

BHAGWATI AUTOCAST LIMITED



33rd Annual Report 2014-2015

Board of Directors	:	Dr P N Bhagwati	Chairman & Managing Director
		Ms Reena P Bhagwati	Jt Managing Director
		Mr M N Shah	} Directors
		Mr Padmin H Buch	
		Mr R. J. Shah	
Chief Financial Officer	:	Mr. Dinesh K. Sheth	
Company Secretary	:	Mr. Akshit Soni	
Auditors	:	M/s Milin J. Jani & Co. Chartered Accountants Ahmedabad	
Bankers	:	Bank of Baroda Ashram Road Ahmedabad	
Registered Office & Works	:	Survey No 816, Village Rajoda, Near Bavla, Dist. Ahmedabad 382 220	
Share Registrars	:	M/s M C S Share Transfer Agent Limited 101, Shatdal Complex Opp. BATA Showroom, Ashram Road, Ahmedabad - 380 009. Tele No. 079 26582878 Fax No. 079 26581296	

Financial Highlights

Particulars	[Rs. in Lacs]														2004-05
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	
Production in MT	9306	12189	10064	8711	10586	10343	9729	10615	11684	8821	8065				
Fixed Assets (Gross)	3399.60	3290.98	2894.53	2795.13	2504.45	2317.48	1439.75	1430.75	1368.84	1267.32	1120.69				
Fixed Assets (Net)	1768.08	1960.53	1748.09	1747.56	1549.73	1394.99	560.53	619.95	627.15	593.37	492.68				
Net Current Assets	798.07	1125.14	620.57	560.32	867.04	738.80	1077.41	703.28	577.37	389.89	(90.04)				
Misc.Exps/Deferred Revenue Exps.	0.00	0.00	0.00	0.00	0.00	0.49	4.81	9.13	17.01	22.45	10.71				
Profit & Loss Account	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	166.34				
TOTAL ASSETS (NET)	2566.15	3085.67	2368.66	2307.88	2416.77	2134.28	1642.75	1332.36	1221.53	1,005.71	579.69				
Borrowings	607.02	722.12	450.65	545.16	759.53	711.51	465.13	295.56	309.41	308.50	208.89				
Equity Share Capital	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	160.04				
Reserves & Surplus	1583.16	1869.89	1435.21	1311.97	1250.76	1033.44	843.32	693.83	560.06	325.03	121.72				
Deferred Tax	87.90	205.59	194.73	162.68	118.41	101.26	46.23	54.90	63.99	84.11	89.04				
TOTAL CAPITAL EMPLOYED	2566.15	3085.67	2368.66	2307.88	2416.77	2134.28	1642.75	1332.36	1221.53	1005.71	579.69				
DEBT EQUITY RATIO	0.117:1	0.10:1	0.16:1	0.21:1	0.39:1	0.52:1	0.12:1	0.14:1	0.17:1	0.20:1	0.82:1				
Sales & Other Income	7231.59	9325.24	7887.01	6407.74	7205.83	5840.73	6567.31	5898.05	5994.64	4383.29	3921.64				
Excise Duty & Cess	930.67	1054.16	864.62	599.93	625.87	443.21	775.70	810.19	814.25	584.53	530.93				
Sales Tax	0.00	0.00	0.00	0.00	141.82	118.10	146.72	173.68	229.97	166.49	151.33				
Materials	4071.55	5005.20	4387.73	3757.00	3976.01	3151.12	3686.96	3121.76	3108.11	2141.46	2080.82				
Labour Cost	1244.20	1336.90	1196.46	913.07	945.37	789.33	703.53	684.99	593.42	435.94	351.06				
Power	840.27	786.52	773.78	665.57	790.10	736.80	671.11	623.63	695.27	528.57	493.30				
Operation & Other Exps	122.12	189.66	162.43	141.05	115.28	107.83	131.80	112.85	107.15	75.86	68.42				
Interest	70.86	94.58	118.26	61.24	116.21	77.73	103.77	92.63	92.00	135.19	127.88				
GROSS PROFIT	(48.08)	858.22	383.73	269.88	495.17	416.61	347.72	273.35	354.47	315.25	117.90				
Depreciation	304.64	184.07	171.85	143.55	125.22	68.83	72.31	69.55	72.40	58.51	56.84				
PROFIT BEFORE TAX	(352.72)	674.15	211.88	126.33	369.95	347.78	275.41	203.80	282.07	256.74	61.06				
Provision For Taxation	(117.69)	218.87	65.05	48.37	119.15	120.29	98.96	68.85	47.04	15.14	(1.64)				
PROFIT AFTER TAX	(235.03)	455.28	146.83	77.96	250.80	227.49	176.45	134.95	235.03	241.60	62.70				
Prior period adjustments	(22.82)	9.74	0.00	0.00	0.00	10.50	0.00	0.00	0.00	(0.01)	(3.74)				
Dividends	14.40	25.93	20.16	14.40	28.81	23.04	23.04	0.00	0.00	0.00	0.00				
Corporate Tax on Dividend	2.93	4.40	3.43	2.34	4.67	3.83	3.92	0.00	0.00	0.00	0.00				
Retained Earnings	(257.85)	434.69	123.24	61.22	217.32	190.12	149.49	134.95	235.03	241.59	58.96				
Earning per Eq. Share Rs.	(8.95)	15.80	5.10	2.71	8.71	7.90	6.13	4.68	8.16	8.39	2.18				
Dividend per Eq. Share %	5.00	9.00	7.00	5.00	10.00	8.00	8.00	0.00	0.00	0.00	0.00				
Net Worth	1871.23	2157.96	1723.28	1600.04	1538.83	1321.02	1126.58	972.77	831.12	590.65	104.71				
Book value per Eq. Share Rs.	64.96	74.91	59.82	56.12	53.42	45.86	39.11	33.77	28.85	20.50	6.54				

BHAGWATI AUTOCAST LIMITED

NOTICE

NOTICE is hereby given that the **THIRTY THIRD ANNUAL GENERAL MEETING** of the members of **BHAGWATI AUTOCAST LIMITED** will be held at the Registered Office of the Company at Survey No. 816, Village Rajoda, Near Bavla, Dist. Ahmedabad - 382 220 on Wednesday, 23rd September, 2015 at 11.00 AM 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, including audited Balance Sheet as at March 31, 2015, Statement of Profit and Loss for the year ended on that date and report of Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the Financial Year ended March 31, 2015.
3. To appoint director in place of Dr. Pravin N. Bhagwati (DIN: 00096799), who retires by rotation and being eligible offered himself for re-appointment.
4. To re-appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. Milin J. Jani, Chartered Accountants (FRN No.106396W), Ahmedabad be and is hereby re-appointed as Auditor of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS :

5. **RE-APPOINTMENT OF DR. PRAVIN N. BHAGWATI (DIN : 00096799) AS A MANAGING DIRECTOR :**

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 Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the Act) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof from time to time being in-force) the consent of members be and is hereby accorded to re-appoint Dr. Pravin N. Bhagwati (DIN: 00096799), as Managing Director of the Company, liable to retire by rotation, for the period of 3 years starting with effect from 1st October, 2015 ending on 30th September, 2018 on terms and remuneration as mentioned in the statement annexed hereto.”

“RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to execute the agreement with the Managing Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

“RESOLVED FURTHER THAT Dr. Pravin N. Bhagwati, Managing Director will be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such

other benefits/amenities and other privileges, as any from time to time, as available to other Senior Executives of the Company.”

6. **RE-APPOINTMENT OF MS. REENA P. BHAGWATI (DIN: 00096280) AS A JOINT MANAGING DIRECTOR:**

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 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the Act) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof from time to time being in-force) and subject to the such other necessary approval(s), Consent(s) or permission(s), as may be required, the consent of members be and is hereby accorded to re-appoint Ms. Reena P. Bhagwati (DIN: 00096280), as a Jt. Managing Director of the Company, liable to retire by rotation, for the period of 5 year starting with effect from 1st October, 2015 ending on 30th September, 2020 on terms and remuneration as mentioned in the statement annexed hereto.”

“RESOLVED FURTHER THAT pursuant to Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and subject to such approvals as may be necessary, the Company is authorized to pay minimum remuneration to Ms. Reena P. Bhagwati (DIN: 00096280) Jt. Managing Director for the financial year, in which there is inadequacy or absence of profits, during the period of three years commencing from October 1, 2015 till September 30, 2018.”

“RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to execute the agreement with the Jt. Managing Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

Place : Ahmedabad
Date : 22/05/2015

By order of the Board of Directors

Registered Office :
Survey No. 816, Village Rajoda,
Near Bavla, Dist. Ahmedabad – 382 220.
CIN: L27100GJ1981PLC004718
e-mail: autocast@bhagwati.com
Website: www.bhagwati.com

Dr. Pravin N. Bhagwati
Chairman

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT AGM IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.

2. The Statement pursuant to Section 102 (1) of the Companies Act, 2013, with respect to the Special Businesses set out in Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 14th September, 2015 to Wednesday 23rd September 2015 (both days inclusive) for the purpose of payment of dividend.
4. The payment of dividend upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made within 30 days from the date of declaration as under:
 - A. To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the end of the day on Saturday 12th September, 2015 and
 - B. To all those shareholders holding shares in physical form after the effect to all the valid share transfers lodged with the Company before the closing hours on Saturday 12th September, 2015.
5. Members holding shares in physical form are advised to furnish, particular of their bank account, if not done already or if it is changed, to the Company to incorporate the same in the dividend warrants/payment instruments. In respect of cases, where the payments to the shareholders holding shares in dematerialized form are made by NECS, NEFT, dividend warrants/ payment instruments, particulars of bank account registered with their depository participants will be considered by the Company for printing the same on the dividend warrants/ payment instruments.
6. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company, in case of such dematerialized of shares, will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, Registrar is obliged to use only the data provided by the Depositories.
7. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 33rd Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL):
 - II. 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.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 20th September, 2015 (9:00 am) and ends on 22nd September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i). Open email and open PDF file viz; "Bhagwati Autocast Limited e-Voting.pdf" with your Client ID (in case you are holding shares in Demat Mode) or Folio No. (In Case you are holding shares in Physical Mode) as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii). Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii). Click on "Shareholder – Login"
 - (iv). Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v). Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi). Home page of e-voting opens. Click on "e-Voting: Active Voting Cycles."
 - (vii). Select " EVEN " (E Voting Event Number) of Bhagwati Autocast Limited for casting your vote.
 - (viii). 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 you have voted on the resolution, you will not be allowed to modify your vote
 - (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 chirag@samdanishah.com with a copy marked to evoting@nsdl.co.in.
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

BHAGWATI AUTOCAST LIMITED

- (i). Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
- EVEN (Remote e-voting Event Number) USER ID
PASSWORD/PIN**
- (ii). Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18th September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 18th September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or cs@bhagwati.com by mentioning their Folio No./DP Id and Client ID No.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. Chirag Shah, Practicing Company Secretary (Membership No. 5545) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

8. The Members having multiple ledger folios in the same order of names are requested to approach MCS Share Transfer Agent Limited for consolidating their entire holding in one folio for mutual convenience.
9. Pursuant to provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unpaid/ unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

The following are the details of the dividends paid by the Company and respective due dates for claim by the shareholders:

Sr. No.	Dividend for the Financial Year	Date of Declaration of Dividend	Last date of Claim (due date for transfer to IEPF)
1.	2008-2009	25/09/2009	02/11/2016
2.	2009-2010	27/09/2010	04/11/2017
3.	2010-2011	30/09/2011	07/11/2018
4.	2011-2012	20/09/2012	27/10/2019
5.	2012-2013	20/09/2013	27/10/2020
6.	2013-2014	24/09/2014	01/11/2021

Further, the Company shall not be in a position to entertain the claims of Shareholders for the unclaimed dividends after the last date as mentioned in the table.

In view of the above, the Shareholders are advised to send all the un-encased dividend warrants pertaining to the above years to registered office of the Company for revalidation or issuance of demand draft in lieu thereof and en-cash them before the due dates for transfer to the IEPF.

10. Members desiring any information as regards the accounts are requested to write to the Company at least 15 days in advance, so as to enable the Board of Directors to keep the information ready.
11. All documents referred to the accompanying Notice and the Explanatory Statement(s) are open for inspection at the registered office of the Company during office hours on all working days except Saturdays and Sundays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
12. Members/ Proxy holders are requested to produce at the entrance, the attached Admission Slip for admission to the meeting hall. Duplicate attendance slips will not be provided at the hall.
13. The company has appointed MCS SHARE TRANSFER AGENT LTD as a Registrar and Share Transfer Agent having correspondence address at 101, Shatdal Complex, Opp. Bata Show Room, Income Tax, Ahmedabad.
14. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the shareholders in respect of the shares held by them in physical form. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company. The shareholders holding shares in dematerialized form may approach their respective Depository Participants to avail and/or effect any change to the nomination facility.
15. Pursuant to Rule 18(3) of The Companies (Management and Administration) Rules, 2014, you are requested to provide your e-mail id to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time.

16. Members are requested to bring their copies of the annual report to the meeting.

Place : Ahmedabad
Date : 22/05/2015

By order of the Board of Directors

Registered Office :
Survey No. 816, Village Rajoda,
Near Bavla, Dist. Ahmedabad – 382 220.
CIN: L27100GJ1981PLC004718
e-mail: autocast@bhagwati.com
Website: www.bhagwati.com

Dr. Pravin N. Bhagwati
Chairman

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

ITEM NO. 5 :

Item No. 5 of the Notice relates to the re-appointment of Dr. Pravin N. Bhagwati as a Managing Director of the Company, whose present tenure will expire on 30th September, 2015. The new terms of appointment of Managing Director will be effective for 3 years from 1st October 2015 to 30th September, 2018. The proposed remuneration will be effective, subject to the approval of the members in the 33rd Annual General Meeting of the Company.

The terms and conditions of re-appointment of Dr. Pravin N. Bhagwati, as a Managing Director of the Company are as under:-

REMUNERATION:

Salary
Rs. 4,00,000/- per month.

Perquisites

Maximum up to Rs. 2,00,000 per month which shall include perquisites of Categories 'A', 'B' and 'C' as below:

CATEGORY 'A'

i) House Rent allowance

- The expenditure by the Company on hiring furnished accommodation will be subject to ceiling of 50% of the Salary over and above 10% payable by the Managing Director.
- In case the accommodation is owned by the Company, 10% of the Salary of the Managing Director shall be deducted by the Company.
- In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance not exceeding 50% of the Salary.
- The expenditure incurred by the Company on Gas, Electricity, Water etc. will be valued as per Rule No. 3(d) (ii) of the Income Tax Rules, 1962.
- The perquisites for Furnishings shall be worked out at the rate of ten percent of the actual cost of the furnishings.

ii) Medical Reimbursement:

Expenses incurred for self and his family subject to a ceiling of one month's salary in a year or three months' Salary over a period of three years. He shall also be entitled to the benefit of Medical Treatment

referred to in Proviso to Section 17(2) of the Income Tax Act, 1961 or to such modifications as may be made therein from time to time.

iii) Leave Travel Concession:

For self and family once in a year incurred in accordance with any rules specified by the Company.

iv) Club Fees:

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

v) Personal Accident Insurance:

Premium not to exceed Rs. 40,000/- per annum.

vi) Mediclaim Insurance:

Premium not to exceed Rs. 25,000/- per annum or such amount as may be prescribed in Section 80D of the Income Tax Act, 1961.

CATEGORY 'B'

i) Contribution to Provident Fund & Other Funds:

Contribution to the Provident Fund, Superannuation or Annuity Fund shall not be included in computation of the ceiling on perquisites and shall be payable to the extent these either singly or put together are not taxable under the Income-tax Act.

ii) Gratuity:

As per the rules not exceeding half a month's salary for each completed year of service, and shall not be included in the computation of ceiling on perquisites as specified above.

iii) Leave Encashment:

The Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of Leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

CATEGORY 'C'

i) Provision for chauffeur driven Car and Telephone Expenses :

The Company shall provide a car for use on Company's business and also for personal purposes and telephone at the residence of the Managing Director. The Managing Director shall be billed by the Company for personal long distance calls on telephone and perks for the use of car for personal purposes shall be evaluated as per Income Tax Rules.

ii) Other Benefits:

Such other benefits, amenities and facilities as per the company rules.

The terms and conditions of the remuneration of the Managing Director, may be varied, altered, increased, enhanced or widened from time to time by the Remuneration Committee and the Board as it may in its discretion deem fit with in above limits and subject to limits laid down in Section 196 & 197 read with schedule V and other applicable provisions, if any of the Companies Act, 2013.

Memorandum of Interest:-

Dr. Pravin N. Bhagwati, is interested in the above resolution to the extent that the remuneration received by him.

Ms. Reena P. Bhagwati, is concerned or interested in the above resolution as being relative of Dr. Pravin N. Bhagwati, none of other Directors is concerned or interested in the above resolution.

BHAGWATI AUTOCAST LIMITED

Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information:

1) Nature Of Industry:

The Company is engaged in manufacturing of highly specialized casting for the automobile, tractor, compressor, and hydraulic industries. The Company was incorporated in the year 1982 and the commercial production began in respect of all items since 1984.

2) Date or expected date of commencement of commercial production:

Unit is already in production since the year 1982.

3) In case of new Companies, expected date of commencement activities as per project approved by financial institution appearing in the prospectus:

Not applicable.

4) Financial performance based on given indicators

Sr. No.	Particulars	2012-13 (Rs. In Lacs)	2013-14 (Rs. In Lacs)	2014-15 (Rs. In Lacs)
1	Net Sales	6916.21	8192.65	6443.44
2	Other Income	110.96	3.48	5.48
3	Effect of Closing Stock	(4.78)	74.96	(47.99)
4	Total Manufacturing Expenses	6520.40	7318.30	6378.15
5	Interest	118.26	94.58	70.86
6	Depreciation	171.85	184.07	304.64
7	Profit / (Loss) for the year	211.87	674.14	(352.72)
8	Provision for Taxation	65.05	218.87	(117.69)
9	Prior period adjustment	0.00	9.74	(22.82)
10	Net Profit / (Loss) for the year	146.83	465.01	(257.85)
11	Paid up share capital @Rs. 10/- eah	288.07	288.07	288.07
12	Research & Surplus	1435.21	1869.89	1583.16

5) Export Performance:

Not applicable.

6) Foreign Investments or collaborations if any:

No foreign investments or collaborations.

II. Information about appointee:

1) Background details

Dr. Pravin N. Bhagwati, Managing director of the company is a key promoter of the Company. He is qualified technocrat and Ph. D. in Foundry Engineering from Aachen, Germany. He is associated with the Company since 1982. He is in-charge of entire Company. The Company is continuously performing well despite Global adverse & recessionary situation, the Company has performed exceptionally well and achieved new heights under his esteemed supervision and leadership.

2) Past remuneration:

Remuneration Paid to Dr. Pravin N. Bhagwati, as a Managing Director during the last three Years:-

Particulars	2012-13	2013-14	2014-15
Salary	40,80,000	48,00,000	48,00,000
House Rent Allowance	16,05,000	16,56,000	16,56,000
P. F. Contribution	4,89,600	5,76,000	5,76,000
Contribution to Superannuation Fund	6,12,000	7,20,000	7,20,000
Perquisites	1,01,028	74,105	80,238
TOTAL	68,87,628	78,26,105	78,32,238

Last remuneration was revised in the 30th Annual General Meeting of the Company.

3) Recognition Or Awards:

Dr. Pravin N. Bhagwati, is associated with various organizations at State, National and International levels. He is Past President of The Institute of Indian Foundrymen, Past President of World Foundry Organization (WFO), Past Coordinator and Chairman of WFO's International Commission on Vocational Training, Past National Chairman of Technical Education & Training of Confederation of Indian Industry (CII), Past Chairman of Confederation of Indian Industry (CII) (Western Region).

He is recipient of Life Time Achievement award presented by The Institute of Indian Foundrymen at the World Foundry Congress held in Chennai in February 2008.

He is on the Board of various institutions like:-

- Governing Council of MSME - Indo German Tool Room (IGTR), Ahmedabad.
- Governing Body of Centre for Entrepreneurship Development, Govt. of Gujarat.
- Member, Board of Governance Nirma University, Ahmedabad and Member, Governing Council, Nirma Institute of Management, Ahmedabad.
- Founder President of Society for Promotion of Foundry Education and Research Ahmedabad.

4) Job Profile & Suitability:

Dr. Pravin N. Bhagwati, the Managing Director of the Company has been appointed by the Board of Directors to look after the day to day affairs of the Company. He look after the affairs of Production, Finance, Administration, Marketing and human resource development with the help of senior experts and professionals in their respective fields.

Under his direction and supervision, Company is able to enhance its sales and profitability.

5) Remuneration Proposed:

The details of the proposed remuneration are mentioned in Explanatory Statement as required under Section 102(1) of the Companies Act, 2013.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (In case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration committee and the Board of Directors of the company have recognized the profit and rich, diversified experience of Dr. Pravin N. Bhagwati, and the increased job responsibilities, accordingly the remuneration committee and the Board of Director have approved the remuneration of Dr. Pravin N. Bhagwati. His remuneration is comparable and level with similar in the industry.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any:

The Managing Director is promoter of the Company and he along with his family Members & group companies holds 59.09% Equity Share Capital of the Company.

The Company had not entered into any transaction of a material nature with any of the related parties, which were in conflict with the interest of the Company. Further all transactions with the related parties were in the ordinary course of the business and arms length. Ms. Reena P. Bhagwati, Jt. Managing Director of the Company is relative of Dr. P.N. Bhagwati.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits:

- Foundry industry is working in extreme competitive market with paper thin profit margin.
- Operational costs of products of the foundries located in Gujarat are substantially higher than other foundries located in other parts of the country.
- Our customers are big & OEM, and hence sales rates are governed by market. There is very limited scope to enhance sales rate on the basis of cost plus margin formula.
- We are utilizing full installed capacity and hence volume can not increase, our sales are solely dependent on growth of tractor & other general automobile & engineering industries, where we operate.

In view of the above position, sales decrease by 22% due to recessionary trend in the tractor industry throughout the year. Due to lower sales, Company could not recover fixed cost, hence incurred cash loss.

2. Steps taken for improvement:

- Company has 18000 MTA installed capacity and with increased capacity company's sales turnover will increase.
- Company has generally maintained cordial and amicable relationship with its labors and employees.
- Out of total production, almost 75% of the casting production of the Company is normally sold to 2 companies, now your Management wants to reduce dependency on few customers, to implement this planning company has increase the strength of its marketing and R&D department, which will help in the search of new market, innovation of new design and maintenance of international standards quality of products.

3. Expected increase in the productivity.

Bhagwati Autocast Limited, is one of Certified ISO 9001 company, which itself denoted its quality and reliability of products.

The productivity and profits are likely to increase well over the period of next 2-3 years. The expectations of increase of productivities in forthcoming three financial years are as under:-

Particulars	2014-15 (actual)	2015-16 (Projected)	2016-17 (Projected)	2017-18 (Projected)
Net Sales	6443.44	7300.00	8000.00	8850.00
Other Income	5.48	7.00	7.00	7.00
Effect of closing stock	(47.99)	50.00	55.00	60.00
Total Manufacturing Expenses	6378.15	6722.00	7360.00	8100.0
Interest Expenses	70.86	80.00	90.00	90.00
Depreciation	304.64	310.00	310.00	320.00
Profit / (Loss) for the year	(352.72)	245.00	302.00	407.00
Provision for taxation	(117.69)	73.50	90.60	122.10
Prior period adjustments for Tax	(22.82)	0.00	0.00	0.00
Net Profit/(Loss) for the year	(257.85)	171.50	211.40	284.90
Paid-up share capital	288.07	288.07	288.07	288.07
@ Rs. 10 each				
Reserve & surplus	1583.16	1754.66	1966.06	2250.96

4. Disclosure:

(1) The remuneration package of Dr. Pravin N. Bhagwati, Managing Director is given in the Notice of 33rd Annual General Meeting of the Company.

- (i) Element of remuneration package
- (ii) Details of fixed components and performance linked incentive
- (iii) Service contract, Notice period Severance fees etc.

The above details are given along with details of his remuneration in the notice to the extent they are applicable.

Your directors recommend the resolutions as they consider the same is in the interest of the Company.

This may be treated as an Abstract of Terms of Contract for the re-appointment of the Managing Director under the provisions of Sec. 190 of the Companies Act, 2013.

Dr. Pravin N. Bhagwati is interested in the above resolution to the extent that the re-appointment pertains to him. And Ms. Reena Bhagwati is concerned or interested in the above resolution as being relative of Dr. Pravin N. Bhagwati.

No other Directors are interested in the proposed resolution.

The Draft Agreement to be entered in to with the Managing Director is open for inspection by Members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

ITEM NO. 6 :

Item No. 6 of the Notice relates to the re-appointment of Ms. Reena P. Bhagwati as Jt. Managing Director of the Company, whose present tenure will expire on 30th September, 2015. The new terms of re-appointment of Jt. Managing Director will be effective for 5 years from 1st October 2015 to 30th September, 2020.

The proposed remuneration is proposed hereunder subject to the approval of members in the 33rd Annual general Meeting of the Company.

The terms and conditions of re-appointment of Ms. Reena P. Bhagwati, as Jt. Managing Director of the Company are as under:-

REMUNERATION:

a) Salary

Rs. 1,00,000/- per month or within an overall limit of Rs. 1,25,000/- per month.

b) Leave Encashment:

The Jt. Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

c) Other Benefits

Such other benefits amenities and facilities as per the company's rules within the overall limit of Rs. 1,25,000/- per month.

Memorandum of Interest:

Ms. Reena P. Bhagwati, is interested in the above resolution to the extent that the remuneration received by her.

Dr. Pravin N. Bhagwati, is concerned or interested in the above resolution as being relative of Ms. Reena P. Bhagwati, none of other Directors is concerned or interested in the above resolution.

The Draft Agreement to be entered in to with the Managing Director is open for inspection by Members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

Place : Ahmedabad
Date : 22/05/2015

By order of the Board of Directors

Registered Office :
Survey No. 816, Village Rajoda,
Near Bavla, Dist. Ahmedabad - 382 220.
CIN: L27100GJ1981PLC004718
e-mail: autocast@bhagwati.com
Website: www.bhagwati.com

Dr. Pravin N. Bhagwati
Chairman

BHAGWATI AUTOCAST LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **THIRTY THIRD ANNUAL REPORT** and audited accounts for the year ended 31st March 2015. The performance of the Company for the year ended on March 31, 2015 is summarized below.

01. FINANCIAL HIGHLIGHTS :

	For the year Ended 31/03/2015 (Rs.)	For the year Ended 31/03/2014 (Rs.)
Earnings before interest, depreciation and taxation (EBIDTA)	2,278,031	95,279,055
Less: Interest & finance charges	7,086,364	9,458,240
(Loss)/ Profit before depreciation & taxation	(4,808,333)	85,820,815
Less: Depreciation	30,463,613	18,406,923
(Loss)/ Profit before tax	(35,271,946)	67,413,892
Less: Provision for income tax		
[1] Current Tax	0	20,800,000
[2] Deferred Tax	(11,769,063)	10,86,667
(Loss)/ Profit for the Year	(23,502,883)	45,527,225
Short/Excess Provision for		
Tax for earlier year	(2,282,338)	974,318
Carrying amount of fixed assets debited to retained earnings where remaining useful life of assets is Nil as on 01-04-2014	(1,154,576)	0
Add : Surplus of last year brought forward	82,493,472	39,025,160
Surplus available for appropriation	55,553,675	85,526,703
APPROPRIATIONS :		
Proposed equity dividend	1,440,342	2,592,616
Tax on dividend	293,254	440,615
Balance of profit carried to balance sheet	53,820,079	82,493,472

02. REVIEW OF OPERATIONS:

During the year under review, Your Company's sales decrease by 22% due to recessionary trend in the tractor industry throughout the year. Increase in depreciation due to revised rates on the basis of useful life as per recently introduced Companies Act, 2013. Company's main Customers in tractor industries were seriously affected and hence our Company also affected in terms of sales to these customers. Also during these two quarters raw material prices increased but not passed on by our customers, which yielded lower contribution towards fixed cost and Company incurred loss of Rs. 48.08 lacs. During FY 2015-16. Company is expecting to increase its sales and production due to good demand and hope to achieve good profit.

03. DIVIDEND:

The Board of Directors recommend dividend at the rate of 5% i.e. Rs.0.50 per Equity Share of Rs. 10/- each for the year ended on 31st March, 2015 (Previous year at the rate of 9% i.e. Rs. 0.90/- per Equity Share) in pursuance to the (Declaration & Payment of Dividend) Rules, 2014 subject to the approval of shareholders at the 33rd AGM.

04. PUBLIC DEPOSITS :

During the financial year 2014-15, your Company has not accepted or renewed any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

05. SHARE CAPITAL :

The paid up Equity Share Capital as on March 31, 2015 was Rs. 2.88 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. The Company has also not purchased of its own shares by employees or by trustees for the benefit of employees.

06. EXTRACT OF THE ANNUAL RETURN :

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure A".

07. THE DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of Companies (Accounts), Rule, 2014 is annexed herewith as "Annexure B".

08. DIRECTORS :

A) Changes in Directors and Key Managerial Personnel.

Mrs. Mandakini P. Bhagwati has been ceased to be a Director of the Company w.e.f. 28th April, 2014 due to her sad demise.

At the last AGM held on September 24, 2014, the Members had appointed the existing Independent Directors viz. Mr. Padmin H. Buch and Mr. Rajendraprasad J. Shah as Independent Directors under the Act each for a term of five years with effect from September 24, 2014.

Mr. Dinesh K. Sheth has been appointed as Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f. May 23, 2014.

Your board of Directors has appointed Mr. Nimish Sakhiya as Company Secretary (Key Managerial Personnel) of the Company in the board meeting held on May 23, 2014. However, he ceased to be a Company Secretary of the Company w.e.f. December 11, 2014 due to his ill health.

Mr. Akshit Soni has been appointed as Company Secretary (Key Managerial Personnel) of the Company in the board meeting held on February 10, 2015.

As per provision of the Companies Act, 2013, Dr. Pravin N. Bhagwati retires by rotation in the forthcoming Annual General Meeting and being eligible offered himself for re-appointment. The Board of Directors recommends their re-appointment.

B) Declaration by an Independent Director(s) and re-appointment, if any

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

An independent director shall hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

C) Annual evaluation by the board of its own performance, its committees and individual directors

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

(D) Policy on Directors' appointment and remuneration

(Including criteria for determining qualification, positive attributes, independence of a Director, policy relating to remuneration for Directors, Key Managerial Personnel and other employees)

Policy on Directors' appointment

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013 and the Listing Agreement with Stock Exchanges and good corporate practices. Emphasis is given to persons from diverse fields or professions.

Policy on Remuneration

Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that –

- i Remuneration to unionised workmen is based on the periodical settlement with the workmen union.
- ii Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen (non Unionised) is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
- iii For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

09. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors have met 4 times and Independent Directors once during the year ended 31st March, 2015.

10. AUDIT COMMITTEE:

The Composition of Audit Committee of the Company is as under

11. DETAILS OF ESTABLISHMENT OF VIGIL

Sr. No.	Name of Director	Designation
1.	Mr. Rajendraprasad J. Shah	Chairman
2.	Mr. Mahendrabhai N. Shah	Member
3.	Mr. Padmin Buch	Member
4.	Ms. Reena Bhagwati	Member

MECHANISM FOR DIRECTORS AND EMPLOYEES :

The Company has formulated Vigil Mechanism named Whistle Blower Policy with a view to report concern about unethical behavior, actual or suspected fraud. This policy provide mechanism for employee of the Company of any violation and to approach the chairman of the Audit Committee of the Company who shall investigate into the same and recommend suitable action to the management.

12. NOMINATION AND REMUNERATION COMMITTEE :

The Board has on recommendation of nomination and remuneration committee, framed a policy for section and appointment of Director, senior management and their remuneration.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is disclosed in Form No. AOC -2 is annexed herewith as "Annexure C".

15. PARTICULAR OF SUBSIDIARY/JOINT VENTURE / ASSOCIATE COMPANY :

The Company does not have any subsidiary, Joint Venture and Associate Company.

16. RISK MANAGEMNET :

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of your Company.

17. CORPORATE SOCIAL RESPONSIBILITY:

The provision of Corporate Social Responsibility is not applicable to your Company.

18. THE NUMBER OF COMPLAINTS RELATING TO CHILD LABOUR, FORCED LABOUR, INVOLUNTARY LABOUR, SEXUAL HARASSMENT IN THE LAST FINANCIAL YEAR AND THOSE PENDING AS ON THE END OF THE FINANCIAL YEAR.

Sr. No.	Category	No. of Complaints filed during the financial year	No. of Complainants pending as on end of the financial year
1.	Child labour/forced labour/ Involuntary labour	NIL	NIL
2.	Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.	NIL	NIL

19. INFORMATION REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the financial year 2014-15 is as follows:

Sr. No.	Name of Directors	Total remuneration (Rs.)	Ratio of remuneration of Directors to the median remuneration
1.	Dr. Pravin N. Bhagwati	78,32,238	23.37:1
2.	Ms. Reena P. Bhagwati	12,00,000	3.58:1

Notes

1. Median remuneration of the Company for all its employee is Rs. 3,35,040/- for Financial Year 2014-15.
2. The remuneration to directors does not include sitting fees paid to them.