

# **42<sup>ND</sup> ANNUAL REPORT**

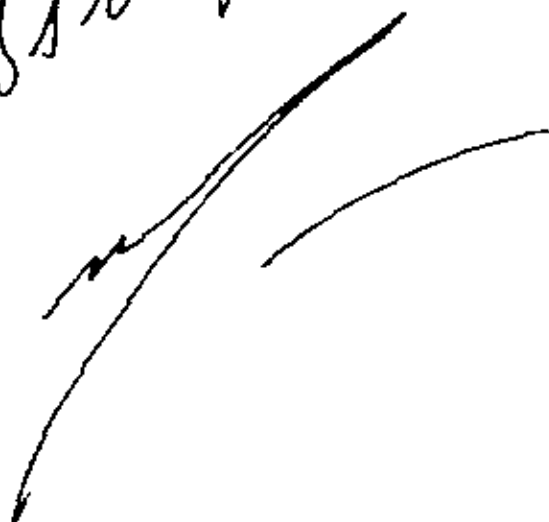
**For the year ended 31st March 2014**

**BHAGAWATI OXYGEN LIMITED**

# BHAGAWATI OXYGEN LIMITED

'S'-492A, GREATER KAILASH  
NEW DELHI

*Bhessing*

A handwritten signature, possibly reading 'Bhessing', followed by a large, stylized flourish consisting of several sweeping, curved lines.

## **Corporate Information**

**CIN :** L74899HR1972PLC006203

### **Board of Directors :**

Shri. S.K.Sharma (Chairman)  
Shri. Himanshu Sharma (Managing Director)  
Shri. J C Kaushik  
Shri. B.B Lal

### **Banks :**

Central Bank of India  
ICICI Bank Ltd  
State Bank of India  
State Bank of Bikaner & Jaipur

### **Auditors:**

Chaturvedi & Company  
Chartered Accountants,  
Kolkata

### **Listed at:**

- 1) The Bombay Stock Exchange, Mumbai,  
Phiroz Jeejeebhoy Tower,  
Dalal Street Kala Ghoda, Fort,  
Mumbai-400 001
- 2) The Delhi Stock Exchange Association Ltd  
DSE House,  
3/1 Asaf Ali Road,  
New Delhi-110 020

### **Registrars & Share Transfer Agent:**

Skyline Financial Services (P) Ltd  
D-153A, 1st Floor, Okhla Industrial Area, Phase-1  
New Delhi - 110 020  
Ph . +91-11-64732681 to 88  
Fax . 011-26812683  
Email : [admin@skylinarta.com](mailto:admin@skylinarta.com)

### **Offices:**

Registered Office : Plot-5, Sector-25, Ballabgarh, Haryana – 121004.  
Kolkata Office : 67, Park Street, Kolkata – 700016  
Website : [www.globalbol.com](http://www.globalbol.com)  
Investor Contact Email : [investor.relation.bol@gmail.com](mailto:investor.relation.bol@gmail.com)

**NOTICE**

**TO THE MEMBERS**

Notice is hereby given that the 42<sup>nd</sup> Annual General Meeting of M/S BHAGAWATI OXYGEN LIMITED will be held on Wednesday, 3<sup>rd</sup> September 2014 at 11:00 AM at the Registered Office of the Company at Plot No. 5, Sector - 25, Ballabhgarh, Haryana-121004 to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the financial year ending on 31<sup>st</sup> March 2014 together with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. J.C KAUSHIK (DIN- 01045425) who retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To 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 Chaturvedi & Company, Chartered Accountants(Firm Registration No.- 302137E), be and is hereby appointed as the Auditors 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:**

4. To consider and if thought fit, to pass, with or without modification(s) the following resolution as a **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the Provision of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies ( Appointment and Qualification of Director ) Rules, 2014( including any Statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. J C KAUSHIK (DIN-01045425), who was appointed as a Director liable to retire by rotation whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office from the date of this Annual General Meeting for 5 consecutive years till 31<sup>st</sup> March, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."
5. 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, approval of the Company be and is hereby given to the appointment of Mr. B B LAL (DIN: 01045250), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013 as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 31<sup>st</sup> March, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."
6. To consider and if thought fit, to pass with or without notifications the following resolution as a **Special Resolution** :  
"RESOLVED THAT in modification of the earlier resolution passed under section 293(1)(a) of the Companies Act 1956, at the 21<sup>st</sup> Annual General Meeting held on 30<sup>th</sup> September, 1993 and subject to the approvals, wherever necessary of the Financial Institutions./Banks/Insurance Companies from which the Company has obtained/ will obtain financial assistance, consent of the Company be and is hereby accorded under Section 180(1)(a) of the Companies Act, 2013 to mortgaging and/or charging by the Board of Directors of the Company of all or any of the immovable/ movable properties of the Company, wherever situated, both present and future of the whole or substantially the whole of the undertaking/s of the Company in such form and in such manner as the Board of Directors may think fit for securing loans and/or advances already obtained or that may be obtained from any financial institutions/ banks/ insurance companies or persons / persons, and/or to secure any debentures issued and/ or that may be issued and all interest, compound / additional interest, commitment charge, cost,

## BHAGAWATI OXYGEN LIMITED

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charges, expenses and all other monies payable by the Company to the concerned lenders within the overall borrowing limit of Rs. 50 crores"

**"RESOLVED FURTHER THAT** Mr. Himanshu Sharma, the Managing Director of the Company be and is hereby authorised to do all such acts and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deems necessary, fit and proper."

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

**"RESOLVED THAT** in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the 20th Annual General Meeting of the Company held on 30<sup>th</sup> September, 1992 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013, including any statutory modifications, or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable acts, laws, rules, regulations and guidelines for the time being in force; the consent of the Company be and is hereby accorded to the Board of Directors of the Company from time to time as they may think fit, any sum or sums of money not exceeding Rs. 50 crores (including the money already borrowed by the Company) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge, hypothecation or pledge or otherwise in any way whatsoever on, over, or in any aspect of all, or any of the Company's assets and effects or properties whether moveable or immovable, including stock-in trade, not withstanding that the money be borrowed together with the money already borrowed by the Company (apart from the temporary loans or bridge loans obtained from the Company's banker in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves."

**"RESOLVED FURTHER THAT** Mr. Himanshu Sharma, the Managing Director of the Company be and is hereby authorised to do all such acts and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deems necessary, fit and proper."

Registered Office:  
Plot No-5, Sector-25, Ballabgarh,  
Haryana-121004  
Date: 30<sup>th</sup> May 2014

**By the Order of the Board  
BHAGAWATI OXYGEN LIMITED**

S.K. Sharma  
CHAIRMAN

### Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.  
A person can act a 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. 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 a proxy for any other person or shareholder.
2. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 30<sup>th</sup> August 2014 to 3<sup>rd</sup> September 2014 (both days inclusive).
4. The instrument of transfer completed in all respect together with requisite enclosure, should be sent to the Company well in advance so as to reach the Company prior to closure of Register of Members.
5. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting

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which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with National Securities Depository (India) Limited (NSDL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.

The instructions for members for voting electronically 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):
- Open the e-mail and also open PDF file 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.
  - Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
  - Click on Shareholder – Login.
  - If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - 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.
  - 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.
  - Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
  - Select the relevant "EVEN" (E-Voting Event Number) of BHAGAWATI OXYGEN LIMITED on which you chose to vote. Now you are ready for e-voting as Cast Vote page opens.
  - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - Upon confirmation, the message "Vote cast successfully" will be displayed.
  - Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  - 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 [shawmanoj2003@gmail.com](mailto:shawmanoj2003@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - 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](http://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):
- Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
  - Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote
- C. Other Instructions:**
- The e-voting period commences on Wednesday, 27<sup>th</sup> August 2014 (9.00 a.m. IST) and ends on Friday, 29<sup>th</sup> August 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on July 18, 2014, 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.
  - The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as July 18, 2014.
  - Mr. Manoj Prasad Shaw, Practicing Company Secretary (Membership No. FCS 5517), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - 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.
  - The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.globalbol.com](http://www.globalbol.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 42<sup>nd</sup> Annual General Meeting of the Company on September 3, 2014 and communicated to the BSE and DSE, where the shares of the Company are listed.
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6. Members are requested to intimate to the Company change if any, in their registered address along with pin code and post office.
7. For any further information regarding accounts intimation may be given to the Company in writing at least 10 days in advance from the date of the aforesaid meeting so as to enable the management to keep the information ready
8. Members attending the Annual General Meeting are requested to bring their copies of Annual Report.
9. Only registered members carrying the attendance slip and proxies registered with the Company will be permitted to attend the meeting.
10. Members who hold shares in the dematerialized form are requested to bring their Depository ID Number and Client ID numbers to facilitate easier identification of attendance at the Annual General Meeting.
11. Members are informed that the scrip of the Company are activated both on CDSL and NSDL and may be dematerialized under the ISIN No. INE026101010
12. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them. The prescribed form can be obtained/ submitted to Registrar & Share Transfer Agents of the Company.
13. In the light of the recent green initiative of the Government of India, those members who have not yet registered their email ids are requested to register their email id's with their depository participants in case of shares held in demat form and those members holding shares in physical form to register their email id's with the R & T agent. We urge upon you to register the email id on priority and help the Company to support the nation in the green initiative.
14. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has nil amount unpaid and unclaimed with the Company as on 27<sup>th</sup> September 2013 (date of last Annual General Meeting) and the company has declared the same with the Ministry of Corporate Affairs website.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / R&T agent.
16. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

#### **ITEM NO.4**

Mr. J C Kaushik is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in April 1988. Mr. J C Kaushik is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile provisions of the Companies Act 1956. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly in compliance of Section 149,150,152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. J C Kaushik being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting for 5 consecutive years till 31<sup>st</sup> March, 2019. A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. J C Kaushik fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. J C Kaushik as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. J C Kaushik as an Independent Director for the approval by the shareholders of the Company.

Except Mr. J C Kaushik, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

#### **ITEM NO.5**

Mr. B B LAL is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in October, 2003.

Mr. B.B LAL is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile provisions of the Companies Act 1956. Under the Companies Act, 2013, the Company is required to appoint independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly in compliance to Section 149,150,152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. B.B LAL being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting for 5 consecutive years till 31<sup>st</sup> March, 2019. A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. B.B LAL fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. B.B LAL as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. B.B LAL as an Independent Director for the approval by the shareholders if the Company Except Mr. B.B LAL, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

**ITEM NO.6**

The Company propose a resolution authorizing Board to borrow loan upto maximum of Rs. 50 crores (Rupees fifty crores only). In order to borrow loans from Banks, Institutions, etc. the Board also needs authorization to mortgage/ hypothecate the assets of the Company as security /collateral security. In order to mortgage or hypothecate the assets of the company the consent of shareholders is required under Section 180 (1) (a) of Companies Act, 2013, authorising the Board of Directors with necessary powers.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or in any way interested in this resolution.

The Board of Directors recommends this enabling resolution for approval of the members

**ITEM NO. 7**

In terms of the resolution passed by the members of the Company at the 20<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 1992 the Board of Directors of the Company were authorized to borrow on behalf of the Company up to Rs. 10 crores at any point of time. In view of expected growth in the business of the Company, it may be necessary for the Company to borrow monies from various sources. Further under law, it is now required that such a resolution be by way of a special resolution.

Yours Directors accordingly commend the borrowing powers of Rs.50 Crores as set out in the resolution at Item No.8 for approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8.



## **BHAGAWATI OXYGEN LIMITED**

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### **DIRECTORS' REPORT**

To the Members

Your Directors have pleasure in presenting their 42<sup>nd</sup> Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March 2014.

#### **FINANCIAL HIGHLIGHTS**

<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
Net Sales (Income from operations)	<b>1230.33</b>	1276.03
Other Income	<b>58.16</b>	70.71
Total Income	<b>1288.49</b>	1346.74
Total Expenditure	<b>1191.09</b>	1160.97
Profit before depreciation and taxes	<b>97.40</b>	185.77
Depreciation and Amortization	<b>42.02</b>	49.92
Exceptional Items (net)	-	-
Net Tax provision	<b>4.91</b>	25.87
Net Profit	<b>50.47</b>	109.98
Basic EPS (Rs)	<b>2.18</b>	4.75
Diluted EPS (Rs)	<b>2.18</b>	4.75

#### **REVIEW OF THE WORKING**

During the year under review the sales and other income of the Company amounted to Rs 1288.49 lacs compared to Rs. 1346.74 lacs in the previous year. After providing for financial charges, depreciation, current and deferred taxation and other adjustments, the Company reported profit after tax and extraordinary item of Rs. 50.47 lacs.

#### **DIVIDEND**

With a view to plough back the profit for the operations of the Company and the need to conserve the liquid funds of the Company, your directors do not recommend any dividend for the year ended 31<sup>st</sup> March 2014.

#### **PUBLIC DEPOSIT**

Your Company has not accepted any deposits from the public.

#### **DEPOSITORY SYSTEM**

The shares of the Company are tradable compulsorily in electronic form and your Company has connectivity with both the depositories, i.e National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

#### **PARTICULARS OF EMPLOYEES**

The particulars as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 (as amended) are not applicable as none of the employees of the Company fall under the category prescribed.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

In compliance with section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

- in the preparation of the Annual Accounts, the applicable Accounting Standard have been followed.
- they had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent and so as to give a true and fair view of the state of affairs of the Company as on 31st March 2014 and of the profit of the Company for the year ended 31st March 2014.

- c) they have taken proper and sufficient care for the safeguarding for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- d) they have prepared the Annual Accounts on a going concern basis.

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.**

As required under Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 a statement showing the information relating to Research and Development, Technology Absorption and Foreign Exchange Earning and outgo and forming part of the Directors Report is enclosed in Annexure – A. Form A requiring disclosure of particulars with respect to conservation of energy is not applicable in case of your company.

**INDUSTRIAL RELATIONS**

Company's industrial relation continue to be cordial during the year under review.

**DIRECTORS**

Mr. J C Kaushik retires by rotation and being eligible offer himself for re-appointment as a Director.

**AUDITORS AND AUDITORS' REPORT**

M/s. Chaturvedi & Company, Statutory Auditors of the Company retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The notes on financial statements referred to in the auditors' report are self explanatory and do not require any further comments.

**COST AUDITORS**

In conformity with the directives of the Central Government, the Company has appointed M/s. DGM & Associates, Cost Accountant, of Kolkata, as the Cost Auditor under Section 233B of the Companies Act, 1956, for the year ending 31st March 2014.

**SECRETARIAL COMPLIANCE CERTIFICATE**

Pursuant to the provision Clause to Sub-Section (1) of Section 383A of the Companies Act, 1956 the Secretarial Compliance Certificate for the year ended 31<sup>st</sup> March 2014 is attached herewith which is self-explanatory and requires no explanation by the Directors.

**APPRECIATION**

Your Directors place on record their sincere appreciation for the valuable support and co-operation received from various Central and State Government Authorities, Stock Exchanges, Financial Institutions and Banks during the year. They also gratefully acknowledge the support extended by the customers and shareholders and contribution made by the employees at all level.

By Order of the Board  
For **BHAGAWATI OXYGEN LIMITED**

**S K SHARMA**  
CHAIRMAN

Place: Kolkata  
Date: 30<sup>th</sup> May 2014