

# Annual Report

31<sup>st</sup>  
March,  
2009

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**BAGALKOT UDYOG LIMITED**

**ANNUAL REPORT 2008-09**

**59th Annual General Meeting**

Time 11.00 A. M.  
Day Tuesday, 29th September, 2009  
Venue Stadium House, Block No.1,  
6th Floor, Veer Nariman Road,  
Churchgate, Mumbai 400 020

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## BOARD OF DIRECTORS

**M. S. Sangneria**

**L. N. Chaturvedi**

**R. K. Kejriwal**

**S. K. Sharma**

**P. Sharma**

## STATUTORY AUDITORS

Messrs V. K. Beswal & Associates

## SOLICITORS

Kanga & Co.

Paras Kuhad & Associates.

## BANKERS

HDFC Bank

Vijaya Bank

Punjab National Bank

## REGISTRARS AND TRANSFER AGENTS

Bigshare Services Pvt. Ltd.

E-2, Ansa Industrial Estate,

Saki Vihar Road, Saki Naka,

Andheri (E), Mumbai - 400 072

Tel. No. : (022) 4043 0200

Fax No. : (022) 2847 5207

## REGISTERED OFFICE

Stadium House, Block No.1,

6th Floor, Veer Nariman Road,

Churchgate,

Mumbai 400 020

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**ANNUAL REPORT 2008-2009****NOTICE**

Notice is hereby given that the 59th Annual General Meeting of the Shareholders of BAGALKOT UDYOG LIMITED will be held on Tuesday, the 29th September, 2009 at 11.00 A.M. at Stadium House, Block No.1, 6th Floor, Veer Nariman Road, Churchgate, Mumbai 400 020 to transact the following business:

**AS ORDINARY BUSINESS**

1. To consider and adopt the Directors' Report and the audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2009.
2. To appoint a Director in place of Shri M.S. Sangneria who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri L.N. Chaturvedi who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditor and to fix their remuneration.

By Order of the Board  
For Bagalkot Udyog Limited

M.S. Sangneria

Mumbai, 25th August, 2009

Director

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be properly signed and delivered to the Company not less than 48 hours before the time of the meeting.
2. The Share Transfer Books and the Register of Members of the Company would remain closed from Thursday, the 24th September, 2009 to Tuesday, the 29th September, 2009 (both days inclusive).
3. Members are requested to intimate the change of address, if any, immediately to the Company's Registrars & Transfer Agents, M/s. Bigshare Services Pvt. Ltd, E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072.
4. Members are hereby informed that the Company has transferred all unclaimed dividends declared upto and including the Accounting Year ended 30.6.1997 to the Investors Education and Protection Fund of the Central Government in terms of the provisions of Section 205C of the Companies Act, 1956. The Company had not declared dividend since 1st April, 1997.
5. Members who are holding shares in identical order of names in more than one folio are requested to intimate the Registrars and Transfer Agents of the Company, the Ledger Folio of such accounts and send all the Share Certificates to the Registrars to enable them to consolidate their holdings under one folio.
6. The Equity Shares of the Company are listed in the Bombay Stock Exchange Limited, Mumbai, Phiroze Zeejeebhoy Towers,

Dalal Street, Mumbai 400 001 and Annual Listing Fee has been paid to them.

7. Nomination facility for shares is now available for members. The prescribed format in this regard can be obtained from the Company's Registrars and Transfer Agents at the addressed as stated in note (3) above.
8. Pursuant to Clause 49 (VI) (A) of the Listing Agreement, the particulars of the Directors being re-appointed/appointed at the Annual General Meeting are annexed.

Information required under clause 49 of the Listing Agreement in respect of Directors being appointed / re-appointed.

1. Name	: Shri M.S. Sangneria
Date of Birth	: 15.1.1933
Qualifications	: B. Com. LLB., Diploma in Business Management
Date of Appointment	: 16.12.1987
Expertise in specific function area	: General Management
Other Directorships	: Bagalkot Cement & Industries Limited

Memberships on Committees of the Board of Directors of other Companies : Nil

Shareholding : Nil

2. Name	: Shri L.N. Chaturvedi
Date of Birth	: 05.07.1945
Qualifications	: B. Sc., B.O.A.T. from Calcutta Technic School
Date of Appointment	: 16.11.2000
Expertise in specific function area	: General Management
Other Directorships	: Asiatic Explosive Pvt. Ltd Ameri Gas Pvt. Ltd. Andhra Pradesh Air Products (P) Ltd. AOL Infotech Ltd Shree Hanuman Steel Rolling Mills Co. Ltd.

Memberships on Committees of the Board of Directors of other Companies : Nil

Shareholding : Nil

**DIRECTORS' REPORT**

To  
The Shareholders

The Directors hereby present the 59th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2009.

(Rs. in lacs)

**FINANCIAL RESULTS**

	Current Year (12 Months)	Previous Year (9 Months)
After meeting all operating and administrative expenses, the working of the year shows a deficit of	(93.26)	(135.17)
Add:		
Depreciation	1.62	1.82
Profit / (Loss) before taxation	(94.88)	(136.99)
Provision:		
Income Tax	0.53	
Fringe Benefit Tax	0.10	1.08
Profit / (Loss) for the year	(95.51)	(138.07)
Profit / (Loss) brought forward from the previous year	(583.87)	(5079.26)
Add: Excess of liabilities transferred to BCIL as per Sanctioned Scheme		3867.70
Extra Ordinary Item	9.79	
Reduction of Share Capital as per the Sanctioned Scheme		765.76
	(574.08)	(445.80)
Balance Carried to Balance Sheet	(669.59)	(583.87)

**DIVIDEND**

In view of the loss, your Directors regret their inability to recommend any dividend.

**SHIFTING OF REGISTERED OFFICE**

The Registered Office of the Company has been shifted to Stadium House, Block No.1, 6th Floor, Veer Nariman Road, Churchgate, Mumbai-400020 w.e.f. June 15, 2009.

**PERFORMANCE**

Your Company is now an investment, leasing, finance and miscellaneous services Company.

**REHABILITATION SCHEME**

Your Company has taken necessary steps to fully implement the sanctioned Scheme.

The application is made to the Bombay Stock Exchange for re-listing of the new Equity Shares issued to the existing Shareholders, is still pending for approval.

**AUDIT COMMITTEE**

As per the requirement of Section 292A of the Companies Act, 1956 and also the Listing Agreements with Bombay Stock Exchange Limited, Mumbai an Audit Committee of the Board of Directors is already in place. During the year, the Committee held five meetings.

**CORPORATE GOVERNANCE**

Pursuant to Clause 49 (VI) of the Listing Agreement, a report on Corporate Governance and Certificate from the Company's Auditors

confirming compliance is annexed hereto.

**DIRECTORS**

S/Shri M.S. Sangneria and L.N. Chaturvedi retire by rotation and, being eligible, offer themselves for reappointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors of the Company state:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- that the directors have taken proper and sufficient care 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 for preventing and detecting fraud and other irregularities;
- that the directors have prepared the annual accounts as on 31st March, 2009, on a going concern basis.

**DEPOSITS**

The Company has not accepted any deposits from the public during the year.

**PARTICULARS OF EMPLOYEES**

During the period under review, none of the employees of the Company have drawn remuneration as specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has no manufacturing activity and therefore, the disclosure of particulars as required under Section 217(1)(e) of the Companies Act, 1956, in so far as it relates to the conservation of energy, technology absorption is not applicable. Particulars with regard to foreign exchange earnings and outgo appears in Schedule 'M' to the accounts and forming part of this report.

**AUDITORS' REPORT**

The observations made by the Auditors in their Report do not require any comments as the same are either self explanatory or have been fully explained in the notes attached to the Accounts.

**APPOINTMENT OF AUDITORS**

The retiring Auditor M/s. V.K. Beswal & Associates have furnished certificates to the Company to the effect that their appointment, if made, would be within the limits prescribed under the Companies Act, 1956. Shareholders are requested to appoint the Auditors and to fix their remuneration.

**APPRECIATION**

The Directors wish to place on record their appreciation of the co-operation received from the various departments of the Central and State Governments, Bankers and Financial Institutions.

The Directors also wish to thank all the employees for their sincerity, hardwork and efforts.

On behalf of the Board of Directors

S. K. Sharma  
Director

M. S. Sangneria  
Director

Mumbai, the 25th August, 2009.