



Bagadia Colourchem Ltd.
25th Annual Report
2009-2010

BOARD OF DIRECTORS :

Mr. Natwarlal R. Bagadia
Chairman & Managing Director

Mr. Sushil N. Bagadia
Joint Managing Director

Mr. Raghunath R. Gune
Director

Mr. Vilas B. Jagtap
Director

Mr. Dattatraya M. Mehta
Director

Mr. Prakash Bidkar
Director (upto 24th September, 2009)

Mrs. Sangeeta Bagadia
Director-Marketing

Mr. Shashikant Kakade
Director (w.e.f 21st August, 2009)

Auditors :

S.G. Shende & Co.
Chartered Accountants

Bankers :

Bank of Baroda
Camp Branch
Pune 411 001

Registered Office :

Shaniya Enclave, 5th Floor,
V. P. Road, Vileparle (West)
Mumbai 400 056.

Pune Office for Correspondence:

317 Mantri Kishor Arcade
257 Budhwar Peth,
Pune 411 002.

Factory :

Plot No. B-35,
MIDC Industrial Area,
Mahad, Dist. Raigad,
Maharashtra

25th Annual General Meeting
on Monday, 20th September, 2010
at 2.00 p.m. at Hotel Sagar, Malad (West)
Mumbai 400 095

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of Bagadia Colourchem Limited will be held on Monday, 20th September, 2010 at 2.00 P.M. at Meeting Hall, Hotel Sagar, Kharodi Marve Road, Malad (West) Mumbai 400095 to transact the following business:-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date together with the Director's Report and the Compliance Certificate attached thereto and the Auditor's Report thereon.
- 2) To appoint a Director in place of Mr. Sushil Bagadia, who retires by rotation, and being eligible offers himself for reappointment.
- 3) To appoint a Director in place of Mr. Dattatraya M. Mehta, who retires by rotation, and being eligible offers himself for reappointment.
- 4) To appoint the Auditors to hold the office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors

Place : Pune

N.R. Bagadia

Date : 10th August, 2010 Chairman & Managing Director

NOTES:-

- 1) A MEMBER ENTITLED TO ATTEND & VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) Notice is also given that the Register of Members and the Share Transfer Books of the Company will remain close from Thursday 16th September, 2010 to Monday, 20th September, 2010 (both days inclusive).
- 3) Additional Information on Directors seeking re-appointment at the Annual General Meeting, pursuant to Clause No. 49 IV (G) of the Listing Agreement with the Stock Exchange is furnished in the Corporate Governance Report.

BAGADIA COLOURCHEM LIMITED

DIRECTORS' REPORT

To

The Members,

The Board of Directors have pleasure in presenting before you the 25th Annual Report and Audited Statements of Accounts for the year ended as on 31st March, 2010.

1. FINANCIAL RESULTS

The Financial Results for the year ended on 31st March, 2010 are briefly given below:-

	2009-2010	2008-2009
	(Rs.)	(Rs.)
Sales and Other Income	9,27,21,748	8,79,38,419
Profit / (Loss) before Interest, Depreciation & Taxation	57,98,222	54,51,016
Less :-		
Finance Cost	3,76,177	3,06,172
Depreciation	33,61,912	33,12,631
Profit / (Loss) before tax	20,60,133	18,32,213
Less :- Provision For Tax	12,13,500	10,18,000
Deferred Tax	(4,16,635)	(4,07,526)
Earlier Year	(36,933)	2,66,736
Fringe Benefit Tax	Nil	57,719
Profit / (Loss) after Taxation	13,00,201	8,97,284
Add :- Balance brought forward from previous year	18,25,328	9,28,044
Balance transferred to Balance Sheet	31,25,529	18,25,328

2. MANAGEMENT DISCUSSION & ANALYSIS REPORT

As the Shareholders of the Company are aware the Company during the Year under Report has shifted its Registered Office from Pune to Vileparle (West) Mumbai.

Mumbai being the financial capital base and business centre of the Country the Directors were of view that the Company can carry on its business more economically and efficiently by shifting its Registered Office and business place from Pune to Mumbai. Hence the Company decided to shift its Registered Office and business place from Pune to Mumbai at

Shaniya Enclave, 5th Floor, V. P. Road, Vile Parle (West), Mumbai 400056. Necessary approval of the Shareholders was sought by the Resolution under the Postal Ballot. The Company has since completed all the necessary formalities in this connection, and the Registered Office of the Company is shifted to Mumbai.

During the year under review the Sales of the Company were Rs. 914.97 Lacs as against Rs. 892.31 Lacs of the previous year. The export turnover of the Company during the year under report was Rs. 642.90 Lacs as against Rs. 529.03 Lacs of the previous year. The Company has earned the Profit before Tax of Rs. 20.60 Lacs as against the Profit of Rs. 18.32 Lacs of the previous year.

3. DIVIDEND

The Directors regret their inability to recommend any Dividend on the Equity Shares of the Company, due to the marginal Profit earned by the Company.

4. FIXED DEPOSITS

The Company has not accepted any fixed deposits.

5. DIRECTORS

Mr. Sushil Bagadia and Mr. Dattatraya M. Mehta Directors of the Company retire by rotation and being eligible offer themselves for reappointment.

6. AUDITORS

The present Auditors M/s S. G. Shende & Co., Chartered Accountants, will retire at the conclusion of the forthcoming Annual General Meeting. They have informed their willingness to continue for the Current Year.

As required per proviso to Section 224(1) of the Companies Act, 1956, a written Certificate has been obtained by the Company from the Auditors certifying that if they are appointed as the Auditors of your Company, such appointment would be within the limits specified in Section 224 (1)(B) of the Companies Act, 1956.

7. AUDITORS' QUALIFICATIONS

As regards Auditors' Qualifications in respect of non compliance of AS-28 'Impairment of Assets', the Directors are of the opinion that considering the overall size of the business and Assets, observation of AS-28 is not feasible.

8. COMPLIANCE CERTIFICATE

Pursuant to the provisions of Section 383A of the Companies Act, 1956 as amended, the Compliance Certificate issued by a Company Secretary in Whole time Practice viz. Shekhar Ghatpande & Co., Company Secretaries is attached herewith.

9. ADDITIONAL INFORMATION:-**A) Under Section 217 (2A) of the Companies Act, 1956.**

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 has not been furnished since no employee received the remuneration beyond the limits specified therein.

B) Under Section 217 (1) (e) of the Companies Act, 1956.

Wherever possible energy conservation measures have been implemented. The efforts to conserve and optimize the use of energy through improved operational methods and other means will continue. The statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is given in the Annexure forming part of this Report.

The Company has not imported any technology and there is no technical collaboration, with any party, for the present activities of the Company.

C) Information about Foreign Exchange

Foreign Exchange Earnings : - Rs. 6,42,90,428/-

Foreign Exchange Outgo :- Rs. 1,82,265/-

D) Disclosure under Stock Exchange Requirements

- (i) Disclosure under SEBI Circular dated 29th April, 1998

The Equity Shares of the Company are listed on Bombay Stock Exchange Ltd.

The Company has already paid the necessary Listing Fees of the Exchange till the financial year 2010-2011.

10. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) as amended by the Companies (Amendment) Act, 2000 the Directors hereby state:

- That while preparing the annual accounts for the period ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- That the Directors had selected such accounting policies and applied them consistently and made judgments 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 of the Company for that period.
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors had prepared the annual accounts on a going concern basis.

11. ACKNOWLEDGMENT

The Directors place on record their appreciation for the cooperation and support extended by the Bankers of the Company viz. Bank of Baroda and Employees of the Company all the times. The Directors are also thankful to the officials of Government of India, Government of Maharashtra, local authorities, MIDC for their continued help and timely assistance extended to the Company.

By Order of the Board of Directors

Place : Pune

N.R. Bagadia

Date : 10th August, 2010 Chairman & Managing Director

BAGADIA COLOURCHEM LIMITED**ANNEXURE TO DIRECTORS' REPORT**

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March, 2010.

FORM - A**A. POWER AND FUEL CONSUMPTION**

	Year ended 31/03/2010	Year ended 31/03/2009
1. Electricity		
a) Purchased units	1,170,046	911,375
Total Amount (Rs.)	5,757,560	3,952,850
Rate/Unit (Rs.)	4.92	4.34
b) Own Generation		
Through Diesel Generators (Rs.)	65,905	76,563
Units	10,300	12,000
Units per liter of diesel oil		
Cost/Unit (Rs.)	6.40	6.39
2. Coal		
Quantity (kg)	671,489	871,990
Amount (Rs.)	3,061,975	4,584,653
Average Rate (Rs.)	4.56	5.26
3. Furnace Oil		
Quantity (Ltrs.)	52,200	—
Total amount (Rs.)	1,981,293	—
Average rate (Rs.)	37.96	—
4. Other/Internal Generation	—	—

B. CONSUMPTION PER UNIT OF PRODUCTION (KG)

Electricity (Units)	1.73	1.64
Diesel/Oil (Ltrs)	1.98	1.94

By Order of the Board of Directors,

Place :- Pune

Date :- 10th August, 2010

N.R. Bagadia

Chairman & Managing Director

Compliance Certificate

To
The Members,
Bagadia Colourchem Limited,
5th Floor, Shaniya Enclave
V. P. Road, Vileparle (West)
Mumbai - 400056.

COMPANY REG. NO: - L24221MH1985PLC205386

I have examined the registers, records, books and papers of Bagadia Colourchem Limited, having its Registered office at the address mentioned above, (herein after referred to as the Company) as required to be maintained under the Companies Act, 1956, (herein after referred to as the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on 31st March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year :-

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in 'Annexure B' to this Certificate, with the Registrar of Companies/ Regional Director/ Central Government/ Company Law Board or other Authorities within the time prescribed under the Act and in case of delay, with the payment of additional filing fees thereon as prescribed under the Act and the rules made there under.
3. The Company is a Public Limited Company within the meaning of the provisions of the Act and as such the comments on prohibition of invitation to public and acceptance of Deposit other than its members, Directors and their relatives are not required. The Company has not accepted any deposits from General Public.
4. The Board of Directors duly met Eight times on 2nd April 2009, 30th June 2009, 31st July 2009, 21st August 2009, 31st August 2009, 31st October 2009, 29th January 2010 and 18th March 2010.

- in respect of which meetings, proper Notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from Tuesday 22nd September, 2009 to Thursday, 24th September, 2009 (Both days inclusive) and the Advertisement as required under Section 154 of the Act was published.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on Thursday, 24th September, 2009 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minute Book maintained for the purpose.
7. That during the financial year under Report, no Extra Ordinary General Meeting of the Shareholders of the Company was held. However during the year pursuant to Section 17A 146(2) of the Companies Act, 1956 special resolution for shifting of Registered Office of the Company from Pune to Mumbai was passed by the members through Postal Ballot, as per Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolutions by Postal Ballot) Rules,

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2001, and the same was carried with requisite majority as on 30th September 2009. All the necessary compliances in this connection have been complied with, and as on date the Registered Office of the Company stands shifted to Mumbai, at the above address.

8. The Company has not advanced any loans to its Directors and/or persons or firms or companies referred in Section 295 of the Act. However the Company has placed security Deposit with Mrs. Sangeeta Bagadia & Mr. Shashikant Kakade the Directors of the Company, for the Office premises obtained from them on rental basis.
9. There are no transactions with the Directors/Director's Relatives/ Firms in which Director or Relative is a Partner or a Private Company of which the Director is a Member or a Director, and as such the provisions of Section 297 of the Act in respect of contracts specified in that Section did not apply, except for the contracts for taking the premises and car on rental basis from the Directors. As the said contract of taking the premises is for immovable property the provisions of Section 297 of the Act, are not applicable.
10. The Company has duly maintained the Register required to be maintained u/s 301 of the Act.
11. The Company has not employed any person falling within the purview of Section 314 of the Act and as such the question of obtaining any approvals from the Board of Directors, members or Central Government did not arise.
12. The Board of Directors or duly constituted Committee of Directors has issued duplicate Share Certificates during the financial year under Report, after the necessary compliances were obtained from the Shareholders by the Registrar & Share Transfer Agents M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents.
13. (i) The Company during the year under Report has not issued and allotted any shares. The Equity Shares of the Company are listed on The Bombay Stock Exchange Ltd. Mumbai and the Company has appointed M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents to look after the Share Transfer work. The Equity Shares of the Company are also allowed for Dematerialisation and Transfers are also effected in Demat Form. All the Share Transfer work during the Year under Report was looked after by M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents.
- 13 (ii) During the Financial Year under Report, the Company had not declared any Dividend on its Equity Shares.
- 13 (iii) That there was no unclaimed or unpaid dividend which was required to be transferred to Unpaid Dividend Account of the Company.
- 13 (iv) That the Company is not having any Unpaid Dividend Account, application money due for refund, matured Deposits, matured Debentures and the Interest accrued thereon which have remained unclaimed or unpaid for a period of Seven Years and which are required to be transferred to Investor Education and Protection Fund.
- 13 (v) That the Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. During the year under Report there was change in the constitution of the Board of Directors of the Company. During the Year under Report, the Company had appointed, Mr. Shashikant Kakade as an Additional Director of the Company and Mr. Prakash Bidkar ceased as the Director of the Company. All the necessary compliances in this connection have been complied with.

15. The Company has appointed Mr. N. R. Bagadia, Mr. Sushil Bagadia and Mrs. Sangeeta Bagadia as the Chairman & Managing Director, Joint Managing Director and Director - Marketing respectively. There was no change in the terms of appointment of these appointees.
16. The Company has not appointed any Sole Selling Agents during the financial year under Report.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Registrar and / or such other Authorities prescribed under the various provisions of the Act, except for shifting of the Registered Office of the Company from Pune to Mumbai i.e. from the Jurisdiction of The Registrar of Companies, Pune to the Jurisdiction of The Registrar of Companies, Mumbai. The Company has obtained necessary approval of The Regional Director Mumbai in this connection and all the necessary compliances have been complied with.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. During the year under report the Company has not issued and allotted any shares.
20. During the year under report the Company has not bought back any shares.
21. The Company has not issued and allotted any Preference Shares and hence the question of redemption of Preference Shares during the financial year under report does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act.
24. The Company has not availed any additional borrowings from Bank during the Year under Report.
25. During the Financial Year under Report, Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another. However during the year under report the Company has shifted its Registered Office from Pune to Mumbai i.e. from the Jurisdiction of The Registrar of Companies, Pune to the Jurisdiction of The Registrar of Companies, Mumbai and accordingly the Company has altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office from one city to another.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under report.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under report.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under report.
30. The Company has not altered the provisions of the Articles of Association during the financial year under report.

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31. On verification of the records of the Company and as informed to me there was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the Company.
32. The Company has not received any money as security from its employees during the financial year under report.
33. As informed to us, the provisions of the Provident Fund Act are not applicable to the Company.

For SHEKHAR GHATPANDE & CO
Company Secretaries

Place : Pune
Date : 28/05/2010

Shekhar Ghatpande
Proprietor
FCS: 1659 CP: 782

Annexure A

Registers as maintained by the Company

01. Register of Investments u/s 49 of the Act.
02. Register of Charges u/s 143 of the Act.
03. Register of Members u/s 150 and Index of Members u/s 151 of the Act.
04. Minutes Book of the Board of Directors.
05. Minutes Book of the General Meetings.
06. Books of Accounts u/s 209 of the Act.
07. Register of particulars of Contracts u/s 301 of the Act.
08. Register of Directors u/s 303 of the Act.
09. Register of Director's Shareholding u/s 307 of the Act.
10. Register of Investments or loans made, guarantees given or security provided u/s 372A of the Act.
11. Register of Transfers
12. Register of Director's Attendance
13. Register of Shareholder's Attendance
14. Register of Proxies
15. Register of Fixed Assets.