

Annual Report

**31st
March,
2012**

BAGALKOT UDYOG LIMITED

ANNUAL REPORT 2011-12

62nd Annual General Meeting

Time 11.00 A. M.
Day Wednesday, 26th September, 2012
Venue Stadium House, Block No.1,
6th Floor, Veer Nariman Road,
Churchgate, Mumbai 400 020

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BOARD OF DIRECTORS

M. S. Sanganeria

L. N. Chaturvedi

R. K. Kejriwal

S. K. Sharma

P. Sharma

STATUTORY AUDITORS

Messrs V. K. Beswal & Associates

SOLICITORS

Kanga & Co.

BANKERS

HDFC 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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NOTICE

Notice is hereby given that the 62nd Annual General Meeting of the Shareholders of BAGALKOT UDYOG LIMITED will be held on Wednesday, the 26th September, 2012, at 11.00 A.M. at Stadium House, Block No.1, 6th Floor, Veer Nariman Road, Churchgate, Mumbai 400020, 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, 2012.
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 Suresh Sharma who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Pramod Sharma who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditor and to fix their remuneration.

By Order of the Board
For Bagalkot Udyog Limited

S. K. Sharma

Director

Mumbai, 29th May, 2012

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 20th September, 2012, to Wednesday, the 26th September, 2012 (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, Sakinaka, 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 address 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 : General Management
function area
Other Directorships : Bagalkot Cement & Industries Limited
Memberships on
Committees of the
Board of Directors of
other Companies : Nil
Shareholding : Nil
2. Name : Suresh Sharma
Date of Birth : 14-12-1961
Qualifications : B.Com. (Hons.), M.B.A. Inter C.S.
Date of Appointment : 11-03-2008
Expertise in specific : General Management, Administration,
function area Legal, Secretarial and Accounting areas
Memberships on
Committees of the
Board of Directors
of other Companies : a) Aegis Infotech Pvt. Ltd.
b) Six-Sigma Gases India Pvt. Ltd.
c) Indekka Software Pvt. Ltd.
d) Bagalkot Cement & Industries Ltd.
Shareholding : 50 Equity Shares
3. Name : Pramod Sharma
Date of Birth : 21-04-1972
Qualifications : B.Com.
Date of Appointment : 11.03.2008
Expertise in specific : Finance and Accounting Areas
Memberships on
Committees of the
Board of Directors
of other Companies : a) Indekka Software Pvt. Ltd.
b) Tanna Electro Mechanics Pvt. Ltd.
Shareholding : Nil

DIRECTORS' REPORT

To
The Shareholders
The Directors hereby present the 62nd Annual Report and Audited Accounts of the Company for the year ended 31st March, 2012.

(Rs. in lacs)

FINANCIAL RESULTS

After meeting all operating and administrative expenses, the working of the year shows

	Current Year (12 Months)	Previous Year (12 Months)
a deficit of	(3.64)	(5.37)
Add:		
Depreciation	0.66	0.66
Profit / (Loss) for the year	(4.30)	(6.03)
Profit / (Loss) brought forward from the previous year	(186.42)	(180.39)
Balance Carried to Balance Sheet (Reserve Surplus)	(190.72)	(186.42)

PERFORMANCE

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

REHABILITATION SCHEME

Your Company has fully implemented 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 four 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, Suresh Sharma and Pramod Sharma 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, 2012, on a going concern basis.

DEPOSITS

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

PARTICULARS OF EMPLOYEES

The Company has no employee, therefore the details specified under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are not applicable.

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. There is no foreign exchange earnings and outgo during the year.

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.

On behalf of the Board of Directors

Mumbai, the 29th May, 2012.

S. K. Sharma
Director

P. Sharma
Director