

**53rd ANNUAL REPORT
2016 - 2017**

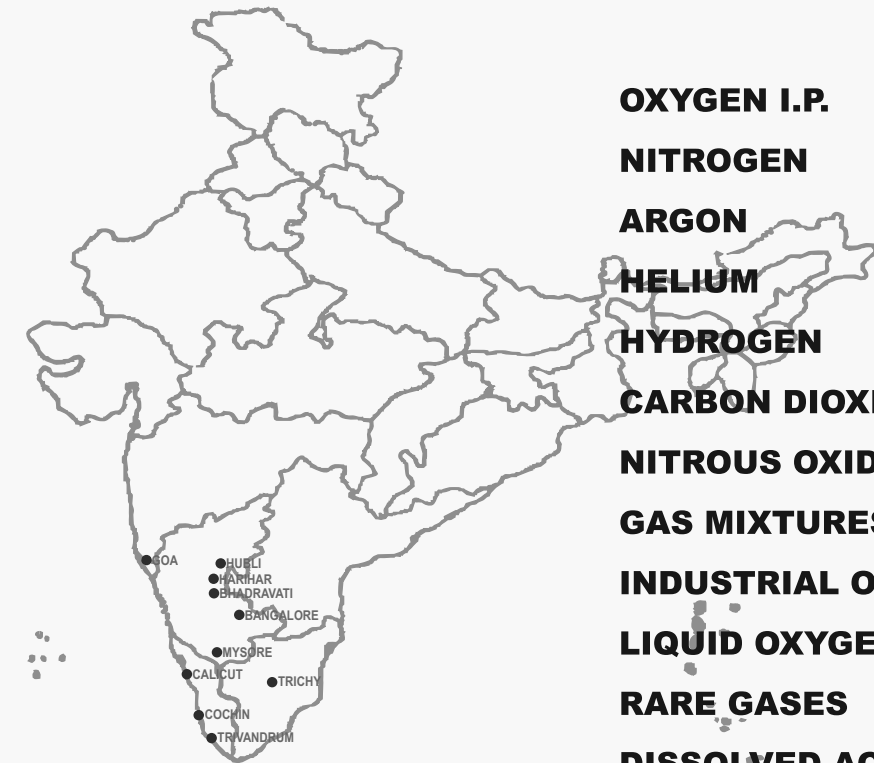
Book Post
Printed

53rd Annual Report 2016-2017

If undelivered please return to :
THE SOUTHERN GAS LTD.
1st Floor, 'Govind Poy House',
Rua do padre Miranda Road,
Post Box 340,
Margao Goa 403 601.

THE SOUTHERN GAS LIMITED

You Name it And We Have it



OXYGEN I.P.
NITROGEN
ARGON
HELIUM
HYDROGEN
CARBON DIOXIDE
NITROUS OXIDE
GAS MIXTURES
INDUSTRIAL OXYGEN
LIQUID OXYGEN
RARE GASES
DISSOLVED ACETYLENE

The Southern Gas Ltd. Branches

BANGALORE

10-F, Peenya Indl. Area, II Phase, Peenya
Bangalore-560 058. Tel No. 080-28395867/
28392325 Fax No. 080-23721456
E-mail : sglbng@southernngasindia.com

BHADRAVATI

Opp. Surgithope, Paper Town P.O.
Bhadravati-557 302.
Tel No. 08282-270561 Fax No. 08282 270397
R-mail : sglbdt@southernngasindia.com

CALICUT

P.O. Kolathara, Calicut - 673 655
Kerala State, Tel No. 0495-2482311
Fax No. 0495-2905224
E-mail : sglclt@southernngasindia.com

COCHIN

Udyogamandal P.O. 683 501
Kerala State Tel No. 0484-2546895
2545971 / 6457798 Fax No. 0484-2545972
E-mail : sgludl@southernngasindia.com

HARIHAR

Plot No. C-2 (Special Type) Industrial Estate
Opp. The Mysore Kirloskar Ltd. Yantrapur
Post Harihar - 577 602 Tel No, 08192-241656
E-mail : sglhrhr@southernngasindia.com
Fax No. 08192-241656

HUBLI

Plot No. 274/1, Next to Durgadevi Temple
Tarihal Road, Post Gokul B.O. HUBLI - 580 030
Tel No. 0836-2310554 Fax No. 0836-2310554
E-mail : sglhbl@southernngasindia.com

MYSORE

Plot No. 293, Sy. No. 369, Hebbal Indl. Area
Village Hebbai Hobli, Kasaba Taluk
Mysore - 570 016.
Tel No. 0832-2403680, 2402164, 2403681
E-mail : sglmysore@southernngasindia.com
Fax No. 0821 - 2403680

TRICHY

S.F.No : 141/1A & 1C
Ayyampatti Main Road, Valavanthankottai
TRICHY - 620 015
Tel No. 0431-2731124, 2731125
E-mail : sgltry@southernngasindia.com

TRIVANDRUM

Plot No. 42, Kinfra Small Industries Park
St. Xavier's College, Thumba
Trivandrum - 695 586
Tel No. 0471-2705511 Fax No. 0471 - 2705738
E-mail : sgltrvm@southernngasindia.com

- ★ PUREST FORM OF OXYGEN / OTHER GASES
- ★ YEARS OF EXPERIENCE IN GAS INDUSTRY (SINCE 1963)
- ★ ISO CERTIFIED COMPANY
- ★ POPULAR AMONG MOST PRACTITIONERS
- ★ MOST RELIABLE, PROMPT IN SERVICE, CONSISTENT, COST EFFECTIVE, DELIVERING EXACT QUANTITIES, RIGHT TO YOUR POINT OF USE.
- ★ NATION'S ONE OF THE LARGEST SUPPLIER OF GASES IN SOUTH, THERE'S SIMPLY NO BETTER SOURCE THAN THE SOUTHERN GAS LTD.
- ★ YOUR ECO-FRIENDLY COMPANY WITH UNIQUE DISTINCTION OF WATER HARVESTING SYSTEM.



THE SOUTHERN GAS LIMITED.

Regd. Office : 1st floor, 'Govind Poy House'. Margao - 403 601, Goa
Admn. Office : Meera Classic, Phase II, Gogol, Borda, Margao - 403 602, Goa.
Tek.: 0832-2724863, 2724864. Fax : 0832-2724865.
Email : sglgoa@southernngasindia.com Website : www.southernngasindia.com



FROM THE DESK OF MANAGING DIRECTOR



Dear Shareholder,

I have great pleasure to present the Fifty Third Annual Report of the Company together with the Audited Financial Statements of Account for the Financial Year ended 31st March, 2017.

For over 50 years your Company has earned the reputation as one of the largest manufacturers and suppliers of purest form of Medical Oxygen as also of Industrial and rare gases in South India.

With 9 production facilities operational in Karnataka, Kerala and TamilNadu, there cannot be a better source than The Southern Gas Limited for all your gas requirements.

Inspite of various constraints the industry is facing, your company maintained its pioneer position in the market by providing quality product and service without compromising on health, safety and environment mainly due to hard work and dedication of our staff and the trust of our clients.

We thank you for your immense faith in The Southern Gas Limited.

GAUTAM V. PAI KAKODE
MANAGING DIRECTOR

Place: Margao, Goa



THE SOUTHERN GAS LIMITED
CIN:L31200GA1963PLC000562

DIRECTORS

Shri GAUTAM V. PAI KAKODE MANAGING DIRECTOR
Smt. YOGITA GAUTAM PAI KAKODE
Shri RANGANATH N. PRABHU
Shri MOTILAL SANVLO KENY
Shri SRIPAD P. PATNEKAR
Shri JAYENDRA V. GAITONDE

BANKERS

CORPORATION BANK

AUDITORS

M/s VARMA & VARMA
CHARTERED ACCOUNTANTS,
COCHIN - 682 016.

LEGAL ADVISORS

M/s MENON & PAI
ADVOCATES,
COCHIN - 682 016.

REGISTERED OFFICE

'GOVIND POY HOUSE', 1ST FLOOR,
POST BOX No. 340,
RUADO PADRE MIRANDA,
MARGAO - 403 601. GOA.

ADMINISTRATIVE OFFICE

MEERA CLASSIC, PHASE II,
GOGOL, BORDA,
MARGAO - GOA. - 403 602.
PHONE (0832) 2724863/2724864

UNITS AT

1. BANGALORE (KARNATAKA)
2. BHADRAVATI (KARNATAKA)
3. HARIHAR (KARNATAKA)
4. HUBLI (KARNATAKA)
5. MYSORE (KARNATAKA)
6. CALICUT (KERALA)
7. TRIVANDRUM (KERALA)
8. UDYOGAMANDAL (KERALA)
9. TRICHY (TAMILNADU)

NOTICE

NOTICE is hereby given that the Fifty Third Annual General Meeting of the Shareholders of **THE SOUTHERN GAS LIMITED** will be held on Tuesday 26th September, 2017 at 10.30 a.m. at the Administrative Office of the Company at Meera Classic, Phase II, Gogol, Borda, Margao, Goa – 403602 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. Gautam Pai Kakode (DIN: 02395512), who retires by rotation and being eligible offers himself for re-appointment.
4. Appointment Of Statutory Auditors of the Company and fixing their remuneration

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 as may be applicable (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee M/s. Lorence & Shankar, Chartered Accountants (Firm Registration No. 112761W), be appointed as Statutory Auditors of the Company in place of retiring Statutory Auditors M/s. Varma & Varma, Chartered Accountants (Firm Registration No. 004532S), to hold office for the term of consecutive five years i.e. from the conclusion of this Annual general Meeting until the conclusion of the Fifty Eighth Annual General Meeting of the Company, subject to ratification of their appointment by the members at every Annual General Meeting as required under the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorised to fix such remuneration and the reimbursement of out-of-pocket expenses, if any, as may be recommended by the Audit Committee and to do all such necessary acts and take all such steps necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS

5. **Re-Appointment of Mr. Gautam Pai Kakode, (Din: 02395512) as Managing Director And Key Managerial Personnel of the Company And Payment of Remuneration.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as the **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”), as amended or re-enacted

from time to time, read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the Shareholders be and is hereby accorded for the re-appointment of Mr. Gautam Pai Kakode, (Din: 02395512) as the Managing Director and the Key Managerial Personnel of the Company for a period of three years with effect from 1st February, 2017 to 31st January 2020, upon the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment/or remuneration as it may deem fit and as may be acceptable to Mr. Gautam Pai Kakode, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS

GAUTAM PAI KAKODE
MANAGING DIRECTOR
DIN: 02395512

Dated: 26th May, 2017

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY.

PROXIES in order to be effective must be received by the Company not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to the annual report. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/ she can participate in the Meeting but not vote.

A route map giving directions to reach the venue of the Annual General Meeting is given at the end of the Annual Report

- 2) The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday 20th September, 2017 to Tuesday 26th September, 2017(both days inclusive).

- 3) Dividend as recommended by the Board, if approved by the shareholders at their meeting will be paid to all the shareholders, whose names appear in the register of Members as of the close of business hours on 19th September, 2017.
- 4) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 5) Pursuant to the provisions of Section 124 of the Companies Act, 2013 dividend which remains unclaimed for a period of seven years is required to be transferred by the company to Investor Education and Protection Fund (IEPF) established by Central Government. The Company has, accordingly, transferred an amount of Rs 8,160/- being the unclaimed dividend for the financial year ended 31st March, 2009 to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013 and no claim lies against the company in respect thereof. Dividend for the financial year ended 31st March, 2010 and thereafter which remains unclaimed for a period of seven years will be transferred by the Company to the Investor Education & Protection Fund. Members who have so far not claimed their dividend for the years 2009-2010 and onwards may therefore do so before the same is transferred to the Investor Education & Protection Fund.
- 6) The securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are requested to submit their PAN to the Company at the earliest.
- 7) Members are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.southerngasindia.com
- 8) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 in respect of the Special Business mentioned in the Notice is annexed hereto. The relevant details of the directors seeking re-appointment pursuant to Regulation 36(3) of the Listing Regulations and in terms of Secretarial Standards on General Meetings (SS-2) are annexed.
- 9) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the Listing Regulations 2015, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote on the resolutions set forth in the notice convening the 53rd Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

During the e-voting period members of the company, holding shares either in physical form or dematerialised form, as on the Cut-Off date of 19th September, 2017, may cast their vote electronically.

The instructions to members for voting electronically are as under:-

- (i) The voting period begins on Saturday 23rd September, 2017 at 10:00 a.m. and ends on Monday 25th September, 2017 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID;
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 character DP ID followed by 8 Digit client ID,
 - c. Members holding shares in Physical form should enter the user Id which is printed on the sticker affixed on the proxy form.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) As a first time user, follow the steps given below:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company /Depository are requested to use first two letters of their name and 8 digit of the sequence number (which is printed on the sticker affixed on the Proxy Form) indicated in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the User Id (which is printed on the sticker affixed on the Proxy Form) in the Dividend Bank details field as mentioned in the instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in the Physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter the login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for E-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in Physical Form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of The Southern Gas Limited.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If the Demat account holder has forgotten the changed login password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non-Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

General instruction for voting on Resolution:

- i. A member can opt for only one mode of voting, i.e. either by e-voting or through Ballot. In case of Member(s) who cast their votes by both modes, then voting done through e-voting shall prevail and the Ballot form of that member shall be treated as invalid.
 - ii. The facility of voting through Ballot paper shall also be made available for the members at the Meeting. Members attending the meeting, who have not already cast their vote by Remote e-voting, shall be able to exercise their right at the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
 - iii. The voting rights of the shareholders (for voting through remote e-voting or by Ballot paper at the Meeting) shall be in proportion to their share of the paid-up equity share capital of the Company as on 19th September, 2017 (“Cut-Off Date”). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
 - iv. Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. 19th September, 2017 should follow the same procedure as mentioned above.
- 10) The Company has designated sglgoa@southernngasindia.com as an email id for quick redressal of Shareholders/investors grievances.