

**43rd Annual Report
2016-2017**

BHAGAWATI GAS LIMITED
Formerly Bhagawati Gases Limited

**43rd Annual Report
2016-2017**

BOARD OF DIRECTORS

Mr. Rakesh Samrat Bhardwaj
Mr. Kailash Chand Kedia
Mr. Ganga Charan
Mrs. Shachi Bhardwaj

Chairman & Managing Director
Director
Director
Director

AUDITORS

Mohan L Jain & Co.
Chartered Accountants
403, Prabhat Kiran,
17, Rajender Place,
New Delhi - 110008

BANKER

Central Bank of India
State Bank of India

REGISTERED OFFICE

Banawas, Khetri Nagar,
Distt.-Jhunjhunu,
Rajasthan-333504

CORPORATE OFFICE

A-27B, Sector-16, Noida,
Uttar Pradesh-201301

REGISTRAR & TRANSFER AGENT Skyline

Financial Services Private Limited D-153 A,
1st Floor,
Okhla Industrial Area, Phase - I,
New Delhi - 110 020

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NOTICE

NOTICE is hereby given that the 43rd Annual General Meeting of members of Bhagawati Gas Limited (formerly Bhagawati Gases Limited) will be held on Saturday, September 30, 2017 at 11.00 A.M. at Banawas, Khetri Nagar-333504, Distt.-Jhunjhunu, Rajasthan to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2017 together with the Report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Rakesh Samrat Bhardwaj (DIN: 00029757), who retires by rotation and being eligible, offers himself for re-appointment.
3. 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 section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and of the Board of Directors, M/s Mohan L. Jain & Co., Chartered Accountants, Delhi (FRN: 005345N) be and are hereby appointed as the Statutory Auditors of the company in place of M/s Chaturvedi & Partners, Chartered Accountants, (FRN: 307068E) whose term expires at the ensuing Annual General Meeting of the company at such remuneration as may be mutually agreed between the Board of Directors and the Auditors, in addition to the reimbursement of applicable taxes and actual out-of-pocket expenses incurred in connection with the audit of accounts of the company.

RESOLVED FURTHER THAT M/s Mohan L. Jain & Co., Chartered Accountants, Delhi (FRN: 005345N), if appointed, as the Statutory Auditors of the company, shall hold the office for a period of five years, from the conclusion of the 43rd Annual General Meeting till the conclusion of 48th Annual General Meeting of the company (subject to ratification of the appointment by members at every Annual General Meeting).

RESOLVED FURTHER THAT the Board of Directors of the company (including its committee thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution.”

SPECIAL BUSINESS

4. **Regularisation of Ms. Shachi Bhardwaj (DIN: 07232850) as director of the company**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Shachi Bhardwaj (DIN: 07232850), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association and who holds office up to the date of this Annual General Meeting of the Company 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 a Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the company (including its committee thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution."

5. Special Resolution for approval of the limits to grant loan(s)/give guarantee(s) or security(ies) and make investment in securities by the Company in terms of Section 186 of the Companies Act, 2013

"**RESOLVED THAT** pursuant to Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any body corporate(s) / person (s); or (b) give any guarantee or to provide security in connection with a loan to any other body corporate(s) / person (s); or (c) acquire by way of subscription, purchase or otherwise, the securities of any body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding INR 15,00,00,000/- (Indian Rupees Fifteen Crore Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

For Bhagawati Gas Limited

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789

Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

Date: 14th August, 2017

NOTES:

1. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (Act) is annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. All documents referred to in the accompanying Notice are open for inspection at the Registered office of the company during the office hours on all working days between 11.00 A.M. to 1.00 P.M. before the date of Annual General Meeting
5. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH-13).
6. Pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, the Company may send notice of General Meeting, Director's report, Auditor's report, Audited Financial Statements and other documents through electronic mode. Further, pursuant to the first provisions to the Rule 18 of the Companies (Management & Administration) Amendment Rules 2015, the Company shall provide an advance opportunity at least once in a financial year to the members to register their e-mail address and changes therein. In view of the same, Members are requested to kindly update their e-mail address with depository participants in case of holding shares in de-mat form. If holding shares in physical form, Members are requested to inform their e-mail ID to the Company.
7. Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
8. The Register of Members and Share transfer books of the Company shall remain closed from Saturday, 23rd September, 2017 to Saturday, 30th September, 2017 (both days inclusive)
9. Shareholders seeking any information and having any query with regard to accounts are requested to write to the company in advance so as to enable the Management to keep the information ready.
10. Members are requested to bring their own copies of Annual Report; no spare copies will be available at the venue of meeting.

11. THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS/ PROXIES MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.
12. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for 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 namely "BGL e-voting.pdf" 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.
 - 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 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 e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Bhagawati Gas Limited. 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 aroracs2@gmail.com, with a copy marked to 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
- 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.

Other Instructions:

- i. The e-voting period commences on Wednesday, September 27, 2017 (9.00 a.m. IST) and ends on Friday, September 29, 2017 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 29th August, 2017, 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.
- 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 29th August, 2017.
- iii. Deepak Arora & Associates, Practicing Company Secretary (Membership No. FCS 5104), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. 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.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Deepak Arora & Associates, Practicing Company Secretary (Membership No. 5104), at the Registered Office of the Company on or before the date of Annual general meeting i.e. Saturday, September 30, 2017.
Members have the option to request for physical copy of the Ballot Form by sending an e-mail to bhagwatigases@gmail.com by mentioning their Folio / DP ID and Client ID No.
A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bglgroup.in and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 43rd AGM of the Company on September 30, 2017 and communicated to the Bombay Stock Exchange Limited where the shares of the Company is listed.

For Bhagawati Gas Limited

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789
Date: 14th August, 2017

Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

ANNEXURE FORMING PART OF THE NOTICE

(Explanatory Statement pursuant to section 102 of the companies Act 2013)

ITEM No. 3:

This Explanatory statement is provided though strictly not required as per the provision of section 102(1) of the Companies Act, 2013 but required as per provisions of clause 1.2.5 of Secretarial Standards on General Meetings.

M/s Chaturvedi & Partners, Chartered Accountants, (FRN: 307068E) were appointed as the Statutory Auditors of the Company by the Members at their Annual General Meeting held in the year 2014 and thereafter each year till the year 2017. The present Auditors were last re-appointed at 42nd Annual General Meeting held on Friday, the 30th September, 2016 to hold the office from the conclusion of 42nd Annual General Meeting till conclusion of 43rd Annual General Meeting of the company.

The term of present auditors M/s Chaturvedi & Partners, Chartered Accountants, (FRN: 307068E) expires at the conclusion of the ensuing Annual General Meeting. The Audit Committee and the Board have placed on record their appreciation for the professional services rendered by them and their long association with the company as its auditors.

If approved by the Members, the appointment of M/s Mohan L. Jain & Co., Chartered Accountants, Delhi (FRN: 005345N) as a Statutory Auditor will be for a period of five Years commencing from the conclusion of 43rd Annual General Meeting till the Conclusion of 48th Annual General Meeting (subject to ratification of the appointment by the Members at every Annual General Meeting).

M/s Mohan L. Jain & Co., Chartered Accountants, Delhi (FRN: 005345N) have confirmed that their appointment, if made would be within the limits specified under section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditor in term of the provisions of section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors, Key Managerial Personnel (KMPs) and their relatives are concerned or interested in the resolution.

The Directors recommend the Ordinary resolution for your approval.

ITEM No. 4:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 read with the Article of Association of the Company, Ms. Shachi Bhardwaj (DIN: 07232850) who was appointed as an Additional Director of the Company by the Board of directors holds office only up to the date of the ensuing Annual General Meeting.

Brief profile of Ms. Shachi Bhardwaj

Particulars	Ms. Shachi Bhardwaj
Date of Birth	17/10/1966
Date of Appointment	08/07/2015
Qualifications	Matric
Expertise in specific functional areas	Administrative
Directorships held in other public companies (excluding foreign companies and section 8 companies)	NIL
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	NIL
Number of shares held in the Company	977600

She has given his consent to act as a Director of the Company, along with a certificate in Form DIR-8 stating that she is not disqualified from being appointed as a Director in the Company in terms of Section 164 of the Companies Act, 2013.

In order to meet the requirements of the recent modification(s) brought in by the Companies Act, 2013, the Company has requested for, and received the following documents from Ms. Shachi Bhardwaj:

- Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualifications of Directors) Rules, 2014;
- Intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and
- MBP-1 (Notice of Interest by Director) pursuant to Section 184(1) read with Rule 9(1) of Companies (Meetings of Board and its Powers) Rules, 2014.

The Board considers that his association would be of immense benefit to the Company. The Directors of your Company, therefore, recommend the Resolution in relation to appointment of Ms. Shachi Bhardwaj as Director, for the approval by the shareholders by way of an Ordinary Resolution.

Except for Ms. Shachi Bhardwaj, none of the Directors or Key Managerial Personnel (KMPs) of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

ITEM No. 5:

In order to make optimum use of funds and also to achieve long term strategic and business objectives, the Board of Directors of the Company propose to make investment in other bodies corporate or grant loan(s), give guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of Section 186(3) of the Companies Act, 2013 and the Rules made there under, the approval of Shareholders is required by way of Special Resolution in case the amount of investment, loan, guarantee or security proposed to be made exceeds sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account whichever is higher.

Accordingly, the Board of Directors of the Company propose to obtain approval of shareholders by way of special resolution as contained in the notice for an amount not exceeding INR 15,00,00,000/- (Indian Rupees Fifteen Crore Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution except to the extent of their respective Shareholding.

DIRECTOR'S REPORT

Your directors have pleasure in presenting their 43rd Annual Report, together with the financial statement of the Company, for the financial year ended 31st March, 2017 as follows:

FINANCIAL RESULTS

(Amount in `Lacs)

Particulars	2016-17	2015-2016
Gross Income	14	7
Gross Profit (before extra ordinary items, interest, depreciation and tax)	(48)	(47)
Bad debts written off	-	-
Interest	10	10
Depreciation	39	39
Provision for Tax	48	-
Net Profit/(Loss)	(49)	(96)

OPERATIONS REVIEW

The Company's oxygen plants at Khetri Nagar, Rajasthan continued to remain closed because its main purchaser Hindustan Copper Ltd (HCL) has not yet restarted its smelter plant operation. This resulted in huge financial losses to the Company.

DIVIDEND

In view of loss, the Board of Directors does not recommend any dividend for the year ended March 31, 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations and financial position of the Company has been provided as **Annexure A** which forms part of the Directors' Report.

DETAILS OF SUBSIDIARY AND ASSOCIATE COMPANIES

There are no subsidiaries or associate companies.

PUBLIC DEPOSITS

During the year, the Company has not invited or accepted any deposit from the public under Section 73 of the Companies Act, 2013. No public deposit is outstanding.

LISTING

The equity shares of Company are listed at Bombay Stock Exchange Limited (BSE). The Company has not paid the listing fee for the year 2016-17 to BSE due to financial constraint.