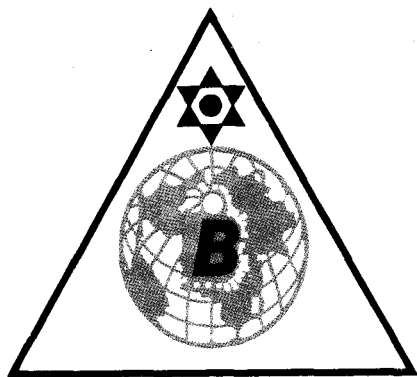


# **Bhagwandas Metals Limited**



**31st Annual Report 2012-2013**



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## **BHAGWANDAS METALS LIMITED**

### **BOARD OF DIRECTORS**

Sri Govind Prasad

- Chairman-Cum-  
Managing Director
- Whole Time Director
- Director
- Director
- Director

Sri Nand Kishore Sonthalia

Sri C. Ramasamy

Sri Narender Lunawat

Sri Nirmal Gadhiya

### **AUDITORS**

**M/s. R.R. More & Co.**

Chartered Accountants

356 Mint Street,

IInd Floor, Sowcarpet

Chennai - 600 001

### **BANKERS**

**Punjab National Bank**

21, Raja Annamalai Road

Purasawalkam

Chennai - 600 084

### **REGISTERED OFFICE**

New No. 54 (Old No. 61) 1<sup>st</sup> 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 V<sup>th</sup> Floor,

No.1, Club House Road, Chennai – 600 002

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of the members of Bhagwandas Metals Limited will be held on **Friday, the 27<sup>th</sup> day of September, 2013 at 10 a.m. at NARADA GANA SABHA TRUST (MINI HALL) 314 (OLD NO.254) TTK ROAD, ALWARPET, CHENNAI – 600 018** to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 and the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2013 and the reports of the Directors and Auditors thereon.
2. To declare Dividend
3. To appoint a Director in place of Mr. Nirmal Gadhiya who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditor and to fix their remuneration.

For and on behalf of the Board of Directors

Sd/-

**GOVIND PRASAD**

**Chairman-cum-Managing Director**

Place : CHENNAI  
Date : 29.07.2013

**Notes:**

- a. A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- b. The Instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
- c. The Register of Members and Transfer Books of the Company will remain closed from Monday, 16<sup>th</sup> September 2013 to Friday, 27<sup>th</sup> September 2013 (both days inclusive).
- d. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
- e. Members are requested to notify immediately any change in their address to the Registrar and Share transfer Agent – M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600 002.
- f. After declaration of dividend at the Annual General Meeting, the Dividend warrants are scheduled to be posted on or after 04.10.2013. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership, as per the details to

## **Bhagwandas Metals Limited**

be furnished for this purpose by National Securities Depository Limited and Central Depository Services (India) Limited.

g. Members who desire to have their Bank Account details incorporated in their Dividend warrants may please furnish the (i) Share Folio No. (ii) Name and address of Sole/First Shareholder (iii) Bank Account No. (iv) Name of the Bank and Branch (v) Full address of the Branch with Pin code. These details may be sent to the Company's Registrar & Transfer Agent, M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600 002.

h. Details of Dividend declared during the financial year 2010-11 is as follows:

Financial Year	Declared on	Rate of Dividend	Amount of Dividend per share
2010-2011	22.09.2011	6%	0.60 paise
2011-2012	21.09.2013	6%	0.60 paise

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the company or Registrar for obtaining payment thereof.

### **i. INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT FOR RE-APPOINTMENT OF DIRECTOR**

	<b>Name of the Director</b>	<b>Mr. Nirmal Gadhiya</b>
a.	Age	43 yrs.
b.	Date of Appointment	23-09-2005
c.	Qualification	B. Com
d.	Experience	17 years
e.	No. of Shares held in the Company	1200
f.	Expertise	Mr.Nirmal Gadhiya has about 17 years of experience in the construction industry
g.	Directorship held in other Companies	Deccan Estates Ltd Deccan Park Ltd Century Cbase P Ltd Deccan Event Management (P) Ltd Radhakrishna Chemicals & Minerals Pvt Ltd Anraj Agencies LLP
h.	Chairman/Member of Committees of companies	Bhagwandas Metals Limited Audit Committee – Member Shareholders/Investors/Grievance Committee-Member Remuneration Committee-Member



## **DIRECTORS' REPORT**

Your Directors have pleasure in presenting their report for the year ended 31<sup>st</sup> March 2013 together with the Balance Sheet as at 31<sup>st</sup> March 2013 and the Profit and Loss account for the year ended on that date.

## **FINANCIAL HIGHLIGHTS**

(Rupees)

Sl. No.	Particulars	Audited financial Statement for the year ended March 31st 2013	Audited financial Statement for the year ended March 31st 2012
1.	Income	53,97,69,103	78,95,85,524
2.	Profit before Interest, Depreciation, Extraordinary Items and Tax	67,15,968	85,12,220
3.	Interest	16,90,606	11,42,501
4.	Depreciation	3,65,677	4,62,846
5.	Profit before Extraordinary items and Tax	46,59,685	69,06,873
6.	Provision for taxation & Deferred Tax	14,46,000	20,63,000
7.	Profit after Extraordinary item and Tax	32,13,685	48,43,873
8.	Dividend Proposed	21,89,280	21,89,280
9.	Share Capital	3,64,68,500	3,64,68,500
10.	Reserves & Surplus	3,22,71,460	3,16,19,123

## **OPERATIONS**

During the year 2012-2013, the Company has earned a net profit after tax of Rs 32.14 Lakhs as against Rs. 48.44 Lakhs earned in the previous year. On the sales front, the Company has achieved a turnover of about Rs. 5398 Lakhs during the year 2012-2013 as against Rs. 7896 Lakhs achieved in 2011-2012.

## **DIVIDEND**

The Directors wish to recommend a Dividend of 6% (0.60paise per equity share of Rs.10/- fully paid up) on the paid up capital of the company aggregating to Rs.21,89,280 for the year ended 31st March 2013.

## **PROSPECTS FOR THE CURRENT YEAR**

During the current year 2013-2014, the Company has achieved a turnover of Rs. 1986 Lakhs in the first quarter ending 30.06.2013.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Nirmal Gadhiya, Director of the Company is liable to retire by rotation and your Directors recommend his reappointment.

**AUDITORS**

**M/s. R.R. More & Co.** Chartered Accountants, retire at this meeting and being eligible are proposed for reappointment. They also expressed their willingness to continue in office if reappointed, at the ensuing annual general meeting.

**FIXED DEPOSITS**

During the year under review, the Company has not accepted any Fixed Deposits from the public.

**PARTICULARS AS REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956**

**A. CONSERVATION OF ENERGY**

- a. Energy conservation measures taken
- d. **Total energy consumption and energy consumption per unit of production as per Form A – Not Applicable.**

**B. TECHNOLOGY ABSORPTION**

- a. As per Form B – Not applicable
- b. Research and Development (R & D)
  - i. Specific areas in which Research and Development carried out by the Company  
- NIL
  - ii. Benefits derived as a result of the above Research and Development  
- NIL
  - iii. Future Plan of action – the Company has tentative proposals to introduce Research and Development division in the next two years.
  - iv. Expenditure on Research and Development at present Percentage of the turnover  
- NIL
    - a. Capital
    - b. Recurring
    - c. Total
    - d. Total Research and Development as a percentage of Turnover.

**II Technology, Absorption, Adoption and Innovation**

- i. Efforts made - NIL
  - ii. Benefits derived
    - 1. Production Improvement
    - 2. Cost reduction
    - 3. Import substitution
  - iii. Technology imported - NIL
    - Year of Report - NIL
- Has technology been fully absorbed - NIL
- If not fully absorbed areas where this has not been reasons therefore and future plans of action - NIL



## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	31.03.2013	31.03.2012
Foreign Exchange earned during the year	Nil	Nil
Foreign Exchange used during the year	Nil	Nil
Value of Imports on CIF Basis	Rs.5,65,85,622	Rs. 4,82,19,444

## PERSONNEL

None of the employees of the Company is in receipt of salary in excess of the limits laid down in section 217(2A) read with Companies (Particulars of Employees) Rules 1975 as amended.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that

- In the preparation of the annual accounts, the applicable accounting standards have been followed;
- Appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2013 and of the profit of the Company for the year ended 31<sup>st</sup> March, 2013.
- Proper and sufficient care have been taken 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;
- The annual accounts have been prepared on a going concern basis.

## CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report and Auditors' Certificate regarding compliance of the same are made part of this Annual Report

## COMPLIANCE CERTIFICATE

In accordance with Section 383A of the Companies Act, 1956, and Companies (Certificate) Rules, 2001, the company has obtained a certificate from M/s. Lakshmmi Subramanian & Associates, Chennai, secretary in the whole time practice confirming that the company has complied with all the provisions of Companies Act, 1956 and a copy of such certificate is annexed to the report.

**ACKNOWLEDGEMENTS**

The Directors acknowledge with gratitude and wish to place on record their appreciation for the valuable support and kind co-operation extended to the Company by the Company's Bankers, Financial Institution, Government Authorities, Shareholders and the Employees.

For and on behalf of the Board of Directors

Sd/-

**GOVIND PRASAD**

Chairman- Cum-Managing Director

Place : Chennai  
Date : 29.07.2013



## CORPORATE GOVERNANCE REPORT AS ON 31.03.2013

### 1.COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's focus on Corporate Governance is to attain higher level of transparency and accountability in all facets of its operations and its dealing with shareholders, employees, customers, banks, regulatory and Government Agencies. Accordingly the company always seeks to ensure they attain their performance rule with integrity. The Company sincerely believes that all its operations and actions must serve towards its main object of attaining optimum level of financial stability thereby enhancing the shareholders value through prudential financial management and sound business decisions over a sustained period of time. The company is regularly reviewing the Board processes and the Management systems for further improvement.

### 2.BOARD OF DIRECTORS

#### a. Composition

The total strength of the Board as on 31.03.2013 is five, out of which 2 are Promoter Directors namely Mr. Govind Prasad, Chairman-cum-Managing Director and Mr. Nand Kishore Sonthalia. Both these Directors are Executive Directors of the Company. The rest three of the Directors are non-executive independent Directors.

#### b. Board Meetings

The meetings of the Board of Directors are normally held at the registered office in Chennai. Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The Board meets at least once a quarter to review the quarterly performance and the financial results. The gap between two Board Meetings did not exceed four months. Four Board Meetings were held during the financial year 2012-2013 on 27.04.2012, 27.07.2012, 27.10.2012 and 28.01.2013

The Names of Board Members, their attendance at Board Meetings and Board Committee Memberships held by them as on 31.3.2013 are given below:-

Name of the Director	Category	Attendance Particulars		Number of Directorships in other Public companies and Committee Members / Chairmanships		
		Board Meetings	Last AGM (Yes/No)	Other Directorships	Committee Memberships (other than Bhagwandas)	Committee Chairmanships (other than Bhagwandas)
Govind Prasad	Managing Director	4	Yes	-	-	-
Nand Kishore Sonthalia	Whole Time Director	4	Yes	-	-	-
C.Ramasamy	Non-Executive Independent Director	4	Yes	-	-	-
Narender Lunawat	Non-Executive Independent Director	4	Yes	-	-	-
Nirmal Gadhiya	Non-Executive Independent Director	4	Yes	2	-	-