



Bagadia Colourchem Ltd.

30th Annual Report
2014-2015

BOARD OF DIRECTORS:

Mr. Natwarlal R. Bagadia
Chairman & Managing Director

Mrs. Sangeeta Bagadia
Director- Marketing

Mr. Vilas B Jagtap
Independent Director

Mr. Dattatraya M Mehta
Independent Director

Mr. Sashikant Kakade
Independent Director

Ms. Sneha S. Bagadia
Director

Chief Executive Officer:

Mr. Sushil N Bagadia

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.

Corporate/ Pune Office:

317 Mantri Kishor Arcade,
257 Budhwar Peth
Pune - 411002

Factory:

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

30th Annual General Meeting

on Tuesday, 29th September, 2015
at 2.00 p. m at Hotel Sagar,
Kharodi Marve Road, Malad(West)
Mumbai- 400 095

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Shareholders of Bagadia Colourchem Limited will be held on Tuesday 29th September, 2015 at 2.00 P.M. at the Meeting Hall of Hotel Sagar, Kharodi Marve Road, Malad (West) Mumbai 400095 to transact the following business:-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2015 together with the Report of the Board of Directors and the Auditor's Report thereon.
- 2) To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Ms. Sneha Sushil Bagadia [DIN:06657740], Director, who retires by rotation and being eligible offers herself for reappointment, be and is hereby reappointed as the Director of the Company, liable to retire by rotation."

- 3) To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 139(8) of the Companies Act, 2013, S. P. Jain & Associates, Chartered Accountants, having Firm Registration Number 103969W and having their Office at 602, 6th Floor, Orbit Plaza, New Prabhadevi Road, Near Marathe Udyog Bhavan, Prabhadevi, Mumbai – 400025 be and are hereby appointed as the new Auditors of the Company for a period of Five (5) years to hold office from the conclusion of this Annual General Meeting till the conclusion of 35th Annual General Meeting of the Company to be held hereafter, subject to ratification by the Members at every Annual General Meeting, on such remuneration as shall be determined and fixed by the Board of Directors of the Company, in consultation with the Auditors of the Company, in place of the retiring Auditors M/s S. G. Shende & Co., Chartered Accountants, having Firm Registration No. FRN 120915W who have informed the Company about their un-willingness to be reappointed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine and fix their remuneration in consultation with the Auditors of the Company."

By Order of the Board of Directors

Place : Pune
Date : 13/08/2015

N. R. Bagadia
Chairman & Managing Director
[DIN: 00899960]

NOTES:-

1. A MEMBER ENTITLED TO ATTEND & VOTE AT THIS MEETING MAY APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received by the Company at its registered office, not later than 48 Hours before the commencement of the Meeting. A Person shall not act as Proxy for more than 50 Members and holding in the aggregate not more than 10% of the total voting share capital of the Company. However a single person may act as the Proxy, for a Member holding more than 10% of the total voting share capital of the Company, provided that such Person shall not act as a Proxy for any other Person.
3. Notice is also given that the Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain closed from Wednesday, 23rd September, 2015 to Tuesday, 29th September, 2015 (Both days inclusive).

4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their E-mail addresses with Company or Depository.
5. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose E-mail ID's are registered with the Company or Depositories, unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their E-mail ID's with the Company or Depositories. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at registration counter to attend the AGM.
6. In compliance with Sections 108 and 110 of the Companies Act, 2013 and the Rules made there under, the Company has provided the facility to the Members to exercise their votes electronically and vote on the resolution through the E-voting service facility arranged by NSDL. The instructions for electronic voting are annexed to this Notice.
7. Members desiring to exercise vote by physical Ballot are requested to carefully read the instructions printed in the Ballot Form and return the Form duly completed and signed, in the sealed Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (5.00 P.M.) of Monday, 28th September, 2015. If any Ballot is received after 5.00 P.M. on Monday, 28th September, 2015 it will be considered that no reply from the Member has been received.

Voting through Electronic means

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company is pleased to provide remote E-voting facility to all its Members, to enable them to cast their votes electronically on Resolutions proposed to be considered at the 30th Annual General Meeting. The Company has engaged the services of NSDL for the purpose of providing remote E-voting facility to all its Members.

The members, who have cast their vote by Remote E-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again. The Remote E-voting period commences on Friday, 25th September, 2015 (9:00 A.M.) and ends on Monday, 28th September, 2015 (5.00 P.M.). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date/Cut off date i.e. Tuesday, 22nd September, 2015 may cast their vote electronically. The remote E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it.

The instructions for Remote E-voting are as follows:

1. Members whose email addresses are registered with the Company / Depository Participant(s) will receive an Email from NSDL informing them of their User-ID and Password. Once the Member receives the Email, he or she will need to go through the following steps to complete the E-voting process:
 - a. Open email and open the PDF file titled 'Bagadia E-voting.pdf' using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote E-voting. Please note that this password is an initial password.
 - b. Launch your internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - c. Click on Shareholder — Login.
 - d. Enter the user ID and password (the initial password noted in step (a) above). Click on Login.
 - e. The Password change menu will appear. Change the password to a password of your choice. The new password should have a minimum of 8 digits / characters or a combination thereof. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - f. The homepage of E-voting will open. Click on E-voting: Active Voting Cycles.
 - g. Select 'EVEN/ (E Voting Event Number) of Bagadia Colourchem Ltd.
 - h. Now you are ready for remote E-voting as the Cast Vote page opens.
 - i. Cast your vote by selecting the option of your choice and click on 'Submit', and also remember to 'Confirm' when prompted.

- j. On confirmation, the message 'Vote cast successfully' will be displayed.
 - k. After you have voted on a resolution once, you will not be allowed to modify your vote.
 - l. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF /JPG Format) of the relevant Board resolution / authorization letter etc., together with attested specimen signature of the authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer via E-mail to bagadiacolourchem@rediffmail.com with a copy marked to evoting@nsdl.co.in.
2. For Members whose Email IDs are not registered with the Company / Depository Participant(s) and who receive the physical Ballot Forms, the following instructions may be noted:
- a. The initial password is provided on the Ballot Form.
 - b. Please follow the instructions from 'b' to 'l' as mentioned in step 1 to cast your vote.

General Instructions for E-voting

1. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and E-voting user manual for Members available in the 'Downloads' section of www.evoting.nsdl.com.
2. Login to the E-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
3. If you are already registered with NSDL for E-voting, then you can use your existing user ID and password for casting your vote.
4. The Voting rights of Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the relevant date/ Cut off date i.e. Tuesday, 22nd September, 2015.
5. Mr. Shekhar S. Ghatpande, Practicing Company Secretary (FCS No. 1659, CP No.782) has been appointed as the Scrutinizer to Scrutinize the E-voting process in a fair & transparent manner.

The Scrutinizer shall within a period not exceeding Three (3) working days from the conclusion of the E-voting period unblock the votes in the presence of at least Two (2) witnesses not in the employment of the Company.

6. 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 - Mr. Shekhar S. Ghatpande, Practicing Company Secretary (Membership No. FCS1659 and CP No.782), at the Pune Office of the Company at 317 Mantri Kishor Arcade, 257 Budhwar Peth Pune - 411002 not later than Monday, 28th September, 2015, upto 5.00 P.M.

Members have the option to request for physical copy of the Ballot Form by sending an E-mail to bagadiacolourchem@rediffmail.com by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot Form should reach the Pune Office of the Company at 317 Mantri Kishor Arcade, 257 Budhwar Peth, Pune - 411002 not later than Monday, 28th September, 2015.

The Members can opt for only one mode of voting, i.e. either by physical Ballot or remote E-voting. In case Members cast their votes through both the modes, voting done by remote E-voting shall prevail and votes cast through physical Ballot Forms will be treated as invalid.

DIRECTOR'S REPORT

To,
The Members,
Bagadia Colourchem Limited.

The Board of Directors have pleasure in presenting before you the 30th Annual Report and Audited Statements of Accounts for the year ended as on 31st March, 2015.

1. FINANCIAL RESULTS

The Financial Results for the year ended on 31st March, 2015 are briefly given below:-

PARTICULARS	2014-2015 (Rs.)	2013-2014 (Rs.)
Sales (Net of Tax) & Other Income	3,84,90,296	3,37,50,490
Profit before Interest, Depreciation & Income Tax	6,15,122	(44,34,116)
Less :		
Interest	2,70,654	1,87,165
Depreciation	67,84,990	29,86,762
Profit/ (Loss) for the Year before tax	(64,40,522)	(76,08,043)
Less : Provision for Tax		-
Deferred Tax	(16,26,053)	(3,87,961)
Earlier Year	(6,699)	31,938
Profit/(Loss) after Tax	(48,07,770)	(72,52,020)

2. MANAGEMENT DISCUSSION & ANALYSIS REPORT

During the year under review the Revenue from Operations of the Company was Rs. 361.51 Lacs as against Rs. 320.68 Lacs of the previous year. The export turnover of the Company during the year under report was Rs. 140.75 Lacs as against Rs. 143.24 Lacs of the previous year. The Company has incurred the Loss before Tax of Rs. 64.40 Lacs as against the Loss of Rs. 76.08 Lacs of the previous year.

As the Members are aware the Company is engaged in the business of dye intermediates and the Company's factory is located at Mahad Maharashtra. The major turnover during past several years was attributed from export business.

As the Members are also aware the Company's size of business is small with the Share Capital of Rs. 3.69 Crs. The installed capacity of the Company is also medium. With the available limited resources the Company was undertaking the business activities. The Company is facing acute competition from the international market and the foreign competitors mainly from China are offering their products at very low prices. This has affected the Orders from its regular Customers, who are shifting to the companies with bigger capacities. As such there was a drop in the turnover of the Company during past few quarters. The Company has also incurred losses over these quarters. Thus the performance of the Company is badly affected.

As a result the Company as an enabling alternative sought the approval of the Shareholders by way of Postal Ballot for Sale of Company's Factory at MIDC Industrial Area, Mahad, Dist. Raigad, Maharashtra. The Special Resolution proposed by way of Postal Ballot for approval of the Shareholders was passed on Tuesday, 4th August, 2015.

The Board of Directors of the Company is studying various other alternatives to come out of the situation, including changing the product range, shifting of the Plant to a better place which will be economical for the operations of the Company.

3. CAUTIONARY STATEMENT

Statements in this report, particularly those which relate to management discussion and analysis, describing the company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations actual results might differ materially from those either expressed or implied.

4. TRANSFER TO RESERVES

Company has not transferred any amount to its General Reserve.

5. DIVIDEND

The Directors regret their inability to recommend any Dividend on the Equity Shares of the Company, due to the Losses incurred by the Company.

6. PUBLIC DEPOSITS

During the Financial Year 2014-15, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. An Internal Auditor has been appointed for this purpose.

The Audit Committee of the Board reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically.

8. LISTING FEES

The annual listing fee for the year under review has been paid to BSE Limited, where your Company's shares are listed.

9. HOLDING COMPANIES SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES

Company does not have any Holding Company, Subsidiary Companies and Associate Company.

10. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as **Annexure I** to this Report.

11. NUMBER OF MEETINGS OF THE BOARD

During the year under review, Nine (9) Board Meetings were convened and held including Independent Directors' Meeting held on 25th March, 2015. The details of which are given in the Corporate Governance Report which forms part of this Report as per **Annexure II**. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

12. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, the Directors' Responsibility Statement is furnished below as per the provisions of Section 134 (3) (c).

Directors state that:-

- a) In the preparation of the Annual Financial Statements for the year ended 31st March 2015, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b) Accounting policies as mentioned in Part-B to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to

BAGADIA COLOURCHEM LIMITED

give a true and fair view of the state of affairs of the Company as at 31st March 2015 and of the Loss of the Company for the year ended on that date;

- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Annual Financial Statements have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

13. DECLARATION BY INDEPENDENT DIRECTOR

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

14. AUDITORS AND AUDITORS' REPORT

a) Statutory Auditor

In the Annual General Meeting held on 14th August, 2014, the Company had appointed M/s Shreepad Shende, Chartered Accountants Pune, having Membership No. 041692 as the Auditors of the Company. Accordingly the Auditors have furnished their Report dated 28th April, 2015.

The qualifications of the Auditors and the replies given in the Notes to Accounts are self explanatory.

The present Auditors of the Company have shown their unwillingness to be re-appointed as the Auditors of the Company. Accordingly the appointment of S. P. Jain & Associates, Chartered Accountants, Mumbai, having Firm Registration Number 103969W has been recommended from the conclusion of this Annual General Meeting till the conclusion of 35th Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting.

b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Shekhar Ghatpande & Co., Company Secretaries having Membership No FCS: 1659 CP No: 782 to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as **Annexure - III** to this Report which is qualified by the Secretarial Auditors on certain points.

c) Cost Audit

For the Financial Year under Report the appointment of Cost Auditor and obtaining of their Report was not applicable to the Company.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

During the Financial Year 2014-2015, Company has not provided any Loans or Guarantees and made Investment under Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014.

The Details of Investments made as on 31st March, 2015 are as follows:

Name of Entity	Amount as At 31 st March, 2015 (Rs.)
1. Quoted (Equity Shares)	
(a) 2,000 Shares of Rs. 10/- each of Bank of Baroda	1,70,000
(b) 188 Shares of Rs. 10/- each of Punjab National Bank	73,320
2. Unquoted	Nil
TOTAL	2,43,320

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to provision of Companies Act, 2013, the particulars of contracts or arrangements entered into by the Company with Related parties have been done at Arm's length basis and are in ordinary course of business and particulars of which are provided in Form AOC - 2 attached herewith as **Annexure IV**.

17. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report.

18. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**A. Conservation of Energy and Technology Absorption**

- a) Wherever possible energy conservation measures have been implemented and there are no further areas where energy conservation measures can be taken. However, efforts to conserve and optimize the use of Energy through improved operational methods and other means will continue.
- b) The Company has not imported any technology and there is no technical collaboration, with any party, for the present activities of the Company.

B. Foreign Exchange Earnings and Outgo

Sr. No.	Particulars	Amount in Rs.
i	Foreign Exchange earned in terms of actual inflows during the year	1,40,75,399
ii	Foreign Exchange outgo during the year in terms of actual outflows	1,01,038

20. RISK MANAGEMENT POLICY

At present the Company has not formulated any Policy for Risk Management, however during the course of business the Management looks after and study the Risks involved.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 in respect of CSR activities are not applicable to the Company. The Company voluntarily also has not undertaken any CSR activity.

22. BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013, Rules there under and Clause 49 of Listing Agreement, the Board has carried out evaluation of its own performance and that of its Committees and individual Directors.

23. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business during the Financial Year under review.

24. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

During the year there is no Appointment and Resignation of any Directors or Key Managerial Personnel.

25. DIRECTORS PROPOSED TO BE RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING

Ms. Sneha Sushil Bagadia who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

26. COMPOSITION OF AUDIT COMMITTEE

The composition of the Audit Committee has been mentioned in the Corporate Governance Report annexed to this Report.

27. PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration aggregating to Rs. 60/- Lacs or more per year or Rs. 5/- Lacs or more per month when employed for a part of the year and the particulars as required under (Rule 5(2) of Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014.

28. CASH FLOW

A Cash Flow Statement for the year ended 31st March 2015 is attached to the Financial Statement.

29. CORPORATE GOVERNANCE

A report on the Corporate Governance, along with the certificate of compliance from the Auditors, forms part of the Annual Report.

30. 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
Date : 13/08/2015

N. R. Bagadia
Chairman & Managing Director
[DIN: 00899960]