

Bhagwandas Metals Limited



CERTIFIED TRUE COPY

For BHAGWANDAS METALS LIMITED

Ganesh Prasad

Director

27th ANNUAL REPORT 2008-2009

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Bhagwandas Metals Limited

BHAGWANDAS METALS LIMITED

BOARD OF DIRECTORS Sri Govind Prasad ➤ Chairman-Cum-
Managing Director
Sri Nand Kishore Sonthalia ➤ Whole Time Director
Sri C.Ramasamy ➤ Director
Sri Narendra Lunawat ➤ Director
Sri Nirmal Gadhiya ➤ Director

AUDITORS **M/s.M.Raghunath & Co**
Chartered Accountants
No.4, Stringer Street
III Floor, Broadway
Chennai - 600 108

BANKERS **Punjab National Bank**
21, Raja Annamalai Road
Purasawalkam
Chennai - 600 084

REGISTERED OFFICE
New No. 54 (Old No. 61) 1st Floor, Sembudoss Street,
Chennai – 600 001

GODOWN
Sadayankuppam Village Road, Manali,
Chennai – 600 103

SHARE TRANSFER AGENTS

M/s. CAMEO CORPORATE SERVICES LIMITED
Subramanian Building Vth Floor,
No.1, Club House Road, Chennai – 600 002



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of Bhagwandas Metals Limited will be held on Friday, **the 25th day of September, 2009 at 10 a.m. at RANI SEETHAI HALL, 603, ANNA SALAI, CHENNAI – 600 006**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended 31st March, 2009 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Narender Lunawat who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution**:

CHANGE IN STATUTORY AUDITORS

RESOLVED THAT pursuant to section 224 and all other applicable provisions of the Companies Act, 1956, **M/s. R.R. More & Co, Chartered Accountants**, Chennai be and is hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the board, in the place of the retiring Statutory Auditors, M/s. Raghunath & Co, Chartered Accountants, Chennai, who do not seek re-appointment to such office.

4. To consider and if thought fit to pass with or without modifications the following resolution as **Ordinary Resolution**:

REVISION OF REMUNERATION TO CHAIRMAN CUM MANAGING DIRECTOR

a) **RESOLVED THAT** in accordance with the provisions of Sections 198, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and based on the recommendation made by the Remuneration Committee and approved by the Board of Directors at their meeting held on 29/04/09, the remuneration payable to Mr. Govind Prasad, Chairman cum Managing Director be and is hereby increased by way of salary from Rs. 30,000/- per month to Rs. 50,000/- per month excluding the allowances/perquisites as detailed in the explanatory statement annexed hereto, w.e.f 1st April 2009 until the unexpired portion of his tenure of office, i.e. till 31/12/2010.

b) **“RESOLVED FURTHER THAT** the aggregate of remuneration payable to Chairman cum Managing Director shall not exceed Rs. 1,25,000/- per month calculated as per the provisions of Schedule XIII of the Companies Act, 1956.”

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c) **"FURTHER RESOLVED THAT** the authority be and is hereby granted to the Board of Directors to alter and vary above salary / commission as also the type and amount of perquisites and other benefits payable to Mr. Govind Prasad, in such manner as may be agreed to between the Board of Directors and Mr. Govind Prasad, provided, however, that the remuneration payable to him shall not exceed the limits prescribed under Schedule XIII to the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof."

d) **"RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of Mr. Govind Prasad the remuneration payable to him by way of salary, allowances, commission and perquisites shall not, without the approval of Central Government (if required), exceed the limits prescribed under the Companies Act, 1956, or any amendment, modification, variation or re-enactment thereof."

e) **"RESOLVED FURTHER THAT** the information provided above shall be treated as an Abstract under section 302 of the Companies Act, 1956.

f) **"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power herein conferred to any committee of directors or director(s) to give effect to the above Resolution.

5. To consider and if thought fit to pass with or without modifications the following resolution as **Ordinary Resolution**:

REVISION OF REMUNERATION TO WHOLE-TIME DIRECTOR

a) **"RESOLVED THAT** in accordance with the provisions of Sections 198, 268, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and based on the recommendation made by the Remuneration Committee, the remuneration payable to Mr. Nand Kishore Sonthalia, Whole Time Director be and is hereby increased by way of salary from Rs. 25,000/- per month to Rs. 40,000/- per month excluding the allowances/perquisites as detailed in the explanatory statement annexed hereto, w.e.f 1st April 2009 until the unexpired portion of his tenure of office, i.e. till 31/12/2010.

b) **"RESOLVED FURTHER THAT** the aggregate of remuneration payable to Whole - Time Director shall not exceed Rs. 1,25,000/- per month calculated as per the provisions of Schedule XIII of the Companies Act, 1956."

c) **"FURTHER RESOLVED THAT** the authority be and is hereby granted to the Board of Directors to alter and vary the above salary /commission as also the type and amount of perquisites and other benefits payable to Mr. Nand Kishore Sonthalia, in such manner as may be agreed to between the Board of Directors and Mr. Nand Kishore Sonthalia, provided however, that the remuneration payable to him shall not exceed the limits prescribed under Schedule XIII to the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof."



- d) **"RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of Mr. Nand Kishore Sonthalia, the remuneration payable to him by way of salary, allowances, commission and perquisites shall not, without the approval of Central Government (if required), exceed the limits prescribed under the Companies Act, 1956, or any amendment, modification, variation or re-enactment thereof."
- e) **"RESOLVED FURTHER THAT** the information provided above shall be treated as an Abstract under section 302 of the Companies Act, 1956.
- f) **"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power herein conferred to any committee of directors or director(s) to give effect to the above Resolution.

For and on behalf of the Board of Directors

Sd/-

Place : CHENNAI
Date : 27.07.2009

GOVIND PRASAD
Chairman-cum-Managing Director

NOTES

- A: A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B. The register of members and the share transfer books of the company shall remain closed from 16.09.2009 to 25.09.2009 (both days inclusive).
- C. Members/Proxies should bring the attendance slip duly filled in for a attending the meeting.
- D. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting.
- E. The relevant explanatory statements pursuant to section 173(2) of the companies act, 1956 in respect of the business under item no. 3, 4 & 5 are given below :

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT 1956

ITEM NO: 3

The retiring Statutory Auditor M/s. Raghunath & Co, Chartered Accountant, Chennai do not seek re appointment at the forth coming Annual General Meeting vide their letter dated 02.05.2009. Members approval is being sought to the appointment of M/s. R.R. More & Co, Chartered Accountants, Chennai as the Statutory Auditors of the company at the ensuing Annual General meeting. The Directors commend the resolution No.3 of the accompanying notice for acceptance of the members of the company.

None of the Directors are neither interested nor concerned in this resolution except to the extent of their shareholding and directorship in the Company.

ITEM NO: 4

The Share Holders are well aware that Mr. Govind Prasad was appointed as Chairman cum Managing Director for a period of Five years with effect from 31.12.2005 to 31.12.2010, at the 24th Annual General Meeting held on 25th day of September 2006, on a monthly remuneration of Rs. 30,000/- per month (exclusive of all allowances and perquisites). Considering the day to day operations of the company and increase in the volume of business the Board of Directors thought it fit to increase the Remuneration payable to Mr. Govind Prasad, Chairman cum Managing Director. Hence based on the recommendation of the Remuneration committee, the Board of Directors have decided at their meeting held on 29th April 2009 to increase the monthly remuneration payable to Mr. Govind Prasad, Chairman cum Managing Director from Rs.30,000/- per month to Rs. 50,000/- per month excluding the following allowances/perquisites, w.e.f 1st April 2009, for the remaining period of his tenure, i.e till 31/12/2010.

PERQUISITES AND ALLOWANCES:

A. Medical Reimbursement

One month's salary per year or three month's salary over a period of three years for self and family.

B. Leave

Leave at the rate of one month in each year of the period of agreement which leave can be accumulated upto a maximum of two months subject to the further condition that leave accumulated but not availed of will not be allowed to be encashed.

**C. Club Fee**

Payment of fees and monthly subscription of two clubs. This will not include admission and life membership fees.

D. Leave Travel Assistance

For self and family once in a year to and fro to any place in India by air/train/road subject to condition that all expenses except Hotel expenses will be allowed.

Perquisites as per clauses A to D shall not in aggregate exceed an amount equal to the annual salary.

The Chairman-cum-Managing Director shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling of either salary or perquisites mentioned above.

- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.
- ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- iii) Provision of Car with Driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of Car for private purposes shall be billed by the Company.

Since revision in the Remuneration payable to Directors requires approval of the shareholders in the General Meeting. Accordingly the said resolution is being put forth for the approval of the shareholders.

The information provided above shall be treated as an Abstract under section 302 of the Companies Act, 1956.

None of the Directors are neither interested nor concerned in this resolution except to their shareholding and directorship in the Company.

ITEM NO: 5

The Share Holders are well aware that Mr. Nand Kishore Sonthalia was appointed as Whole Time Director for a period of Five years with effect from 31.12.2005 to 31.12.2010, at the 24th Annual General Meeting held on 25th day of September 2006, on a monthly

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remuneration of Rs.25,000/- per month (exclusive of all allowances and perquisites). Considering the day to day operations of the company and increase in the volume of business the Board of Directors thought it fit to increase the Remuneration payable to Mr. Nand Kishore Sonthalia, Whole Time Director. Hence based on the recommendation of the Remuneration Committee, the Board of Directors have decided at their meeting held on 29th April 2009 decided to increase the monthly remuneration payable to Mr. Nand Kishore Sonthalia, Whole Time Director from Rs.25,000/- per month to Rs. 40,000/- excluding the following allowances/perquisites w.e.f 1st April 2009, for the remaining period of his tenure, i.e till 31/12/2010.

PERQUISITES AND ALLOWANCES

A. Housing : House accommodation to be provided by the Company at a rent not exceeding 60% of Salary and 20% of the salary to be recovered as rent.

B. Medical Reimbursement

One month's salary per year or three month's salary over a period of three years for self and family.

C. Leave

Leave at the rate of one month in each year of the period of agreement which leave can be accumulated upto a maximum of two months subject to the further condition that leave accumulated but not availed of will not be allowed to be encashed.

D. Club Fee

Payment of fees and monthly subscription of two clubs. This will not include admission and life membership fees.

E. Leave Travel Assistance

For self and family once in a year to and fro to any place in India by air/train/road subject to condition that all expenses except Hotel expenses will be allowed.

Perquisites as per clauses A to E shall not in aggregate exceed an amount equal to the annual salary.

The Whole Time Director shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling of either salary or perquisites mentioned above.

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- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.
- ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- iii) Provision of Car with Driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of Car for private purposes shall be billed by the Company.

Since revision in the Remuneration payable to Directors requires approval of the shareholders in the General Meeting. Accordingly the said resolution is being put forth for the approval of the shareholders.

The information provided above shall be treated as an Abstract under section 302 of the Companies Act, 1956.

None of the Directors are neither interested nor concerned in this resolution except to their shareholding and directorship in the Company.

Place : Chennai

Date : 27.07.2009

BY ORDER OF THE BOARD

For **BHAGWANDAS METALS LIMITED**

Sd/-

GOVIND PRASAD

CHAIRMAN CUM MANAGING DIRECTOR