



Bagadia Colourchem Ltd.

*28th Annual Report
2012-2013*

BOARD OF DIRECTORS :

Mr. Natwarlal R. Bagadia
Chairman & Managing Director

Mr. Sushil N. Bagadia
Joint Managing Director

Mr. Vilas B. Jagtap
Director

Mr. Dattatraya M. Mehta
Director

Mrs. Sangeeta Bagadia
Director-Marketing

Mr. Shashikant Kakade
Director

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

28th Annual General Meeting
on Monday, 12th August, 2013
at 2.00 p.m. at Hotel Sagar,
Kharodi Marve Road, Malad (West)
Mumbai 400 095

BAGADIA COLOURCHEM LIMITED

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Shareholders of Bagadia Colourchem Limited will be held on Monday, 12th August, 2013 at 2.00 P.M. at the 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, 2013 and the Profit and Loss Account for the year ended on that date together with the Directors' 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.
- 3) To appoint a Director in place of Mr. Vilas Jagtap, 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.

SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:
"RESOLVED THAT pursuant to the provisions of Section 257 and any other applicable provisions of the Companies Act, 1956, Ms. Sneha Sushil Bagadia be and is hereby appointed as the Director of the Company, liable to retire by rotation"
- 6) To consider and if thought fit, to pass with or without modification the following resolution as the Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956 or any amendments or substitutions thereof, the approval of the Company be and is hereby accorded to appoint Mr. Sushil Bagadia to hold office or place of profit under the Company as 'Chief Executive Officer [CEO]', w.e.f. 12th August, 2013, on the following terms and conditions:-
 - A) Salary & Allowances: - Salary and Allowances taken together shall not exceed Rs. 1,00,000/- (Rupees One Lac) per month.
 - B) The Company shall also provide Car with Driver to the CEO for Company's business and also telephone at his residence exclusively for the business purposes.
 - C) The remuneration comprising Salary, Perquisites and other benefits and allowances of Mr. Sushil Natwarlal Bagadia, CEO shall be as specified by the Board of Directors from time to time.RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things which are necessary and incidental to give effect to the above Resolution."

By Order of the Board of Directors

Place : Pune
Date : 15th July, 2013

N. R. Bagadia
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 Wednesday, 7th August, 2013 to Monday, 12th August, 2013 (both days inclusive).
3. Additional Information on Directors seeking re-appointment/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.
4. An Explanatory Statement pursuant to the provisions of Section 173 of the Companies Act, 1956 in respect of Item Nos. 5 and 6 is annexed herewith.

EXPLANATORY STATEMENT
(Pursuant to Section 173 of the Companies Act, 1956)

Item No. 5

Ms. Sneha Sushil Bagadia is a Bachelor in Engineering and has completed her graduation from D. J. Sanghvi College, University of Mumbai. Thereafter she has also undergone Post Graduate Degree- MSc in Management from Warwick Business School, University of Warwick, UK.

Considering her recent knowledge and qualification, the Directors propose her appointment as the Director of the Company. During the period 2008 to 2010 she has also assisted in the Company working as Trainee and has in depth knowledge of the working of the Company. The Directors are confident that her knowledge and work experience will be of help to the Company.

The Directors recommend her appointment as the Director of the Company.

Hence the resolution at Item No. 5 of the Notice has been recommended for your approval.

Mr. Natwarlal R. Bagadia, Mr. Sushil Bagadia, and Mrs. Sangeeta Bagadia, Managing Director, Joint Managing Director and Director - Marketing respectively, are interested in passing of the said Resolution.

Item No. 6

Mr. Sushil Bagadia who was working as the Joint Managing Director of the Company has informed his unwillingness to be reappointed as the Director of the Company, on his retirement by rotation.

Mr. Sushil Bagadia is associated with the Company since its inception, and the Company wants to continue with the benefit of his experience and knowledge of the working of the Company.

Hence the Board of Directors in its meeting held on 15th July, 2013 has appointed Mr. Sushil Bagadia as the CEO of the Company w. e. f. 12th August, 2013. The said appointment attracts the applicability of holding office or place of profit under the provisions of Section 314 of the Act. As remuneration payable to him is beyond the limits prescribed therein, it requires the approval of the Shareholders by way of Special Resolution under the provisions of Section 314 of the Companies Act, 1956.

Mr. Natwarlal R. Bagadia, Mr. Sushil Bagadia, and Mrs. Sangeeta Bagadia, Managing Director, Joint Managing Director and Director - Marketing respectively, are interested in passing of the said Resolution.

None of the other Directors of the Company are in any way concerned or interested in passing of the said Resolution.

Accordingly the Resolution as set out at Item No. 6 of the Notice is recommended for your approval.

By Order of the Board of Directors

Place : Pune
Date : 15th July, 2013

N. R. Bagadia
Chairman & Managing Director

BAGADIA COLOURCHEM LIMITED

DIRECTORS' REPORT

To
The Members,
Bagadia Colourchem Limited

The Board of Directors have pleasure in presenting before you the 28th Annual Report and Audited Statements of Accounts for the year ended as on 31st March, 2013.

1. FINANCIAL RESULTS

The Financial Results for the year ended on 31st March, 2013 are briefly given below:-

	2012-2013 (Rs.)	2011-2012 (Rs.)
Sales (Net of Tax) & Other Income	10,84,11,881	12,01,56,465
Profit before Interest, Depreciation & Income Tax	70,96,063	69,85,645
Less : Interest	5,57,263	4,59,902
Depreciation	32,09,904	31,88,450
Profit / (Loss) for the Year before tax	33,28,896	33,37,293
Less : Provision for Tax	11,12,745	13,45,000
Deferred Tax	(6,01,500)	(2,50,188)
Earlier Year	(2,58,516)	15,10,568
Profit/(Loss) after Tax	30,76,167	7,31,913

2. MANAGEMENT DISCUSSION & ANALYSIS REPORT

During the year under review the Revenue from Operations of the Company was Rs.1039.36 Lacs as against Rs. 1159.49 Lacs of the previous year. The export turnover of the Company during the year under report was Rs. 768.33 Lacs as against Rs. 814.07 Lacs of the previous year. The Company has earned the Profit before Tax of Rs. 33.28 Lacs as against the Profit of Rs. 33.37 Lacs of the previous year.

However due to continued recession globally, the flow of Export Orders is affected and the Current Year i.e. 2013-2014 would be one of the difficult Years for the Company. Indian Local Market is also not encouraging, and there are almost no orders in hand, which would affect the performance and profitability of the Company.

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 N. Bagadia and Mr. Vilas B. Jagtap, Directors of the Company retire by rotation. Mr. Vilas B. Jagtap offers himself for reappointment.

Mr. Sushil Bagadia, Joint Managing Director has informed his unwillingness and inability to continue as Director of the Company, hence did not offer himself for reappointment. Accordingly he will also cease to be the Joint Managing Director of the Company. However for the time being, he has kindly consented to work as the "Chief Executive Officer [CEO]" of the Company. Necessary Resolution for your approval u/s 314 of the Companies Act, 1956 is recommended for your approval.

Ms. Sneha Sushil Bagadia, highly-motivated Management graduate is proposed to be appointed as Director of the Company, subject to the approval of the Shareholders in ensuing Annual General Meeting. If appointed her appointment shall be subject to retirement by rotation.

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', and non maintenance of cost records, 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. 7,68,32,896/-

Foreign Exchange Outgo - Rs. 1,74,715/-

d) Disclosure under Stock Exchange Requirements

Disclosure under SEBI Circular dated 29th April, 1998
The Equity Shares of the Company are listed on BSE Ltd. [Formerly known as Bombay Stock Exchange Ltd.]
The Company has already paid the necessary Listing

Fees of the Exchange till the financial year 2013-2014.

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:

- a) That while preparing the Annual Accounts for the period ended 31st March, 2013, the applicable accounting standards, except AS 28 had been followed along with proper explanation relating to material departures.
- b) 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.
- c) 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.
- d) 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 : 15th July, 2013

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, 2013.

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

	Year ended 31/03/2013	Year ended 31/03/2012
1. Electricity		
a) Purchased units	8,42,790	11,06,472
Total Amount (Rs.)	61,44,940	67,06,840
Rate/Unit (Rs.)	7.29	6.06
b) Own Generation		
Through Diesel Generators (Rs.)	—	—
Units	—	—
Units per liter of diesel oil		
Cost/Unit (Rs.)	—	—
2. Coal		
Quantity (kg)	4,56,900	6,84,580
Total Amount (Rs.)	27,28,702	45,58,986
Average Rate (Rs.)	5.97	6.66
3. Industrial Diesel Oil		
Quantity (Ltrs.)	—	57,000
Total amount (Rs.)	—	32,78,086
Average rate (Rs.)	—	57.51
4. Other/Internal Generation	—	—

B. CONSUMPTION PER UNIT OF PRODUCTION (KG)

Electricity (Units)	2.10	1.66
Diesel/Oil (Ltrs)	—	—

By Order of the Board of Directors,

Place :- Pune

Date :- 15th July, 2013

N. R. Bagadia

Chairman & Managing Director

Compliance Certificate

To
The Members,
Bagadia Colourchem Ltd.
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, 2013. 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 Six times on :

SR. NO.	DATE OF BOARD MEETING
1	5 th April, 2012
2	30 th May, 2012
3	13 th August, 2012
4	27 th September, 2012
5	3 rd November, 2012
6	8 th February, 2013

- 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 Saturday 22nd September, 2012 to Thursday, 27th September 2012 (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, 2012 was held on Thursday, 27th September, 2012 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.
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 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

BAGADIA COLOURCHEM LIMITED

- 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 not issued any duplicate Share Certificates during the financial year under Report, as there was no such proposal received 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 BSE Ltd., [Formerly known as 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 no appointment of Additional Directors, Alternate Director and Directors to fill casual vacancy.
 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. Mr. N. R. Bagadia and Mr. Sushil Bagadia were reappointed as the Chairman & Managing Director and Joint Managing Director respectively w.e.f. 1st October, 2011 for a period of three years i.e. up to 30th September, 2014, on the same terms and conditions. Mrs. Sangeeta Bagadia was also re-appointed as the Director - Marketing w.e.f. 1st January, 2012 for a period of three years i.e. up to 31st December, 2014, on the revised terms and conditions.
 16. The Company has not appointed any Sole Selling Agents during the financial year under Report.
 17. During the year under the report, 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.
 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 did 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. During the year under the Report 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.
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.
31. On verification of the records of the Company and as informed to us 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 : 15th July, 2013

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, is not maintained as the same is not required to be maintained, since all the Investments made by the Company are in its own name.
02. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975, is not required to be maintained, as the Company has not accepted any Deposits as defined under the said Rules.
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.