

# 44th Annual Report

**For the year ended 31st March 2016**

**BHAGAWATI OXYGEN LIMITED**

## **Corporate Information**

**CIN: L74899HR1972PLC006203**

### **Board of Directors:**

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

### **Banks:**

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

### **Auditors:**

**Chaturvedi & Company**  
**Chartered Accountants,**  
**Kolkata**

### **Listed at:**

**The Bombay Stock Exchange, Mumbai,**  
**Phiroz Jeejeebhoy Tower,**  
**Dalal Street, Kala Ghoda, Fort,**  
**Mumbai-400 001**

### **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@skylinerta.com**

### **Offices:**

**Registered Office : Plot-5, Sector-25, Ballabgarh, Haryana 121004.**  
**Kolkata Office : 67, Park Street, Kolkata 700016.**  
**Website : www.globalbol.com**  
**Investor Contact Email : investor.relation.bol@gmail.com**

# **BHAGAWATI OXYGEN LIMITED**

**'S'-492A, GREATER KAILASH  
NEW DELHI**

*Blessings*

A handwritten signature in black ink, consisting of a series of fluid, connected strokes. The signature is positioned below the word 'Blessings' and is partially obscured by a large, sweeping diagonal line that extends from the bottom left towards the middle right of the page.



**NOTICE**

**TO THE MEMBERS**

Notice is hereby given that the 44th Annual General Meeting of M/S BHAGAWATI OXYGEN LIMITED will be held on Saturday, 24th September 2016 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 consider and adopt the Statement of Profit & Loss Account for the year ended 31st March, 2016, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Jaya Sharma (DIN-07135989) who retire by rotation at this Annual General Meeting and being eligible offers herself 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 Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the forty-fifth Annual General Meeting of the Company on such remuneration as maybe determined by the Board of Directors in consultation with the said Auditor."

**SPECIAL BUSINESS:**

4. 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 the Articles of Association of the Company, Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals as may be required, consent and approval of the Company be and is hereby accorded to the reappointment of Sri Suresh Kumar Sharma (00041150) as Chairman (Executive) (being Whole-time Director) of the Company, for a further period of 3 (three) years with effect from 1st January, 2016 on the terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed to the Notice, with authority and power to the Board of Director to alter, vary or modify the terms and conditions of the said re-appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this Resolution and/or to make modification as may be deemed to be in the best interest of the Company.

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **SPECIAL RESOLUTION**:  
"RESOLVED THAT pursuant to the provisions of the Articles of Association of the Company, Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals as may be required, consent and approval of the Company be and is hereby accorded to the reappointment of Sri Himanshu Sharma (DIN: 00041181) as Managing Director of the Company, for a further period of 3 (three) years effect from 1st January, 2016, on the terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed to the Notice, with authority and power to the Board of Director to alter, vary or modify the terms and conditions of the said re-appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this Resolution and/or to make modification as may be deemed to be in the best interest of the Company."

Registered Office:  
Plot No-5, Sector-25, Ballabhgarh ,  
Haryana-121004  
Date :30.05.2016,  
Place :Kolkata

By the Order of the Board  
BHAGAWATI OXYGEN LIMITED  
RITU DAMANI  
COMPANY SECRETARY  
ACS: 35435



## BHAGAWATI OXYGEN LIMITED

### 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/ herself 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 19th September, 2016 to 24th September 2016 (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 remote e-voting facility as an alternative mode of voting 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 remote e-voting. E voting is optional and members shall have the option to vote either through remote e-voting or in person at the general meeting.-  
The instructions for members for remote 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 with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote 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 remote 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 remote e-voting home page opens, click on e-voting> Active Voting Cycles.
    - viii. 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.
    - 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 [shawmanoj2003@gmail.com](mailto:shawmanoj2003@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto: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](http://www.evoting.nsdl.com)
    - xiv. You can also update your mobile number and e-mail id in the user profile detail of the folio which may be used for sending future communication(s).
    - xv. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on 17th September, 2016 may obtain user/login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [admin@skylinerta.com](mailto:admin@skylinerta.com).  
However, if you are already registered with NSDL for remote e-voting then you can use your existing user/login ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/ Password" option available on [www.evoting.nsdl](http://www.evoting.nsdl) at the following toll free no. 1800-222-990.
  - 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 remote e-voting period commences on Wednesday, 21st September, 2016 (10.00 a.m. IST) and ends on Friday, 23rd September, 2016 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on September 17th, 2016, may cast their vote electronically. The remote 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 September 17th, 2016.
    - iii. Mr. Manoj Prasad Shaw, Practicing Company Secretary (Membership No. FCS 5517), has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.



## BHAGAWATI OXYGEN LIMITED

- iv. Facility for voting through polling paper shall be made available at the 44th Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their rights at the concerned meeting.
- v. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- vi. Members of the Company holding shares either in physical form or in dematerialized form, as on 17th September, 2016, may opt for remote e-voting or voting at the AGM through polling paper.
- vii. The Scrutinizer, after scrutinising the votes cast at the meeting (polling) and through remote e-voting, will not later than three days of conclusion of the meeting, makes a consolidated scrutinizer's report and submits the same to the Chairman of the meeting. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the company [www.globalbol.com](http://www.globalbol.com) and on the website of [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). The result shall simultaneously be communicated to the Stock Exchange.
- viii. Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of meeting i.e. September 24th, 2016.
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 id's are requested to register their email id's with their depository participants in case of shares held in dematerialised 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 18th September 2015 (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 dematerialised 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

Shri Suresh Kumar Sharma, who was appointed as a Chairman (Executive), (being the Whole Time Director) by the Members to hold office upto 31st December, 2015 will attain age of 70 years on 21st October, 2018 and hence continuation of his employment Whole Time Director requires approval of members by way of a Special Resolution.

Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a Special Resolution.

Keeping in view that Sri Suresh Kumar Sharma has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time; it would be in the interest of the Company to continue the employment of Shri Suresh Kumar Sharma as Whole Time Director.

Pursuant to the recommendation of the Nomination and Compensation Committee, the Board of Directors of the Company passed a resolution on 14th November, 2015 approving re-appointment of Sri Suresh Kumar Sharma, as Chairman (Executive), (being the Whole Time Director) of the Company for a further period of 3 (three) years w.e.f 1st January, 2016. This is subject to the approval of the shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Shri Suresh Kumar Sharma and the terms and conditions of the re-appointment are given below:

- 1) **SALARY :** Rs. 70,000/- p.m. and subject to periodical increments as may be approved  
By Remuneration Committee from time to time within the limits prescribed under Schedule V of the Companies Act 2013 or any statutory modification thereof.
- 2) **PERQUISITES:** In addition to the aforesaid Salary the following perquisites will be allowed which will be restricted to an amount so that the total of salary and perks shall not exceed Rs.24,00,000/- per annum.
  - i) Housing / House Rent Allowance :
    - (a) The expenditure incurred by the Company on hiring unfurnished accommodation for the Chairman (Executive) shall be subject to a ceiling of 60% of the salary.
    - (b) In case the accommodation is owned by the Company, 10% of the salary of the Chairman (Executive) shall be deducted by the Company.

## BHAGAWATI OXYGEN LIMITED

- (c) In case no accommodation is provided by the Company, the Chairman (Executive) shall be entitled to House Rent Allowance subject to a ceiling of 60% of the salary.
- (d) The expenditure which may be incurred by the Company on Gas, Electricity, Water, Furnishings, Repairs, and other expenses for maintaining in full the accommodation occupied by the Chairman (Executive) restricted to 30% of the annual salary.
- ii) Medical Reimbursement / Medical Insurance Policy/ P.A Policy :  
Expenses incurred for the Chairman (Executive) and his family in accordance with the rules of the Company.
- iii) Leave Travel Concession :  
For the Chairman (Executive) and his family to and fro to any place once in a year in accordance with the rules specified by the Company.
- iv) Club Fees :  
Fees and subscription of maximum two clubs. This will not include admission and life membership fees.
- v) Company's contribution towards Provident Fund / Super Annuation Fund or Annuity Fund :  
As per rules of the Company but to the extent these either singly or put together to the extent not taxable under the Income Tax Act, 1961
- vi) Gratuity :  
In accordance with the provisions of the approved fund but shall not exceed half month's salary for each completed year of service.
- vii) Leave on full pay and allowances as per rules of the Company but not exceeding one month's leave for every completed year of service subject to the condition that leave accumulated but not availed of will not be allowed to be encashed.
- viii) Use of Company's car with driver for business of the Company.
- ix) Telephone at residence for business of the Company.
- x) Reimbursement of all entertainment and traveling expenses actually incurred by the Chairman (Executive) for the business of the Company.  
The items stated in v, vi, vii, viii, ix and x shall not be considered as perquisites.
- 3) In the event of loss or inadequacy of profits in any financial year during the aforesaid period the Company will pay the Chairman (Executive) the same remuneration as mentioned herein above.
- 4) The Board of Directors be and is hereby specifically authorized to alter and vary the terms and conditions of the aforesaid appointment including remuneration of Sri Suresh Kumar Sharma so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force or any amendment and/or modification that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendment thereto as may be agreed to between the Board and Sri Suresh Kumar Sharma.

### GENERAL :

- 5) Sri Suresh Kumar Sharma agreed to devote his best attention to the business of the Company and to further safeguard the interest of the Company, including security of its trade secrets and the processes etc. and to make known and available exclusively to the Company any invention, discovery or design of theirs.
- 6) The Chairman (Executive) so long he functions as such shall not be paid any sitting fees for attending the meeting of the Board of Directors or committees thereof.
- 7) The Chairman (Executive) shall not, so long as he functions as such become interested or otherwise concerned directly or through his wife/and/or minor children in any selling agency of the Company in future without the prior approval of the Central Government.
- 8) Subject to the provision of the Companies Act 2013, the Chairman (Executive) shall in addition to the powers which may from time to time be assigned to him by the Board of Directors of the Company, have the following powers viz
  - a) To sign all documents including bonds, guarantees, mortgages, and other legal documents on behalf of the Company, provided that such bonds guarantees and mortgages relating to the fixed assets have been issued or created by necessary resolutions of the Board.
  - b) To take on lease, purchase or otherwise acquire for the Company any property, rights and privileges which the Company is authorized to acquire at such price and generally on such terms and conditions and as he thinks fit, and also to sell, exchange or otherwise dispose of absolutely or conditionally any part of the property on such terms and conditions and for such consideration as he may think fit.
  - c) To buy or procure the supply of plant, machinery, materials, stores, fuel implements and other movable property required for the purpose of the Company and engage or procure the supply of means of transport and labour requisite for carrying out the job.
  - d) To sell or dispose of goods and commodities manufactured, produced or dealt in by the Company and/ or its by products as the Board may authorize from time to time.
  - e) To enter into, carry on, rescind or vary all financial arrangements with the Company's business or affairs and pursuant to or in connection with such arrangement and subject to as aforesaid to deposit, pledge or hypothecate any property of the Company or documents representing or relating to the same with prior approval of the Board.
  - f) To compound and allow time for payment or satisfaction of any debt due to or by the Company and any claim or demands by or against the Company to arbitration and observe and perform the awards.
  - g) To appoint, remove or suspend agents, managers, secretary, officers, clerks and servants for permanent, temporary or any special services as he may from time to time think fit, and to determine their powers and duties and to fix their salaries to such amount as he think fit provided that appointment of the agents will require the sanction of the Board of Directors.



## BHAGAWATI OXYGEN LIMITED

- h) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and for the purposes engage solicitors, Barristers, Advocates, etc., and also to compound and allow time for payment or satisfaction of any debts due and in any claims or demand by or against the Company.
- i) To refer any claims or demands by or against the Company to arbitration and conduct the same and implement awards, if any.
- j) To make and give receipts, release and other discharges for money payable to the Company.
- k) To enter into all such negotiations and contracts and rescind or vary all such contracts and execute and do all such acts, deeds and things and in the name and on behalf of the Company as he may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.
- l) To act on behalf of Company bills, notes, receipts, acceptances, endorsements, cheques, released contracts and documents.
- m) To sign on behalf of Company in all matters relating to bankruptcy and insolvency.
- n) From time to time to provide for the management of the affair of the Company either in different parts of the Indian Republic or elsewhere in such manner as he thinks fit, and in particular to establish branch offices and to appoint any person to be the attorney or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may think fit. Provided that the establishment of the branch offices will require the sanction of the Board.
- o) To invest and deal with any of the moneys of the Company not immediately required for the purpose thereof upon such securities not being shares in this Company and in such manner as he may think fit, and from time to time vary or realize such investments.
- p) To make and alter rules and regulations concerning the time and manner of repayment of the contribution of the employees of the Company respectively to provident fund or any such fund and the actual employment, suspensions and forfeit of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as he may from time to time think fit.
- q) To delegate all, or any powers hereby conferred upon him to any person as he may from time to time think fit including the employees of the Company.
- r) Provided nevertheless the above mentioned powers are delegated to the Chairman (Executive) during the period he continues to be the Chairman (Executive) of the Company and the Board may delete, amend or make additions to these presents wherever and whenever they consider necessary.
- 9) The terms and conditions of the said appointment and/or agreement may be altered or varied from time to time mutually by the Company and the Chairman (being Whole-Time Director) subject to the provisions of the Companies Act, 2013 or any amendment thereof and with the approval of the Shareholders and/or Central Government, whenever required.
- 10) This agreement shall be subject to approval of the Shareholders of the Company at a general meeting.  
Except Shri Suresh Kumar Sharma, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution.

### **ITEM NO.5**

Shri Himanshu Sharma was appointed as a Managing Director of the Company for a period of 5 (five) years from 1st January, 2011 to 31st December, 2015 which was approved at the 39th Annual General Meeting held on 30th September, 2011.

Keeping in view that Sri Himanshu Sharma has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time; it would be in the interest of the Company to continue the employment of Shri Himanshu Sharma as Managing Director.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on 14th November, 2015 approving re-appointment of Sri Himanshu Sharma, as Managing Director of the Company for a further period of 3 (three) years w.e.f 1st January, 2016. This is subject to the approval of the Shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Shri Himanshu Sharma and the terms and conditions of the re-appointment are given below:

- 1) **SALARY :** Rs. 95,000/- p.m. and subject to periodical increments as may be approved  
By Remuneration Committee from time to time within the limits prescribed under Schedule V of the Companies Act 2013 or any statutory modification thereof.
- 2) **PERQUISITES :** In addition to the aforesaid Salary the following perquisites will be allowed which will be restricted to an amount so that the total of salary and perks shall not exceed Rs.24,00,000/- per annum.
  - i) **Housing / House Rent Allowance:**
    - (a) The expenditure incurred by the Company on hiring unfurnished accommodation for the Managing Director shall be subject to a ceiling of 60% of the salary.
    - (b) In case the accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company.
    - (c) In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance subject to a ceiling of 60% of the salary.
    - (d) The expenditure which may be incurred by the Company on Gas, Electricity, Water, Furnishings, Repairs, and other expenses for maintaining in full the accommodation occupied by the Managing Director restricted to 30% of the annual salary.
  - ii) **Medical Reimbursement / Medical Insurance Policy/ P.A Policy :**  
Expenses incurred for the Mg. Director and his family in accordance with the rules of the Company.

## BHAGAWATI OXYGEN LIMITED

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- iii) Leave Travel Concession :  
For the Managing Director and his family to and fro to any place once in a year in accordance with the rules specified by the Company.
- iv) Club Fees :  
Fees and subscription of maximum two clubs. This will not include admission and life membership fees.
- v) Company's contribution towards Provident Fund / Super Annuation Fund or Annuity Fund :  
As per rules of the Company but to the extent these either singly or put together to the extent not taxable under the Income Tax Act, 1961.
- vi) Gratuity :  
In accordance with the provisions of the approved fund but shall not exceed half month's salary for each completed year of service.
- vii) Leave on full pay and allowances as per rules of the Company but not exceeding one month's leave for every completed year of service subject to the condition that leave accumulated but not availed of will not be allowed to be encashed.
- viii) Use of Company's car with driver for business of the Company.
- ix) Telephone at residence for business of the Company.
- x) Reimbursement of all entertainment and traveling expenses actually incurred by the Managing Director for the business of the Company.

The items stated in v, vi, vii, viii, ix and x shall not be considered as perquisites.

- 3) In the event of loss or inadequacy of profits in any financial year during the aforesaid period the Company will pay the Managing Director the same remuneration as mentioned herein above.
- 4) The Board of Directors be and is hereby specifically authorized to alter and vary the terms and conditions of the aforesaid appointment including remuneration of Sri Himanshu Sharma so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force or any amendment and/or modification that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendment thereto as may be agreed to between the Board and Sri Himanshu Sharma.

### GENERAL:

- 5) Sri Himanshu Sharma agreed to devote his best attention to the business of the Company and to further safeguard the interest of the Company, including security of its trade secrets and the processes etc. and to make known and available exclusively to the Company any invention, discovery or design of theirs.
- 6) The Managing Director so long he functions as such shall not be paid any sitting fees for attending the meeting of the Board of Directors or committees thereof.
- 7) The Managing Director shall not, so long as he functions as such become interested or otherwise concerned directly or through his wife/and/or minor children in any selling agency of the Company in future without the prior approval of the Central Government.
- 8) Subject to the provision of the Companies Act 2013 the Managing Director shall in addition to the powers which may from time to time be assigned to him by the Board of Directors of the Company, have the following powers viz
  - a) To sign all documents including bonds, guarantees, mortgages, and other legal documents on behalf of the Company, provided that such bonds guarantees and mortgages relating to the fixed assets have been issued or created by necessary resolutions of the Board.
  - b) To take on lease, purchase or otherwise acquire for the Company any property, rights and privileges which the Company is authorized to acquire at such price and generally on such terms and conditions and as he thinks fit, and also to sell, exchange or otherwise dispose of absolutely or conditionally any part of the property on such terms and conditions and for such consideration as he may think fit.
  - c) To buy or procure the supply of plant, machinery, materials, stores, fuel implements and other movable property required for the purpose of the Company and engage or procure the supply of means of transport and labour requisite for carrying out the job.
  - d) To sell or dispose of goods and commodities manufactured, produced or dealt in by the Company and/ or its by products as the Board may authorize from time to time.
  - e) To enter into, carry on, rescind or vary all financial arrangements with the Company's business or affairs and pursuant to or in connection with such arrangement and subject to as aforesaid to deposit, pledge or hypothecate any property of the Company or documents representing or relating to the same with prior approval of the Board.
  - f) To compound and allow time for payment or satisfaction of any debt due to or by the Company and any claim or demands by or against the Company to arbitration and observe and perform the awards.
  - g) To appoint, remove or suspend agents, managers, secretary, officers, clerks and servants for permanent, temporary or any special services as he may from time to time think fit, and to determine their powers and duties and to fix their salaries to such amount as he think fit provided that appointment of the agents will require the sanction of the Board of Directors.
  - h) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and for the purposes engage solicitors, Barristers, Advocates, etc., and also to compound and allow time for payment or satisfaction of any debts due and in any claims or demand by or against the Company.
  - i) To refer any claims or demands by or against the Company to arbitration and conduct the same and implement awards, if any.
  - j) To make and give receipts, release and other discharges for money payable to the Company.