

ॐ श्री माँ
जय श्री माँ

24th ANNUAL REPORT

1997-98

50 TPD PLANT



MD	1		BKC	1
CS	1		DPT	1
RO	1		DIV	1
TRA	1		AC	1
AGM	1		SHI	1
YE	1			

120TPD PLANT



BHAGAWATI GASES LIMITED

CORPORATE INFORMATION

Board of Directors

Shri Ramrup Sharma
Shri V.P. Punj
Shri N.L. Mehrotra (IDBI - Nominee)
Shri S. S. Ratra (UTI-Nominee)
Shri V.B. Chaturvedi
Dr. G. Mukherjee

Managing Director

Shri Rakesh S. Bhardwaj

Bankers

Central Bank of India
Punjab National Bank
Citibank N.A.
Bank of India
State Bank of Bikaner & Jaipur
Indian Overseas Bank
Bank of Madura Ltd.

Auditors

Chaturvedi & Partners
Chartered Accountants

Registered Office & Works :

Banawas, Khetrinagar - 333.504
Dist. Jhunjhunu
Rajasthan

Principal & Head Office :

S-492/A, Greater Kailash -I,
New Delhi - 110-048
Fax : 622 0698
Phone : 641 9547

**NOTICE
TO THE MEMBERS****Bhagawati Gases Limited**

Notice is hereby given that the 24th Annual General Meeting of the Members of **Bhagawati Gases Limited** will be held on Monday, 28th September, 1998 at 12.30 P.M at the Registered Office of the Company at Banawas, Khetrinagar-333 504, Dist. Jhunjhunu (Rajasthan) to transact the following business:

A) ORDINARY BUSINESS:

- 1) To consider and adopt the Balance sheet as at 31st March, 1998 and the Profit and Loss Account of the Company for the year ended on 31st March, 1998 and the reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Shri. Ramrup Sharma who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint a Director in place of Shri V.P. Punj who retires by rotation and being eligible, offers himself for reappointment.
- 4) To appoint auditors for the financial year 1998-99 till the conclusion of the next Annual General Meeting and to fix their remuneration.

M/s. Chaturvedi & Partners, Chartered Accountants, the retiring auditors being eligible offer themselves for reappointment. They have furnished a certificate that their reappointment, if made would be within the limits specified in Section 224(1-B) of the Companies Act, 1956.

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER, PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- 2) Members desiring to seek any information on the annual accounts are requested to write to the Company atleast ten days in advance to enable compilation of information.
- 3) Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
- 4) Members are required to bring their copies of the Annual Report at the meeting.
- 5) The register of members and share transfer books will remain closed from 21st September, 1998 to 25th September, 1998 (both days inclusive)

By Order of the Board of Directors

(R.R.Sharma)
Chairman

Registered Office:
Banawas, Khetrinagr-333 504
Dist. Jhunjhunu (Raj)

Dated: 28th August, 1998

DIRECTOR'S REPORT***Bhagawati Gases Limited*****TO THE SHAREHOLDERS**

Your directors have the pleasure in presenting their 24rd Annual Report on the operations of the company together with the Audited Accounts for the year ended 31st March,1998 and Auditor's Report thereon.

FINANCIAL RESULTS:

	(Rupees in lakhs)	
	Year ended <u>31.3.1998</u>	Year ended <u>31.3.1997</u>
Sale & Other Income	2393	2214
Gross Profit	845	737
Financial Expenses	596	495
Depreciation	224	214
Net Profit	25	28
Provision for Income Tax	3	4
Profit after tax	22	24
Profit brought forward from last year.	148	124
Profit available for appropriation	170	148
Profit carried to Balance Sheet	170	148

YEAR IN RETROSPECT

Operations of the Company during the year are affected due to the lower offtake of oxygen gas by M/s.Hindustan Copper Ltd., the major customer resulting in closure of the 50 TPD Plant throughout the year . Inspite of the above sales and other income for the financial year increased to Rs.2393 lakhs as against Rs.2214 lakhs for the previous financial year. Profitability of the Company was also affected due to the sluggish market, stiff competition and liquidity crunch, resulting in the lower rate realisation for the products.

Company has entered into a Marketing agreement with Air Liquid North India Pvt Ltd Subsidiary of Air Liquide France a leading Gas Manufacturer for the supply of surplus liquid oxygen, Argon, and Nitrogen Gases.

DIVIDEND

Due to inadequate profits,your Directors regret for their inability to declare any dividend for the year.

PUBLIC DEPOSIT

Your Company has not accepted any deposit from the public during the year and there are no overdue deposits as on the date of the Balance Sheet.

PARTICULARS OF EMPLOYEES :

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) Rules, 1975 and forming part of the Directors Report for the year ended 31st March., 1996 are stated in Annexure-A.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS and OUTGO :

As required under Companies (Disclosure of Particulars in the Report of the Board of Directors) Rule 1988, a statement showing the information relating to the Research and Development, Technology Absorption and Foreign Exchange earnings and outgo and forming part of the Directors Report are stated in Annexure-B.

Form A requiring disclosure of particulars with respect to conservation of energy is not applicable in the case of our company.

INDUSTRIAL RELATIONS :

Company's industrial relations continued to be cordial during the year under review.

DIRECTORS :

Shri. Ramrup Sharma and Shri V.P. Punj retires by rotation and being eligible offers themselves for re-appointment as directors.

AUDITORS :

M/s Chaturvedi & Partners, Statutory Auditor of the Company retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for reappointment.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation to various Central and State Government Authorities, Financial Institutions and Banks. They also wish to place their appreciation of the devoted services by executives, officers and staff of the Company for its success.

BY ORDER OF THE BOARD

Place : New Delhi
Dated : 28th August., 1998

(R.R.SHARMA)
Chairman

ANNEXURE-A

Sl.No.	Name of employee	Designation	Qualification	Date of commencement of employment	Age (years)	Experience (years)	Last employment		Remuneration
							Name of the Company	Position	
1)	Shri.R.S.Bhardwaj	Mg.Director	B.Com	1.7.1989	35	17	Bhagawati Gases Ltd	Whole-time Director	3,43,492

Note: Remuneration includes salary, contribution to Provident fund and other funds, medical and other allowances.

ANNEXURE-B

Particulars as required under Companies (Disclosures of Particulars in the Report of Directors) Rules, 1988 and forming part of Directors Report for the year ended 31.03.1998.

1. Research & Development :a) Specific area in which R & D carried out by the Company :-

Research and Development has been continuously carried to reduce evaporation of oxygen gas and consumption of power.

b) Benefits derived as a result of the above R & D :-

Loss on account of evaporation has been reduced considerably and less consumption of power.

c) Future Plan of Action :-

Research and Development activities are continued to reduce process wastage and utilisation of waste Nitrogen.

d) Expenditure on R & D :-

Charged under primary heads of accounts.

2. Technology Absorption, Adaptation & Innovation :-a) Efforts made towards technology absorption, adaptation and innovation :-

The Company has successfully absorbed the technology of the plant supplied by the supplier.

b) Benefits derived as a result of the above efforts :-

Quality of oxygen gas produced is of very high standard and acceptable to the consumers of the company's product.

c) Particulars relating to imported technology :- Nil**3. Foreign Exchange Earnings & Outgo :- Nil**

AUDITOR'S REPORT**Bhagawati Gases Limited****TO THE MEMBERS****BHAGAWATI GASES LIMITED**

We have audited the attached Balance Sheet of Bhagawati Gases Limited as at 31st March, 1998 and also the Profit and Loss account of the company for the year ended on that date both annexed hereto and report that:

- 1 As required by the manufacturing and other companies (Auditors Report) order 1988, we annex hereto a statement on the matters specified in paragraph 4 & 5 of the said order.
- 2 Further to our comments in the Annexure referred to in paragraph 1 above.
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of the books.
 - c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss account read together with notes given in Schedule-16, and subject to notes given below, give the informations required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
 - i) In the case of Balance Sheet of the State of Affairs of the Company as at 31st March, 1998.
 - ii) In the case of Profit and Loss account of the profit of the company for the year ended on that date.

Notes

- i) As stated in Note No.5 of Schedule 16, regarding Non provision for depreciation on Assets, resulting in increase in Profit by Rs. 75,59,781 and Fixed Assets and Reserve Surplus by Rs. 1,61,92,802.
- ii) As stated in Note No. 7 of schedule 16, regarding non payment of call / allotment money on Rs. 24,37,500 which are likely to be forfeited.
- iii) As stated in Note NO. 10 of schedule 16, regarding claim of compensation which is not acknowledged by the party.

for Chaturvedi & Partners
Chartered Accountant

(R.N.CHATURVEDI)
Partner

Place: New Delhi
Dated: 28th August., 1998