

41st Annual Report
2014-2015

BHAGAWATI GAS LIMITED

Formerly Bhagawati Gases Limited

41st Annual Report

2014-2015

BOARD OF DIRECTORS

Mr. Rakesh Samrat Bhardwaj
 Dr. Gokulanand Mukherjee
 Mr. Kailash Chand Kedia
 Mr. Ganga Charan
 Mrs. Shachi Bhardwaj
 Mr. Vivek Sharma

Chairman & Managing Director

AUDITORS

Chaturvedi & Partners,
 Chartered Accountants
 212A, Chiranjiv Tower, 43, Nehru
 Place,
 New Delhi-110019

BANKER

Central Bank of India
 State Bank of Bikaner & Jaipur

REGISTERED OFFICE

Banawas, Khetrinagar,
 Distt.-Jhunjhunu,
 Rajasthan-333504

CORPORATE OFFICE

A-27B, Sector-16, Noida,
 Uttar Pradesh-201301

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private
 Limited
 D-153 A, 1st Floor,
 Okhla Industrial Area,
 Phase - I, New Delhi - 110 020

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NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of members of Bhagawati Gas Limited (formerly Bhagawati Gases Limited) will be held on Wednesday, September 30, 2015 at 11.00 A.M. at Banawas, Khetrinagar-333504, Distt.-Jhunjhunu, Rajasthan to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2015 together with the Report of the Board of Directors and Auditors thereon.

2. **To ratify the appointment of Auditors**

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

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s Chaturvedi & Partners, Chartered Accountants (FRN: 307068E) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the forty third Annual general Meeting of the Company to be held in the year 2017 on such remuneration as may be determined by the Board of Directors of the Company, based on the recommendation of the Audit Committee and reasonable out-of-pocket expenses actually incurred by them in connection with the audit of the Accounts of the Company."

SPECIAL BUSINESS

3. **To appoint Mrs. Shachi Bharadwaj (DIN: 07232850) as Director of the Company**

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

"RESOLVED THAT Mrs. Shachi Bharadwaj (DIN: 07232850) who was appointed as an additional director with effect from July 08, 2015 in terms of Section 161(1) of the Companies Act, 2013 and as per the Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom notice has been received from a member in writing, under Section 160 of the Companies Act,2013, proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789

For Bhagawati Gas Limited

Rakesh Samrat Bhardwaj

Managing Director

Date: 14th August, 2015

DIN:00029757

Notes to the Notice**NOTES:**

- 1.** The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (Act) is annexed hereto.
- 2.** A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- 3.** Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 4.** All documents referred to in the accompanying Notice are open for inspection at the Registered office of the company during the office hours on all working days between 11.00 A.M. to 1.00 P.M. before the date of Annual General Meeting
- 5.** The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH-13).
- 6.** Pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, the Company may send notice of general meeting, director's report, auditor's report, audited financial statements and other documents through electronic mode. Further, pursuant to the first provisions to the Rule 18 of the Companies (Management & Administration) Rule, 2014, the Company shall provide an advance opportunity atleast once in a financial year to the members to register their e-mail address and changes therein. In view of the same, Members are requested to kindly update their e-mail address with depository participants in case of holding shares in demat form. If holding shares in physical form, Members are requested to inform their e-mail ID to the Company.
- 7.** Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
- 8.** The Register of Members and Share transfer books of the Company shall remain closed from Wednesday, September 23, 2015 to Wednesday, September 30, 2015. (Both days inclusive)
- 9.** Shareholders seeking any information and having any query with regard to accounts are requested to write to the company early so as to enable the Management to keep the information ready.
- 10.** Members are requested to bring their own copies of Annual Report; no spare copies will be available at the venue of meeting.

11. THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS/PROXIES MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.

12. In compliance with the provisions of section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):

- i. Open the e-mail and also open PDF file namely "BGL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii. Open the internet browser and type the following URL: <https://www.evoting.nSDL.com>.
- iii. Click on Shareholder – Login.
- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
- viii. Select "EVEN" (E-Voting Event Number) of Bhagawati Gas Limited.
Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to aroracs2@gmail.com, with a copy marked to evoting@nsdl.co.in.

xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the -downloads section of www.evoting.nSDL.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions:

- i. The e-voting period commences on Monday, September 27, 2015 (9.00 a.m. IST) and ends on Wednesday, September 29, 2015 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 29th August, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 29th August, 2015.
- iii. Deepak Arora & Associates, Practicing Company Secretary (Membership No. FCS 5104), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received

- from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Deepak Arora & Associates, Practicing Company Secretary (Membership No. 5104), at the Registered Office of the Company on or before the date of Annual general meeting i.e. Wednesday, September 30, 2015.

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to bhagwatigases@gmail.com by mentioning their Folio / DP ID and Client ID No.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bglgroup.in and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 41st AGM of the Company on September 30, 2015 and communicated to the Bombay Stock Exchange Limited where the shares of the Company is listed.

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789

Date: 14th August, 2015

For Bhagawati Gas Limited

Rakesh Samrat Bhardwaj
Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all the material facts relating to the business mentioned under Item No. 4 of the accompanying Notice:

Item No. 3

Mrs. Shachi Bhardwaj (DIN: 07232850) was appointed as an Additional Director w.e.f. 8th July, 2015 to hold office up to the date of the ensuing Annual General Meeting in accordance with the provisions of Section 161(1) of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 160 all other applicable provisions of the Companies Act, 2013.

The Board is of the opinion that presence of Mrs. Shachi Bhardwaj (DIN: 07232850) on the Board is desirable and would be beneficial to the Company,

The matter is placed before the members for their consideration and approval as Ordinary Resolution.

Except the Director under appointment viz. Mrs. Shachi Bhardwaj (DIN: 07232850), none of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested, in the resolution set out at Item No. 3.

Director's Report

DIRECTOR'S REPORT

Your directors have pleasure in presenting their 41st Annual Report, together with the financial statement of the Company, for the financial year ended 31st March, 2015 as follows:

FINANCIAL RESULTS

	(Amount in ` Lacs)	
Particulars	2014-15	2013-2014
Gross Income	29	14
Gross Profit (before extra ordinary items, interest, depreciation and tax)	(63)	(86)
Bad debts written off	-	-
Interest	12	22
Depreciation	43	59
Provision for Tax	-	-
Net Profit/(Loss)	(63)	(167)
Profit/(Loss) brought forward from last year	-	-
Profit/(Loss) carried to Balance Sheet	(63)	(167)

OPERATIONS REVIEW

The Company's oxygen plants at Khetri Nagar, Rajasthan continued to remain closed because its main purchaser Hindustan Copper Ltd (HCL) has not yet restarted its smelter plant operation. This resulted in huge financial losses to the Company.

DIVIDEND

In view of loss, the Board of Directors does not recommend any dividend for the year ended March 31, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations and financial position of the Company has been provided as **Annexure A** which forms part of the Directors' Report.

DETAILS OF SUBSIDIARY AND ASSOCIATE COMPANIES

There are no subsidiary or associate companies.

Director's Report (Contd.)**PUBLIC DEPOSITS**

During the year, the Company has not invited or accepted any deposit from the public under Section 73 of the Companies Act, 2013. No public deposit is outstanding.

LISTING

The equity shares of Company are listed at Bombay Stock Exchange Limited (BSE). The Company has not paid the listing fee for the year 2015-16 to BSE due to financial constraint.

TRANSFER OF RESERVES

Your Company has suffered huge losses, so no amount has been transferred to the General reserves during the year.

SHARE CAPITAL

Paid up Share Capital of Company is 16742459 equity shares of Rs. 10/- each. There is no change in the Authorized, Issued, Subscribed and Paid up share capital of the Company during the period under review.

DIRECTORS, KEY MANAGERIAL PERSONS AND CHANGES THEREIN

Mr. Vivek Sharma (DIN 00041217), director of the Company resigned during the year.

Mrs. Shachi Bharadwaj (DIN: 07232850) was appointed as an additional director with effect from 8th July, 2015 in terms of Section 161(1) of the Companies Act, 2013 and as per the Article of Association of the Company to hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, proposing her candidature for the office of a Director. The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that she is not disqualified under Section 164(2) to act as Director.

In the opinion of the Board, she is eligible to be appointed as Director of the Company and her appointment required the approval of members at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (5) of the Companies, Act, 2013, the Directors hereby confirm:

- i) That in preparation of annual accounts for the financial year, the applicable accounting standards have been followed along with proper explanation relating to material departures;

Director's Report (Contd.)

- ii) That they have selected such accounting policies described in the notes to accounts which have been applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true & fair view of the state of affairs of the company at the end of financial year 2014-2015 and of the Profit & Loss of the company for the period under report;
- iii) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) We have prepared the annual accounts on a going concern basis;
- v) 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;
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MEETINGS

A calendar of meetings is prepared and circulated in advance to the Directors. During the year 04 (four) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act 2013.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors namely, Mr. Ganga Charan (DIN: 00387567) and Mr. Kailash Chand Kedia (DIN: 01243510) have given their declarations that they met the criteria of independence as prescribed under Section 149(6) of the Companies Act,2013.

DETAILS OF POLICIES**I. Nomination and Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Company's Remuneration Policy is available on the Company's website at www.bglgroup.in.

II. Risk Management Policy

Business Risk evaluation and Management is an ongoing process within the Organization. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Board has framed a Risk Management Policy for the Company. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

At present the company has not identified any element of risk which may threaten the business (or) existence of the Company.