employees including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India, as may be decided solely by the Board under the Plan, exercisable into not more than 5% options of the issued equity share capital of the Company i.e. 23,45,851 options/equity shares of the present capital, each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up Equity Share in the Company, of face value of ₹ 1/- each, directly by the Company and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the GPL ESOP 2018 and in due compliance with the applicable laws and regulations in force."

**"FURTHER RESOLVED THAT** the Board and any committee formed for this purpose be and is hereby authorised to issue and allot Equity Shares upon exercise of options by Employee from time to time in accordance with the GPL ESOP 2018 and other applicable laws in force and such Equity shares shall rank pari-passu in all respects with the existing Equity Shares of the Company."

**"FURTHER RESOLVED THAT** the number of options that may be granted to any employee including any Director of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), in any financial year and in aggregate under the GPL ESOP 2018 shall be lesser than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company."

**"FURTHER RESOLVED THAT** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid limit of 5% of the issued equity share capital of the Company i.e. 23,45,851 equity shares of the present capital, shall be deemed to be increased in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment."

**"FURTHER RESOLVED THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the options Grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 1/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees."

**"FURTHER RESOLVED THAT** the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the GPL ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the GPL ESOP 2018 and do all other things incidental and ancillary thereof."

**"FURTHER RESOLVED THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the GPL ESOP 2018."

**"FURTHER RESOLVED THAT** any of the Directors of the Company or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the GPL ESOP 2018 on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations."

**12. Acquisition of Shares of the Company through 'Employees Welfare Trust' for implementation of GPL ESOP 2018.**

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

**"RESOLVED THAT** pursuant to the provisions of sections 62(1)(b), 67 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred



to as "SEBI SBEB Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be imposed or prescribed, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee thereof including the Nomination and Remuneration Committee/Compensation Committee, duly authorised by the Board), approval and consent of the Members of the Company be and are hereby accorded to the Board to implement 'Gulshan Polyols Limited Employees - Stock Option Plan 2018'(hereinafter referred to as the "GPL ESOP 2018") through an Employees' Welfare Trust (hereinafter referred to as "Trust") to be setup by the Company.

**RESOLVED FURTHER THAT** the said Trust be and is hereby authorised to subscribe, acquire, purchase, sale, transfer, hold, dispose and deal in the equity shares of the Company either by way of fresh allotment by the company and/or from the secondary market through the trust , such that the total number of shares under secondary acquisition held by the trust does not exceed, at any time 5% of paid up equity share capital of the company for the purpose of implementation of GPL ESOP 2018 or any other employee stock plan or share based employee benefit plan(s), as may be introduced by the Company from time to time, (hereinafter referred to as "Employee Benefits Plan(s)"), or for any other purpose(s) as contemplated herein and to do all such acts, deeds and things as may be incidental or ancillary in this regard.

**FURTHER RESOLVED** that the Equity Shares that can be acquired from the secondary market in any financial year by the Trust shall not exceed 2% of the Paid-up Equity Share Capital as at the end of the previous financial year.

**FURTHER RESOLVED** that in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger or other re-organisation, if any, additional Equity Shares are required to be issued by the Company to the shareholders, the maximum number of Equity Shares to be acquired by the Trust from the secondary market in any financial year as well as the maximum number of Equity Shares acquired from the secondary market and held by the Trust at any point of time, as aforesaid, shall be increased in the same proportion as the number of such additional Equity Shares issued bears to the number of Equity Shares outstanding immediately prior to such issue.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to delegate all or any of the powers herein conferred by this resolution to any Committee of directors, Director, Officer or Authorised Representative of the Company and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the Members of the Company."

**13. To authorise for making of Loan/ Provision of money at Employees' Welfare Trust for purchase of / subscription for Company's shares under GPL ESOP, 2018.**

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

**"RESOLVED THAT** pursuant to the provisions of sections 62(1)(b), 67 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as "SEBI SBEB Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be imposed or prescribed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee thereof including the Nomination and Remuneration Committee/Compensation Committee, duly authorised by the Board), consent of the Members of the Company be and are hereby accorded to the Board to make loan and /or provision of money and/or to provide guarantee or security in connection with a loan granted or to be granted, in one or more tranches, to the Employees' Welfare Trust (hereinafter referred to as "Trust") to be set-up by the Company, for an amount not exceeding 5% (Five percent) of the aggregate of the paid-up share capital and free reserves of the Company for the purpose of subscription for and/or acquisition of equity shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of equity shares as may be specified under the GPL ESOP 2018 and/or any other employee stock plan or share based employee benefits plan(s), which may be introduced by the Company from time to time (hereinafter collectively referred to as "Employee Benefits Plan(s)") with a view to deal in the equity shares of the Company as contemplated in any of the Employee Benefits Plans or such other purpose(s) as may be permitted under the SEBI SBEB Regulations and other applicable laws and regulations.



**RESOLVED FURTHER THAT** any loan or money or guarantee provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the GPL ESOP 2018 and/or other Employee Benefits Plan(s), as the case may be, subject to exercise price being paid by the employees upon exercise of Options under any of the Employee Benefits Plan(s).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient and to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors, Director, Officer or Authorised Representative of the Company and to settle any questions, difficulty or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company."

#### **14. Re-appointment of Mr. Kailash Chandra Gupta as an Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Kailash Chandra Gupta (DIN: 01649210), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed to hold office for five consecutive years for a term from 29<sup>th</sup> May, 2018 to 28<sup>th</sup> May, 2023, and whose office shall not be liable to retire by rotation."

**By the order of the Board of Directors**

Date: 3<sup>rd</sup> August, 2018

Place: Delhi

**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, 25<sup>th</sup> August, 2018 to Tuesday, 28<sup>th</sup> August, 2018 (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 29<sup>th</sup> September, 2018 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 24<sup>th</sup> August, 2018.



8. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special business at item no. 6 to 14 is enclosed.
9. Members who have neither received nor encashed their dividend warrant(s) for the financial years 2010-11 to 2017-18 including Interim Dividend 2017-18, 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 2010-11 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 2017-18 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 18<sup>th</sup> 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 18<sup>th</sup> 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 26<sup>th</sup> September, 2018 and ends at 5:00 P.M. on 28<sup>th</sup> September, 2018. 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 22<sup>nd</sup> September, 2018, 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:  
The shareholders should Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - i) Click on "Shareholders" tab to cast your votes.
  - ii) Now enter your User ID

	<b>For Members holding shares in Demat Form</b>	<b>For Members holding shares in Physical Form</b>
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

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

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	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) <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
DOB	Enter the Dividend Bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or folio.
Bank Details	Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• 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.</li> </ul>



- v) After entering these details appropriately, click on "SUBMIT" tab.
- vi) 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 filed. 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.
- vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii) Click on the relevant EVSN for Gulshan Polyols Limited.
- ix) 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.
- x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xi) 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.
- xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xiv) 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.
- xv) **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.**
- xvi) Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xvii) Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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](mailto: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.
  - 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](http://www.evotingindia.com) under help section or write an email to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
- xviii) 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.
- xix) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- xx) 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 his 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](http://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 & 14 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**

Dr. C. K. Jain, who was re-appointed as Chairman and Managing Director by the members through ordinary resolution at the 15<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> September, 2015, to hold office for a period of 5 years commencing from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2020. He has attained the age of 70 years in June, 2018 and hence continuation of his employment as Chairman and Managing Director requires the approval of members by way of a special resolution.

Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution. Part 1 of Schedule V to the Act contains a similar relaxation.

Keeping in view that Dr. C. K. Jain has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time; it would be in the interest of the Company to continue the employment of Dr. C. K. Jain as Chairman and Managing Director.

The Board of Directors on the recommendation of Nomination and Remuneration Committee has also decided to revise remuneration paid / payable to Dr. C. K. Jain, subject to the approval of members/shareholders by way of special resolution.

The Company had been making consistent adequate profit upto the financial year 2016-17. The profit during the financial year commencing from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018 is understood to be under pressure on account of finance cost, increase in operating cost, competition and additional depreciation charged in terms of Companies Act, 2013. Owing to the above factors, the profits to be earned by the Company during the said financial year may not be as per expectations and may become inadequate for the purpose of managerial remuneration in terms of Section 197 of the Companies Act, 2013. Considering the seasonal nature of the industry & the direct impact of the economy on the industry, the Company has been making necessary efforts to improve its profitability by pursuing and implementing strategies. The results of these initiatives are likely to be felt in the coming years.

In view of the above, the payment of the managerial remuneration for the said year(s) may fall within the purview of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:



<b>Where the effective capital is</b>	<b>Maximum Yearly Permissible Limit of Managerial Remuneration Per Person</b>
₹ 250 crores or more	₹ 120 lakhs plus 0.01% of the effective capital in excess of ₹ 250 crores**

*\*\* Provided that the above limits shall be doubled if the resolution passed by the shareholders is a special resolution.*

Accordingly, the Board of Directors at its Meeting held on 29<sup>th</sup> January, 2018 felt it prudent to approach the Members of the Company seeking their approval by way of special resolution to the appointment and remuneration payable to the aforesaid managerial personnel for a period of three (3) years i.e. from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2020 in the event of loss or inadequacy of profits earned by the Company during the aforesaid financial year. The details particulars in respect of the Company and aforesaid managerial personnel are given below forming part of this Notice.

Having regard to the above, the resolution set out at item No. 6 have been proposed and the Board of Directors recommended the same for your approval based on the recommendations of the Nomination and Remuneration Committee.

Except Dr. Chandra Kumar Jain, being an appointee and Ms. Arushi Jain and Ms. Aditi Pasari being daughters of Dr. Chandra Kumar Jain in the capacity of directors of the Company, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned and interested or in the resolution set out at item no. 6.

#### **Item No. 7 & 8**

Ms. Arushi Jain and Ms. Aditi Pasari were re-appointed as Whole Time Director(s) of the Company, respectively, at a salary of ₹ 1,50,000/- p.m. (in the time scale of ₹ 1,50,000- ₹ 4,00,000) with effect from 1<sup>st</sup> January, 2016 for a period of 5 years at the 16<sup>th</sup> Annual General Meeting of the shareholders held on 17<sup>th</sup> September, 2016. They were also entitled to Commission on profits, in addition to Salary, perquisites and allowances including Contribution to Provident Fund, Gratuity provided, Encashment of accumulated Leaves, Company's Car, Reimbursement of actual medical expenses, Club Memberships that the aggregate of the remuneration shall be within the maximum limits as laid down under Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Act as amended from time to time.

**Minimum Remuneration:** In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following:-

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.
- (iii) A special resolution has been passed at a general meeting of the Company.

The Company has inadequate profits for the period ended 31<sup>st</sup>December, 2017 in the financial year 2017-18. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Board of Directors and Nomination and Remuneration Committee at their meeting held on 29<sup>th</sup> January, 2018, respectively, have already approved the revision in terms of remuneration payable to Ms. Arushi Jain and Ms. Aditi Pasari, Whole Time Directors of the Company as set out in the resolution at Item No. 7 & 8 of the Notice. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

Except for the aforesaid revision in salary, all other terms and conditions of her appointment as Whole Time Director of the Company as approved by the members of the Company shall remain unchanged.

Ms. Arushi Jain, Ms. Aditi Pasari and Dr. C. K. Jain, Directors together with their relatives are interested in the resolution set out at Item No. 7 & 8 of the Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.



The Board commends the Special Resolution set out at Item No. 7 & 8 of the accompanying Notice for the approval by the Members.

**Item No 9**

The Board of Directors are of the opinion that, in order to remunerate the Non-Executive and Independent Directors of the Company (other than the Managing Director and/or Whole-time Directors), for the responsibilities entrusted upon them under the law particularly with the requirements of the Corporate Governance Policies, the current trends and commensurate with the time devoted and the contribution made by them, the Board at their Meeting held on 22<sup>nd</sup> May, 2018 have approved, subject to such Statutory approvals as may be necessary, payment by way of Commission, to be paid to the Non- Executive and Independent Directors of the Company.

Board of Directors of the Company has approved payment of Commission to Non- Executive and Independent Directors of the Company, within the maximum limit of 1% of net profits of the Company, to be determined by the Board of Directors for each Non-Executive and Independent Director for each financial year, over a period of five years with effect from 1<sup>st</sup>April, 2018, in addition to the sitting fees paid for each of the Board and its Committee meetings attended by them.

Section 309 of the Companies Act, 1956 requires approval of members of the Company by passing a Special Resolution in general meeting for payment of remuneration by way of Commission to Non-Executive Directors of the Company.

All the Non-Executive Directors of the Company may be deemed to be concerned or interested in the said resolution no. 9 to the extent of the commission payable to them.

**Item No. 10**

The Board of Directors at its meeting held on 22<sup>nd</sup> May, 2018 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 31<sup>st</sup> March, 2019, 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. 10

**Item No. 11**

The human resource plays a vital role in growth and success of a Company. As a step towards substituting pure financial benefits with ownership and to enable employees to participate in the enhancement of shareholders value, your Company believes in rewarding its employees including Directors of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path. The Company intends to implement the **Gulshan Polyols Limited – Employees Stock Option Plan 2018 (GPL ESOP 2018)**, with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

Pursuant to provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, (SEBI (SBEB) Regulations), the Company seeks members, approval in respect of GPL ESOP 2018 and grant of options to the eligible employees/ Directors of the Company as decided by the Nomination and Remuneration Committee from time to time in due compliance of the SEBI (SBEB) Regulations.

**Item No. 12 and 13**

Pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI SBEB Regulations, the Company proposes to implement Gulshan Polyols Limited Employees - Stock Option Plan 2018 ("GPL ESOP 2018") through an Employees' Welfare Trust ("Trust") route with a view to efficiently manage the Plan and if required, to enable cashless exercise of vested options. GPL ESOP 2018 envisages issue of 5% options of the issued equity share capital of the Company i.e. 23,45,851 equity shares of the present capital within the term of the Plan. The Company also contemplates to manage any other future employee stock option plan or share based employee benefit plan as may be introduced from time to time through the aforesaid Trust.

The Board proposes to set-up an Employees' Welfare Trust namely Gulshan Polyols Limited Employees' Welfare Trust ("Trust") and to make loan and / or provision of money and / or to provide guarantee or security in connection with a loan granted or to be granted, in one or more tranches, to the Trust, for an amount not



exceeding 5% (Five percent) of the aggregate of the paid-up share capital and free reserves of the Company, as prescribed under SEBI SBEB Regulations read with Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014.

The main features of the ESOP 2018 are as under:

**1. Brief Description of the Scheme(s):**

This proposed Scheme called the 'Gulshan Polyols Limited – Employees Stock Option Plan 2018' and shall extend its benefits to the present and/or future permanent & eligible employees of the Company. The scheme will be implemented via Trust Route which will acquire Equity Shares of the Company by both the ways either by fresh allotment from the company or by Secondary market acquisitions for the purpose of extending the benefits of the scheme to the employees. The scheme may also involve cashless exercise of options, as may be decided by the Committee.

**2. Total number of options to be granted:**

The maximum number of options/shares to be granted to the Employees under the GPL ESOP 2018 shall not exceed 5% options of the issued equity share capital of the Company i.e. 23,45,851 equity shares of the present capital. Each option when exercised would be converted into one Equity Share of ₹ 1/- each fully paid up.

In case of any corporate action such as right issue, bonus issue, corporate restructuring, other issues, reduction of share capital, buy back of shares, split or consolidation of shares of the Company or like events, the above limit shall be calculated with reference to adjusted capital and number of Equity Shares to be acquired/ granted shall be adjusted accordingly.

**3. Identification of classes of employees entitled to participate in GPL ESOP 2018:**

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company, its holding and subsidiary company(ies) as may be determined by Board/ Committee at its discretion from time to time be allowed under the SEBI SBEB Regulations, 2014, shall be eligible to participate in the GPL ESOP 2018 .

An employee who is a Promoter or belongs to the Promoter Group; a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% (Ten percent) of the outstanding equity shares of the Company, shall not be eligible to participate in the GPL ESOP 2018.

**4. Appraisal process for determining the eligibility of the employees to the GPL Scheme 2018**

The process for determining the eligibility of the employees will be specified by the Nomination and Remuneration / Compensation Committee and will be based on designation, period of service, band, performance linked parameters such as work performance and such other criteria as may be determined by the aforesaid Committees' at its sole discretion, from time to time.

**5. Requirements of vesting and period of vesting:**

The options granted shall vest so long as an employee continues to be in the employment of the Company. The Nomination and Remuneration Committee may, at its discretion, lay down certain performance metrics on the achievement of which such options would vest, the detailed terms and conditions relating to such vesting, and the proportion in which options granted would vest subject to the condition that Vesting of options shall commence after a period of minimum one (1) year from the date of grant.

The vesting period shall be decided by the Nomination and Remuneration Committee from time to time but shall not be less than 1 year and not more than 5 years from the date of grant of options. Vesting may happen in one or more tranches.

**6. Exercise price or pricing formula:**

The exercise price and/or the pricing formula shall be decided by the Nomination and Remuneration Committee from time to time. Employee shall bear all tax liability in relation to grant of options.

**7. Exercise period and the process of Exercise:**

The Compensation Committee shall decide the exercise period from time to time which can be extended upto 5 years from the vesting date(s).

The Vested options shall be exercisable by the employees by a written application to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee



from time to time. The options shall lapse if not exercised within the specified exercise period.

**8. Lock in period**

The lock in period, if any shall be determined by the Nomination, Remuneration and Compensation Committee.

**9. Maximum number of options to be issued per employee and in aggregate:**

The maximum number of Options that can be granted to any eligible employee during any one-year shall not equal or exceed 1% of the issued capital of the Company at the time of grant of options unless otherwise approved by the shareholders.

**10. The method which the company shall use to value its options;**

The value of options will be determined as per the SEBI SBEB Regulations, 2014.

**11. The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct**

The condition under which the Employee Stock Option vested in Employees may lapse is termination of employment for misconduct.

**12. Other disclosure**

The Company shall comply with the disclosures, the accounting policies and accounting standards and other requirements as may be prescribed under the Companies Act, 2013 and rules made there under and other Applicable Laws from time to time. The Compensation Committee shall have all the powers to take necessary decisions for effective implementation of the GPL ESOP 2018. In terms of the provisions of the Companies Act, 2013 read with rules made there under, GPL ESOP 2018 is required to be approved by the members by passing Special resolution.

**13. Maximum Quantum of benefits to be provided per employee under the ESOP 2018**

The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of options.

**14. Implementation and administration of the scheme**

The scheme shall be implemented and administered by the "Employee Welfare Trust" of the company. The Company proposes to provide financial assistance to the said Trust for this purpose subject to the overall limits specified under the Applicable Laws, if any.

**15. Whether the scheme involves new issue of shares by the company or secondary acquisition by the Trust or both**

Both i.e. new issue of shares by the company to the Trust and secondary acquisition by the Trust.

**16. Accounting and Disclosure Policies**

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

Consent of the members is being sought by way of Special Resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations.

A draft copy of the ESOP 2018 is available for inspection at the Company's Registered Office on all working days (excluding Saturday, Sunday and Holidays) till the date of the Annual General Meeting.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in these Resolutions only to the extent of any Stock Options that may be granted to them and the resultant equity shares issued, as applicable.

**Particulars in respect of the Trust:****a) The class of employees for whose benefit the Plan is being implemented and money is being provided for purchase of and subscription for the shares:**

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company, its holding and subsidiary company(ies) as may be determined by Board/



Committee at its discretion from time to time.

**b) The particulars of the Trustee or employees in whose favour such shares are to be registered:**

It is contemplated that one or more of the designated Trustees shall acquire and deal in the shares of the Company. The Trustees shall transfer the shares in favour of the employees on exercise of the Options after ensuring realisation of exercise price and applicable income tax.

**c) The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:**

An Irrevocable Trust is proposed to be set-up with the name Gulshan Polyols Limited Employees' Welfare Trust having its registered office at G -81, Preet Vihar, Delhi- 110092.

The Trustee(s) would be appointed by the Board and / or the Committee thereof in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI SBEB Regulations.

A person shall not be appointed as a trustee to hold such shares, if he is a director, key managerial personnel or promoter of the company or its subsidiary or associate company or any relative of such director, key managerial personnel or promoter; or (b) beneficially holds 10% (Ten percent) or more of the paid-up share capital of the Company.

**d) Any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof:**

The Key Managerial Personnel and Directors are interested in the Scheme only to the extent of stock options as may granted to them, if any, under the Scheme. None of the promoters is concerned or interested in the Scheme.

**e) The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:**

The eligible employees shall be granted ESOPs under the Plan, which would vest subject to vesting conditions prescribed by the Committees. Upon exercise of vested stock options, the eligible employees, will be entitled to equivalent number of equity shares of the Company, In case of cashless system of exercise of vested Options, the Committees shall specify such procedures and/or mechanisms for the entitlements under the plan and the same shall be binding on the Option grantees.

**f) The details about who would exercise and how the voting rights in respect of the shares to be purchased under the Plan would be exercised:**

As per SEBI SBEB Regulations, neither the Trust nor any of its Trustees shall exercise voting rights in respect of equity shares held in the Trust.

In terms of the provisions of Regulation 6 of the SEBI SBEB Regulations, consent of the Members is being sought by way of Special Resolutions set out at Item Nos. 12 and 13 of this Notice.

Further, in term of the provisions of Regulation 3(8) of the SEBI SBEB Regulations read with Rule 16 of the Companies (Share Capital and Debenture) Rules 2014, consent of the Members is being sought by way of a Special Resolution set out at Item No. 13 of this Notice.

Your Directors recommend Resolutions proposed at Item Nos. 12 and 13 of this Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in these resolutions, except to the extent of their entitlements, if any, under the Plan.

**Item No. 14**

The Members of the Company, at the 16<sup>th</sup> Annual General Meeting held on September 17, 2016 had approved the appointment of Mr. Kailash Chandra Gupta as an Independent Director of the Company, whose term expired on 28<sup>th</sup> May, 2018.

Mr. Kailash Chandra Gupta holds 165 Equity Shares of the Company.

As per Section 149(10) of the Companies Act, 2013 (CA 2013), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a



Company.

In line with the aforesaid provisions of the CA 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Kailash Chandra Gupta, it is proposed to re-appoint him for the second term as an independent Director on the Board of GPL for a period of five years upto 28<sup>th</sup> May, 2023.

In the opinion of the Board, Mr. Kailash Chandra Gupta fulfills the conditions specified in the Act and except for the above mentioned shareholding; he is independent of the management. Copy of the draft letter for appointment of Mr. Kailash Chandra Gupta as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Kailash Chandra Gupta as an Independent Director. Accordingly, the Board recommends passing of the Resolution at Item No. 14 of the Notice as a Special Resolution.

Except Mr. Kailash Chandra Gupta, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 14.

**The information required under Part I and Section II, Part II of Schedule V of the Companies Act, 2013 in case of Special Resolutions are as follows**

<b>I. General Information</b>		
1.	Nature of industry	Manufacturing of diversified products viz. Calcium Carbonate, Starch Sugars; Alcohol Business; Agro Based Animal Feed & On-Site PCC plants.
2.	Date of commencement of commercial production	Commercial operations commenced in the year 2000.
3.	Financial performance based on given indicators	Financial performance based on given indicators during the year 2016-17, turnover was ` 529 crores, Net profit was ` 27.91 crores and EPS was ` 5.74
4.	Foreign investments or collaborators, if any	The Company has not entered into any foreign collaboration and no direct capital investment has been made in the company in the last three financial years. Foreign investors, mainly comprising NRIs, FIIs and /or Foreign Nationals are investors in the Company on accounts of past issuance of securities /secondary market purchase.

<b>II. Information about the appointee</b>				
1.	Name and Designation of the Director	Dr. C. K. Jain Managing Director	Ms. Arushi Jain Whole Time Director	Ms. Aditi Pasari Whole Time Director
2.	Background details	He, aged 70, is one of the founding members of Gulshan Polyols Ltd. He is guiding force behind the success of the Company.	She, aged 41 years, is one of the founding member of Gulshan Polyols Ltd. She joined the Company in the year 2010.	She, aged 39 years, is one of the founding member of Gulshan Polyols Ltd. She joined the Company in the year 2010.
3.	List of Directorship in other companies	Gulshan Sugars and Chemicals Limited, Gulshan Holdings Pvt. Ltd. and Gulshan Specialty Minerals Pvt. Ltd.	Gulshan Sugars and Chemicals Limited and Gulshan Holdings Pvt. Ltd., OyeOye.Com Online Services India LLP, Houzilla Interiors Pvt. Ltd	Gulshan Sugars and Chemicals Ltd., Gulshan Lamee Pack Private Limited, Reliance Expovision Private Limited, East Delhi Importers & Exporters Private Limited, Arp Developers Private Limited



4.	Membership/ Chairmanship of committees across other companies	Nil	Nil	Nil
5.	Past remuneration paid	During the year 2016-17, Dr. C. K. Jain was paid ₹ 152.19 Lakhs	Ms. Jain was paid ₹ 51.00 lakhs as annual remuneration for the financial year 2016-17.	Ms. Pasari was paid ₹ 43.00 lakhs as annual remuneration for the financial year 2016-17.
6.	Recognition or awards	The Company has received various awards and recognition during his tenure as a Managing Director of the Company.	The Company has received various awards and recognition during her tenure as a Whole Time Director of the Company.	The Company has received various awards and recognition during her tenure as a Whole Time Director of the Company.
7.	Job profile and his/her suitability	He is highly experienced and is responsible for overall supervision and Control of affairs of the business. He shall perform and discharge all such duties and responsibilities as may from time to time be assigned and entrusted to him by the Board. He is also member of Audit Committee.	She devotes her full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. She is also member of CSR Committee.	She devotes her full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. She is also Member of Stakeholders Relationship Committee and CSR committee.
8.	Remuneration proposed	Details of proposed remuneration is presented above in the Resolution.	Details of proposed remuneration are presented above. It is the same as approved earlier by the Members at 16 <sup>th</sup> Annual General Meeting held on 17 <sup>th</sup> September, 2016.	Details of proposed remuneration are presented above. It is the same as approved earlier by the Members at 16 <sup>th</sup> Annual General Meeting held on 17 <sup>th</sup> September, 2016.
9.	Comparative remuneration with respect to industry, size of company, profile of the position and person	The current remuneration being paid to the Managing Director (looking at the profile of the position and person) is equal or lower than the remuneration being paid by the companies' comparable size in the industry in which the Company operates.	The remuneration proposed to be paid to Ms. Arushi Jain, Whole Time Director is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Ms. Arushi Jain before recommending the remuneration as proposed hereinabove.	The remuneration proposed to be paid to Ms. Aditi Pasari, Whole time Director is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Ms. Aditi Pasari before recommending the remuneration as proposed hereinabove.





10.	Pecuniary Relationship with the Company and Other Managerial Person in the Company	Besides the remuneration proposed, he also holds 4846990 equity shares of the Company.  Relative (Father) of Ms. Arushi Jain and Ms. Aditi Pasari, Whole Time Directors of the company deemed to be interested in the resolution relating to the remuneration of Dr. C. K. Jain	Besides the remuneration proposed, Ms. Arushi Jain also holds 1024060 equity shares of the Company.  Relative (Daughter & Sister) of Dr. C. K. Jain and Ms. Aditi Pasari, Directors of the Company deemed to be interested in the resolution relating to the remuneration of Ms. Arushi Jain.	Besides the remuneration proposed, Ms. Aditi Pasari also holds 611605 equity shares of the Company.  Relative (Daughter & Sister) of Dr. C. K. Jain and Ms. Arushi Jain, Directors of the Company deemed to be interested in the resolution relating to the remuneration of Ms. Aditi Pasari.
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<b>III. Other information</b>		
1.	Reasons of loss or inadequate profits	The Company does not envisage any loss or inadequate profits. However, hike in the interest rate, rising running cost and challenging business environment may affect the profitability of the Company in future. The Company proposes to obtain approval of Members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration as above.
2.	Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins
3.	Expected increase in productivity and profits in measurable term`	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.
<b>IV. Disclosures</b>		
1. 2.	The information, as required, is provided under Corporate Governance Section of the Annual Report 2018. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.	



**GULSHAN POLYOLS LIMITED**

CIN: L24231UP2000PLC034918

Regd. Off.: 9<sup>th</sup> 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: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18<sup>th</sup> Annual general meeting of the company, to be held on the Saturday, the 29<sup>th</sup> September, 2018 at 12:30 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
<b>Ordinary Business</b>	
1	To receive, consider and adopt the Audited Balance Sheet as at 31 <sup>st</sup> March 2018 and the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and Auditors thereon.
2	To declare a dividend on Preference Shares for the financial year ended 31 <sup>st</sup> March, 2018.
3	To confirm the payment of Interim dividend during the financial year 2017-18 and to declare a Final dividend on Equity Shares for the financial year ended 31 <sup>st</sup> March, 2018.
4	To appoint a director in place of Mr. A. K. Vats (holding DIN no. 00062413), who retires by retire by rotation, and being eligible, offers himself for re-appointment
5	To ratify the appointment of Rajeev Singal & Co. (Firm Registration no. - 008692C), Statutory Auditors of the Company.
<b>Special Business</b>	
6	Revision in terms of appointment and remuneration of Dr. C. K. Jain, Managing Director of the Company
7	Variation in terms of remuneration of Ms. Arushi Jain, Whole Time Director of the Company
8	Variation in terms of remuneration of Ms. Aditi Pasari, Whole Time Director of the Company
9	Payment of Commission to Non-Executive Directors of the Company
10	Approval of Remuneration of Cost Auditor of the Company
11	Approval of Gulshan Polyols Limited Employees - Stock Option Plan 2018 (GPL ESOP 2018)
12	Acquisition of Shares of the Company through 'Employees Welfare Trust' Implementation of GPL ESOP 2018
13	To authorise for making of Loan/ Provision of money at Employees' Welfare Trust for purchase of / subscription for Company's shares under GPL ESOP, 2018
14	Re-appointment of Mr. Kailash Chandra Gupta as an Independent Director of the Company

Affixed Revenue Stamp

Signed this..... day of..... 2018

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.: 9<sup>th</sup> 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 18<sup>th</sup> Annual General Meeting of the Company at Solitaire INN Hotel, 6 Mile Stone, Meerut Road, National Highway 58, Muzaffarnagar, Uttar Pradesh- 251002 at 12:30 p.m. on Saturday, 29<sup>th</sup> September, 2018.

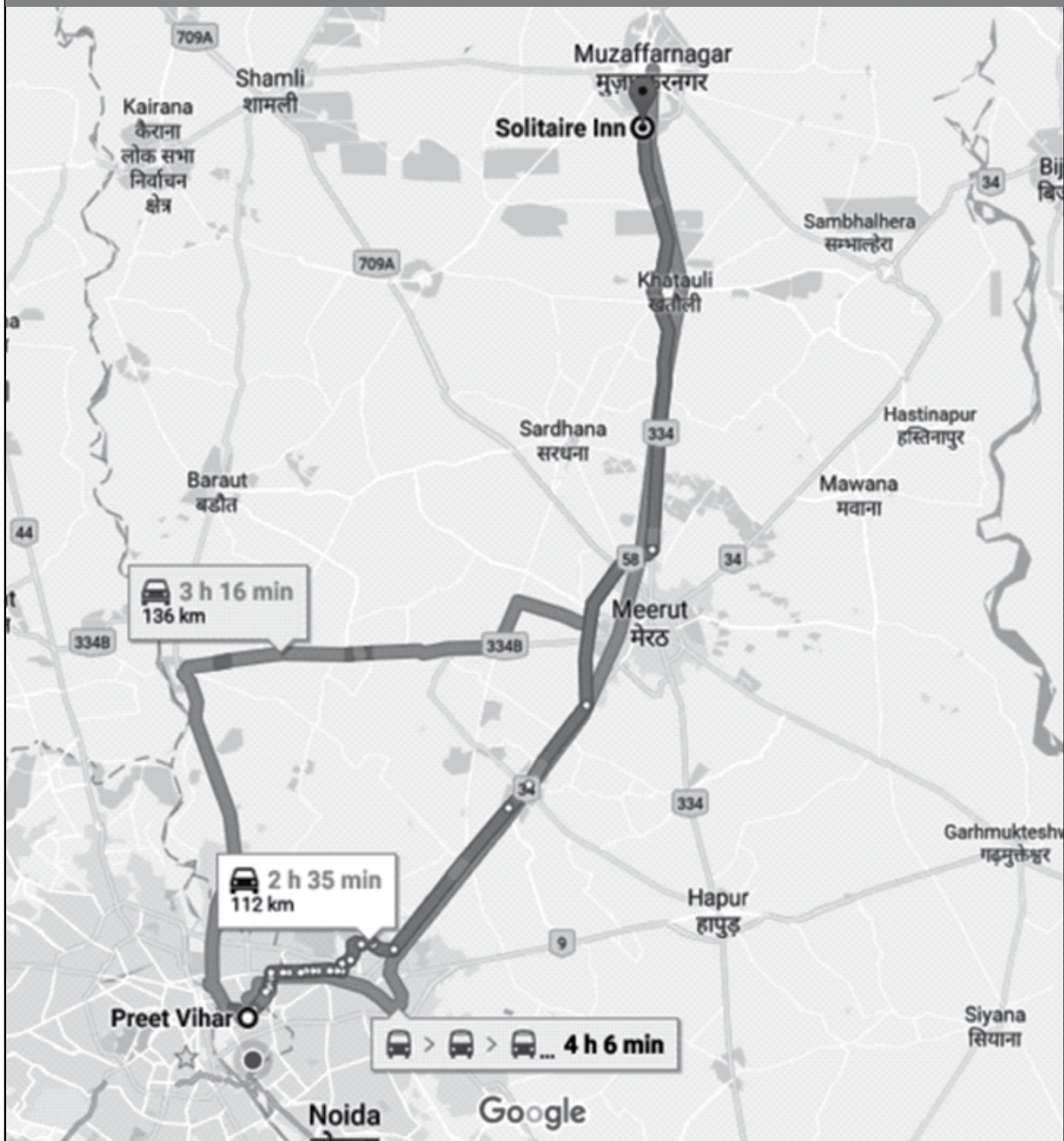
Member's / Proxy's Name in Block Letters

Signature of Member/ Proxy

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



### Route Map for Venue of 18<sup>th</sup> Annual General Meeting (AGM)



Venue of AGM - Solitaire INN Hotel  
6 Mile Stone, Meerut Road,  
National Highway 58,  
Muzaffarnagar, Uttar Pradesh 251002