

**44th Annual
Report 2017-
2018**

BHAGAWATI GAS LIMITED
Formerly Bhagawati Gases Limited

44th
Annual Report
2017-2018

BOARD OF DIRECTORS

Mr. Rakesh Samrat Bhardwaj
Mr. Kailash Chand Kedia
Mr. Ganga Charan
Mrs. Shachi Bhardwaj

Chairman & Managing Director
Independent Director
Independent Director
Director

AUDITORS

Mohan L Jain & Co.
Chartered
Accountants
403, Prabhat Kiran,
17, Rajender Place,
New Delhi -
110008

BANKER

Central Bank of
India
State Bank of
India

REGISTERED OFFICE

Banawas, Khetri Nagar,
Distt.- Jhunjhunu,
Rajasthan-333504

CORPORATE OFFICE

S 492/A,
Greater Kailash-I,
New Delhi-110048

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited
D-153 A, 1st Floor,
Okhla Industrial Area, Phase - I,
New Delhi - 110 020

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NOTICE

NOTICE is hereby given that the 44th Annual General Meeting of members of Bhagawati Gas Limited (formerly Bhagawati Gases Limited) will be held on Thursday, September 27, 2018 at 11.00 A.M. at Banawas, Khetri Nagar-333504, Distt.-Jhunjhunu, Rajasthan to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2018 together with the Report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Shachi Bhardwaj (DIN - 07232850), who retires by rotation and being eligible, offers herself for re-appointment.

For **Bhagawati Gas Limited**

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789

SD/-
Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

Date: 14th August, 2018

Place: Delhi

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. All documents referred to in the accompanying Notice are open for inspection at the Registered office of the company during the office hours on all working days between 11.00 A.M. to 1.00 P.M. before the date of Annual General Meeting.
4. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH-13).
5. Pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, the Company may send notice of General Meeting, Director's report, Auditor's report, Audited Financial Statements and other documents through electronic mode. Further, pursuant to the first provisions to the Rule 18 of the Companies (Management & Administration) Amendment Rules 2015, the Company shall provide an advance opportunity at least once in a financial year to the members to register their e-mail address and changes therein. In view of the same, Members are requested to kindly update their e-mail address with depository participants in case of holding shares in de-mat form. If holding shares in physical form, Members are requested to inform their e-mail ID to the Company.
6. Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
7. The Register of Members and Share transfer books of the Company shall remain closed from Friday, 21st September, 2018 to Thursday, 27th September, 2018 (both days inclusive)
8. Shareholders seeking any information and having any query with regard to accounts are requested to write to the company in advance so as to enable the Management to keep the information ready.
9. Members are requested to bring their own copies of Annual Report; no spare copies will be available at the venue of meeting.
10. THE COMPANY WHOLE-HEARTEDLY WELCOMES MEMBERS/PROXIES AT THE ANNUAL GENERAL MEETING OF THE COMPANY. THE MEMBERS/ PROXIES MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.
11. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
- i. Open the e-mail and also open PDF file namely "BGL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Bhagawati Gas Limited. Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to aroracs2@gmail.com, with a copy marked to evoting@nsdl.co.in
 - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the -downloads section of www.evoting.nsdl.com
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

Other Instructions:

- i. The e-voting period commences on Monday, September 24, 2018 (9.00 a.m. IST) and ends on Wednesday, September 26, 2018 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 20th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 20th September, 2018.
- iii. Deepak Arora & Associates, Practicing Company Secretary (Membership No. FCS 5104), has been appointed as the Scrutinizer to scrutinize the e- voting process (including the Ballot Form received from the Members who do not

have access to the e-voting process) in a fair and transparent manner.

- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. 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, Deepak Arora & Associates, Practicing Company Secretary (Membership No. 5104), at the Registered Office of the Company on or before the date of Annual general meeting i.e. Thursday, September 27, 2018.
Members have the option to request for physical copy of the Ballot Form by sending an e-mail to bhagwatigases@gmail.com by mentioning their Folio / DP ID and Client ID No.
A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bglgroup.in and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 44th AGM of the Company on September 27, 2018 and communicated to the Bombay Stock Exchange Limited where the shares of the Company is listed.

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789
Date: 14th August, 2018
Place: Delhi

For **Bhagawati Gas Limited**
SD/-
Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

ANNEXURE TO THE NOTICE OF 44th AGM

- # Mrs. Shachi Bhardwaj (DIN: 07232850) is retiring by rotation at the date of ensuing Annual General Meeting and being eligible offers herself for re-appointment.

Information pursuant to Regulation of SEBI (LODR) Regulations, 2015 with the stock exchanges in respect of the Director who is proposed to be appointed/re-appointed at the ensuing Annual General Meeting to be held on 27th September, 2018:

Further, as stipulated under SS-2, a brief profile of Mrs. Shachi Bhardwaj is given as under:

Brief Profile

Name	Shachi Bhardwaj
Age	52 Years
Qualifications	Matric Pass
Experience	House wife
Terms and Conditions of appointment	As per agreement
Details of remuneration	Nil
Date of first appointment	08/07/2015
Shareholding in the Company	5.84%
Relationship with other director/Manager and other KMP	Mr. Rakesh Samrat Bhardwaj-Spouse
Directorships of other Board	NIL
Membership/Chairmanship of Committees of other Board	NIL

BY ORDER OF THE BOARD OF DIRECTORS

FOR BHAGAWATI GAS LIMITED

PLACE: Delhi

DATE: 14th August, 2018

Sd/
Rakesh Samrat Bhardwaj
Managing Director

BOARD'S REPORT

To
Dear Shareholders,
Bhagawati Gas Limited

Your directors have pleasure in presenting their 44th Annual Report, together with the financial statement of the Company, for the financial year ended 31st March, 2018 as follows:

FINANCIAL RESULTS

The Financial Performance of the Company for the year ended on 31st March, 2018 is as follows:

(Amount in lacs)

Particulars	2017-18	2016-2017
Gross Income	18.06	17.39
Gross Profit (before extra ordinary items, interest, depreciation and tax)	(41.94)	(46.01)
Bad debts written off	-	-
Interest	7.73	9.77
Depreciation	28.23	39.41
Provision for Tax	(4.46)	(48.33)
Net Profit/(Loss)	(73.45)	(46.85)
Other comprehensive income Items that will not be reclassified to profit or loss (i)Remeasurements of the defined benefit plans	2.11	1.41
Total Comprehensive Income for the year	(71.34)	(45.44)

OPERATIONS REVIEW

The Company's oxygen plants at Khetri Nagar, Rajasthan continued to remain closed because its main purchaser Hindustan Copper Ltd (HCL) has not yet restarted its smelter plant operation. This resulted in huge financial losses to the Company.

DIVIDEND

In view of loss, the Board of Directors does not recommend any dividend for the year ended March 31, 2018.

RESERVES

For the period under review the Board is not transferring any amount to General Reserve Account of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations and financial position of the Company have been provided as **Annexure A** which forms part of the Directors' Report.

DETAILS OF SUBSIDIARY AND ASSOCIATE COMPANIES

There are no subsidiaries or associate companies.

PUBLIC DEPOSITS

During the year, the Company has not invited or accepted any deposit from the public under Section 73 of the Companies Act, 2013. No public deposit is outstanding during the Financial Year 2017-18.

COMPULSORY DELISTING OF COMPANIES

The equity shares of Company are listed at Bombay Stock Exchange Limited (BSE). The Company has not paid the listing fee from last few years to BSE due to financial constraint.

Recently, after closure of the financial year the company has been delisted from the platform of exchange w.e.f. May 11, 2018 under compulsory delisting of the companies as per notice issued by the BSE Limited in Financial Express Newspaper dated May 12, 2018.

The Exchange has issued public notice dated March 24, 2018 in terms of Regulation 22 (3) of SEBI (Delisting of Equity Shares) Regulations-2009, proposing to delist certain companies, which had been suspended for a period of more than 6 months on account of non compliance with various clause/regulations of the erstwhile Listing Agreement/Listing Regulations, 2015, from the exchange.

The securities of the Company cease to be listed w.e.f. May 11, 2018 and therefore are not available for trading on the platform of Exchange.

In this regard, the company has made communication with BSE Limited that the company has not received any notice regarding delisting of the company and after that receive such notices from BSE LIMITED. Further, the company has drawn a Cheque of Rs. 50,000/-for settlement of Listing Fees case pending with BSE Limited as a first installment with a request to prepare consent terms to settle the matter finally and communicate that payment of entire amount of outstanding dues will be paid off by October, 2018.

CAPITAL STRUCTURE

Paid up Share Capital of Company is 1,67,42,459 equity shares of Rs. 10/- each. There is no change in the Authorized, Issued, Subscribed and Paid up share capital of the Company during the period under review.

DIRECTORS, KEY MANAGERIAL PERSONS AND CHANGES THEREIN

Mrs. Shachi Bhardwaj (DIN: 07232850), Director of the Company whose period of office is liable to retire by rotation pursuant to provisions of Company Act, 2013 and as per Articles of Association of the Company retires by rotation at the ensuing AGM and being eligible offers herself for re-appointment.

Further, Board of directors has informed to the members of the company that after the closing of Financial Year Ms. Shalini Chhonkar, has given her consent to be appointed as Company Secretary and Compliance Officer of the Company with effect from April 02, 2018.

Further, Board of directors has informed to the members of the company that after the closing of Financial Year Mr. Gokulanand Mukherjee (DIN: 00038221) has tendered his resignation from Directorship of the company with effect from April 02, 2018 and the same has been accepted. The Board appreciated his association with the Company and the support which he has rendered during her tenure.

Thus, the Board of Directors of BHAGAWATI GAS LIMITED is a balanced one with an optimum mix of Executive and Non Executive Directors. They show active participation at the board and committee meetings, which enhances the transparency and adds value to their decision making.

At present, the Board of company consists of four (4) Directors. The composition and category of Directors is as follows:

Category	Name of Directors	DIN
Executive Director	RAKESH SAMRAT BHARDWAJ	00029757
Non-Executive Directors	SHACHI BHARDWAJ	07232850
Non Executive & Independent Director	GANGA CHARAN	00387567
	KAILASH CHAND KEDIA	01243510

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), with respect to Directors' Responsibility Statement, your Directors confirm that:

- i) That in preparation of annual accounts for the financial year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;
- ii) That they have selected such accounting policies described in the notes to accounts which have been applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true & fair view of the state of affairs of the company at the end of financial year 2017-2018 and of the Profit & Loss of the company for the period under report;
- iii) That they have taken proper and sufficient care 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;
- iv) We have prepared the annual accounts on a going concern basis;
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MEETINGS

During the year 05 (five) Board Meetings were convened and held. The details of which are given in the **Corporate Governance Report**. The intervening gap between the Meetings was within the period prescribed under the Companies Act 2013.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given their declarations under section 149 (6) and section 149 (7) of the Companies Act, 2013 and the Rules made thereunder. In the opinion of the Board, the Independent Directors fulfill the conditions relating to their status as an Independent Director as specified in section 149 of the Companies Act, 2013 read with rules made thereunder as well as Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Independent Directors namely, Mr. Ganga Charan (DIN: 00387567) and Mr. Kailash Chand Kedia (DIN: 01243510) have given their declarations that they met the criteria of independence as prescribed as per above Section of the Companies Act, 2013.

DETAILS OF POLICIES

I. Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Company's Remuneration Policy is available on the Company's website at www.bglgroup.in.

II. Risk Management Policy

Business Risk evaluation and Management is an ongoing process within the Organization. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Board has framed a Risk Management Policy for the Company. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

At present the company has not identified any element of risk which may threaten the business (or) existence of the Company.

III. Whistle Blower Policy – Vigil Mechanism

The Board of Directors has formulated a Whistle Blower Policy/Vigil Mechanism which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013.

The Company's Whistle Blower Policy/Vigil Mechanism encourages Directors and employees to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud or violation of the Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the Whistle Blower Policy/Vigil Mechanism is overseen by the Audit Committee and no employee has been denied access to the Committee. The Whistleblower Policy is available on the Company's corporate website at www.bglgroup.in.

IV. CORPORATE GOVERNANCE

As required by Regulation 34(3) read with Part E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on corporate governance is provided as **Annexure B** which forms part of the Board's Report. The Company is in compliance with the requirements and disclosures that have to be made in this regard.

AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 139,141, 142 of the Act and the rules framed thereunder, M/s Mohan L. Jain & Co., Chartered Accountants, Delhi is appointed as statutory auditor of the company.

AUDITOR'S OF THE COMPANY:

● **STATUTORY AUDITOR**

M/s Mohan L. Jain & Co., Chartered Accountants , Delhi, having (FRN: 005345N) were appointed as Statutory Auditor of the Company pursuant to the provisions of Section 139,141, 142 of the Act and the rules framed thereunder in the 43rd Annual General Meeting of the company for a term of Five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

M/s Mohan L. Jain & Co., Chartered Accountants, Delhi, will hold office for a period of five consecutive years from the conclusion of the 43rd Annual General Meeting of the Company till the conclusion of the 48th Annual general Meeting to be held in the year 2022.

As per the provisions of Section 40 of the Companies (Amendment) Act, 2017 there is no requirement for ratification of appointment of statutory auditor at every AGM of the Company and therefore, it is not required to ratify the appointment every year.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from **M/s Mohan L. Jain & Co., Chartered Accountants,** to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under.

STATUTORY AUDITOR'S REPORT

The qualification/observation of the Auditor's given in the Auditor's Report are self-explanatory and have been explained/ clarified, wherever necessary, in the notes to the Financial Statements and reply of such qualifications are as under:

REPLY BY MANAGEMENT ON AUDITORS QUALIFIED OPINION:

- i. In respect of auditors' observation regarding non-provision for receivables, doubtful advances aggregating to Rs. 146,325,761 as to when and to what extent said amount would be recovered, it is submitted that company is trying to get confirmation from the customers/ external parties and expects to receive the same by the end of upcoming quarter i.e. 30th September, 2018.
- ii. In respect of auditors' observation regarding closure of company's plant during the year and doubt on company's ability to continue as going concern, the company is trying to arrange additional funds for obligations pertaining to borrowings, unpaid creditors and statutory dues.
- iii. In respect of auditors' observation regarding bank balance confirmation of Rs. 55,763, request has been forwarded to the bank and upon the receipt of the same, will be submitted to auditor.
- iv. In respect of auditors' observation regarding interest free inter corporate loan granted by the Company of Rs. 11,716,188, it is submitted that the Company and the borrower Company are considering the conversion of the said loan into equity. The terms of conversion are in process.

● **SECRETARIAL AUDITOR**

As per Section 204 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company is required to appoint Secretarial Auditor to carry out secretarial Audit of the Company.

In consonance with the requirements of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and rules made there under, M/s ATCS & Associates, Company Secretaries in Practice, Jaipur, was

appointed to conduct the secretarial audit of the Company for the financial year 2017-18 & 2018-19.

SECRETARIAL AUDITOR'S REPORT

A Secretarial Audit Report issued by M/s ATCS & Associates, Company Secretaries in Practice, in respect of the secretarial audit of the Company for the financial year ended 31st March, 2018, is given in **ANNEXURE F** to this Report and it carries the following qualifications:

1. The company has not filed Form DIR-12 for the regularization of Mrs. Shachi Bhardwaj who was appointed as an Additional Director with effect from July 08, 2015 and regularized in the Annual General Meeting held on September 30, 2015.
2. The Company has not appointed Chief Financial Officer as per Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
3. Form MGT 14 for Approval of Accounts and Board's Report was not filed during the year.
4. Form MGT 15 for Report on Annual General Meeting was not filed during the year.
5. CIN is not printed on letterheads of the company to comply with the provision of Section 12 (3)(c) of the Companies ACT, 2013.
6. Company has its Website but it is not maintained as per the requirement of the Act and SEBI Guidelines.
7. There was no Company Secretary in the company during the Financial Year. However, recently company has appointed Company Secretary w.e.f. 02.04.2018.
8. The company has not paid Listing Fees from last few years to the Stock Exchange.
9. The trading of the company was suspended on exchange and recently, the company has been delisted from platform of the exchange of BSE Limited with effect from May 11, 2018 as per public notice of BSE in financial express newspaper dated 12.05.2018.
10. We have not found receipt of notices and proof of dispatch of notices to members of the company for the general meeting held during the financial year, for which management clarified that they are sending the same in due course by ordinary post and meeting was duly held in which proper quorum was present and no complain for not receiving notice was received by the company during the financial year.
11. Hundred percent Shareholding of promoter(s) and promoter group is not in dematerialized form as required under Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
12. Disclosure in Board's Report and Corporate Governance Report was not according to relevant provisions of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
13. The Company had granted interest free unsecured loan to a Company covered under section 189 of the Companies Act, 2013. The Company has not provided interest on the said loan as prescribed u/s 186 (7) of the Companies Act, 2013.
14. The company has not complied with following regulations of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 and other SEBI Regulations:
 - a) As per regulation 7 (3), no compliance certificate was submitted to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent.
 - b) As per regulation 40(9), Certificate from a practicing company secretary certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies was not submitted to the exchange.
 - c) As per Regulation 34, Annual Report was not submitted to the exchange.
 - d) As per Regulation 44, the company has not submitted conclusion report of its general meeting details regarding voting results to the exchange.
 - e) The company has not filed the Reconciliation of Share Capital in term of Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996.

Apart from above, we are unable to check other compliances on BSE portal as the company has been delisted from the exchange.

In respect of above stated qualifications, your Directors would like to clarify that trading was suspended before the closure of Financial Year 2016-17 of the Company and due to lack of expert professional advice and unavoidable circumstances, company has not make the necessary compliances during the period.

Further, the company has delisted from the Exchange after closure of the financial year. However, a positive communication has started with BSE Limited for settlement and the company is in the process to make such compliances with professional advice and it will take care in the future.

- **COST AUDITOR**

The requirement of Cost Audit in your industry has been excluded/ removed in The Companies (Cost Records and Audit) Rules, 2014, issued by the Ministry of Corporate Affairs vide its notification dated 30th June, 2014. Therefore, no appointment was made of the Cost Auditor to carry out the Cost Audit for the financial year ended 31st March, 2018 and there is no requirement of maintenance of cost records as per section 148 of the Companies Act, 2013.

- **INTERNAL AUDITOR**

M/s Jain Paras Bilala & Co., Chartered Accountant, Jaipur was appointed to conduct Internal Audit of the company for the financial year 2017-18 as required under Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other rules and provision thereunder and the Board of Director has appointed M/s Jain Paras Bilala & Co, Chartered Accountant, Jaipur is appointed to conduct Internal Audit of the company for the financial year 2018-19.

CORPORATE SOCIAL RESPONSIBILITY

The Directors of the Company are pleased to inform you that the provision of Section 135 of the Companies Act 2013 is not applicable on the company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 is given in **Annexure C** which forms part of the Directors' Report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The particulars of loans given, guarantees given securities provided and investments made under the provisions of Section 186 of the Companies Act, 2013 are provided in the financial statement, which forms a part of the Annual Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

The equity shares of Company are listed at Bombay Stock Exchange Limited (BSE). The Company has not paid the listing fee for last few years to BSE due to financial constraint.

Recently, after closure of the financial year the company has been delisted from the platform of exchange w.e.f. May 11, 2018 under compulsory delisting of the companies as per notice issued by the BSE Limited in Financial Express Newspaper dated May 12, 2018.

The Exchange has issued public notice dated March 24, 2018 in terms of Regulation 22 (3) of SEBI (Delisting of Equity Shares) Regulations-2009, proposing to delist certain companies, which had been suspended for a period of more than 6 months on account of non compliance with various clause/regulations of the erstwhile Listing Agreement/Listing Regulations, 2015, from the exchange.

The securities of the Company cease to be listed w.e.f. May 11, 2018 and therefore are not available for trading on the platform of Exchange.

In this regard, the company has made communication with BSE Limited that the company has not received any notice regarding delisting of the company and after that receive such notices from BSE LIMITED. Further, the company has drawn a Cheque of Rs. 50,000/-for settlement of Listing Fees case pending with BSE Limited as a first installment with a request to prepare consent terms to settle the matter finally and communicate that payment of entire amount of outstanding dues will be paid off by October, 2018.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. There was no materially significant transaction with the related parties during the financial year which were in conflict with the interests of the company. Disclosure of transactions with related parties as required under the Accounting Standard (AS-18) has been made in the notes forming part of Financial Statement. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and SEBI "LODR".

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 is disclosed in Form AOC 2 in **Annexure D** is annexed to this report.

Your Directors draw attention of the members to Note 26 to the financial statement which sets out related party disclosures.

PARTICULARS OF EMPLOYEES AND MANAGERIAL REMUNERATION

The details of employees/managerial persons remuneration as required to be given U/s 197 of the Companies Act, 2013 read along with Rule 5(2) of the Companies (Appointment and remuneration of managerial personnel) Rule 2014 as applicable is attached herewith as **Annexure E**.

Apart from that, there are no employees in the company whose particulars are required to be disclosed in the Report.

DETAILS OF PECUNIARY RELATIONSHIPS OR TRANSACTIONS OF THE NON EXECUTIVE INDEPENDENT DIRECTOR VIS-À-VIS THE COMPANY

There are no pecuniary relationships or transactions of the non executive independent director vis-à-vis the company for the period ending March 31, 2018.

BOARD'S FORMAL ANNUAL EVALUATION

Pursuant to the provisions of Section 134 (3) (p) the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

While Independent directors in their separate meeting have carried out to assess the performance of Chairman and other Directors of the Board more particularly about their business acumen and contribution to the Company, the performance evaluation of the Independent Directors was carried out by the entire Board.

The Independent Directors expressed their satisfaction with the evaluation process, functioning such as adequacy of the composition of the Board of Directors and its Committees, Board culture, execution and performance of duties, obligations, responsibilities and governance.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

The Company is availing services of professionals for looking at the best practices prevalent in the industry and advising with respect to evaluation of board members. On the basis of recommendations of the professionals and the policy for performance evaluation of Independent Directors, Board, Committees and other individual directors, a process of evaluation was followed by the board for its own performance and that of its committees and individual directors.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has identified and documented all key internal financial controls, which impact the financial statements. The financial controls are tested for operating effectiveness through ongoing monitoring and review process of the management and independently by the Internal Auditors. In our view the Internal Financial Controls, affecting the financial statements are adequate and are operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

BSE limited issued a Public Notice in Financial Express Newspaper dated May 12, 2018, according to that, the company has been delisted from the platform of exchange w.e.f May 11, 2018. Apart from that, no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

EXTRACT OF ANNUAL RETURN

Relevant extract of Annual Return as on the Financial Year ended on March 31st, 2018 is given in **ANNEXURE –G** to this Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set upto redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has not received any complaint on sexual harassment during the financial period ended March 31, 2018.

MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.

During the year under review, the independent directors met on 03.06.2017 inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non- Executive directors.
- Evaluation of the quality, content and timeliness of flow of information between the management and the board that is necessary for the board to effectively and reasonably perform its duties.
- Review the mechanism of safeguard the interests of all Stakeholders.

INVESTOR GRIEVANCE REDRESSAL

The number of complaints received and resolved to the satisfaction of investors during the year under review. There were no pending complaint or share transfer cases as on 31st March 2018, as per the certificate given by RTA.

PROHIBITION OF INSIDER TRADING

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.
4. There were no frauds found which have been reported to the Audit Committee / Board members as well as to the Central Government. Further, there was no fraud reported by auditors under section 143 (12) of the Companies Act, 2013.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Central & State Government, Local Authorities, Clients, Vendors, Advisors, Consultants and Associates at all levels for their continued guidance and support. Your Directors also wish to place on record their deep sense of appreciation for their commitment, dedication and hard work put in by every member of the Company.

For Bhagawati Gas Limited

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789

Date: 14th August, 2018
Place: Delhi

Sd/-
Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

Annexure A

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT INDUSTRIAL GAS INDUSTRY

According to the report "India Industrial Gases Market Forecast & Opportunities, 2018" the industrial gases market in the country is expected to grow at CAGR of 14% by 2018. India's market for tonnage plants as well as merchant or small sized plants is witnessing growth as a result of growth in industrial as well as commercial market. The commercial market is influenced by growth in light engineering industry as well as metal fabrication industry, being clustered in northern and western regions of the country. Similarly, industrial gases market is influenced by growth in steel and refineries sector, being concentrated in eastern and southern part of the country. Positive government policies to drive investments in iron and steel sector, coupled with estimated domestic demand of more than 110 Million Metric Tonnes is expected to drive capacity addition in steel industry. This is further expected to drive demand for tonnage plants, positively impacting overall industrial gases market in India. Apart from this, capacity addition in refineries are driving demand for nitrogen gases, which are solely used to improve efficiency in refineries for processing of crude oil as well as pressure and purging applications.

FUTURE OUTLOOK

The Company is expecting that Hindustan Copper Ltd (HCL) may restart smelter operation at Khetri Nagar in the near future and accordingly the oxygen plant of the company will also restart.

Rapid urbanization, dwindling fresh water reserves, a widening demand-supply gap and a depleting groundwater table will keep the water treatment business thriving for a long time. An Ernst & Young (E&Y) study says the Indian water sector could require investment of around \$130 billion till Wastewater management, in particular, is emerging as a key thrust area. Water availability is a huge challenge for everyone today in industry, and decisions on industrial locations are now taking into account the availability of adequate water. Public awareness is also growing very fast with the Internet explosion as information flows across geographies in minutes.

The Indian water and wastewater market is growing at a steady rate of 10-12 percent every year. Government-related projects contribute over 50 percent of the revenues in this market while private sector funds constitute the rest of it.

With the growing rate of industrialization and urbanization India faces up with the major challenge of providing for the robust and clean water supplies for all domestic and commercial needs. Also, a conscious effort is on from Government in regards to reduce the pollution levels amongst country's fresh water river sources and better accommodate the guidelines and regulations for maintaining the clean sources of water.

The increasing government regulations and focus on water and water management such as the Swachh Bharat Mission, the Clean Ganga initiative, the National Rural Drinking Water Programme, along- with stricter enforcement of the environmental norms for polluted water discharge, reduced carbon footprint, waste water treatment and requirement of zero liquid discharge plants from various industries will also drive the demand for water and wastewater treatment solutions.

During the period under review, your company took the initiative to diversify its activities and decided to enter into the business of Waste water treatment through phyco remediation technology. Technical papers have been prepared and technical presentation has been conducted before various Government Departments including "Navami Ganga Authority". The company have received Sanction letter from National Mission for Clean Ganga (NMCG) for treatment of Gulaothi Drain, Bulandshahr, using Bio-remediation. Your company is expecting to get good opportunities in this area in the coming years.

HUMAN RESOURCES

Your company considers human resources a key element. The company has a competency based performance and potential appraisal systems for identifying and developing managerial talents and is reviewed on an ongoing basis. Emphasis is laid on providing adequate training to its employees, to meet the attitudinal and cultural values of the organization ethos to achieve customer satisfaction.

CORPORATE GOVERNANCE

The Company follows principle of effective Corporate Governance. The endeavor of the Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay emphasis on integrity, transparency and overall accountability. The Company adheres to most of the recommendations made by the SEBI and incorporated by the Stock Exchanges in the Standard Listing Agreement. However, due to paucity of funds and unavailability of qualified staff there was a delay in complying with the condition of Listing Agreement.

INTERNAL CONTROLS

The Company has adequate systems of internal control in place. This is to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly.

The internal control systems are supplemented by an extensive program of internal audits. The internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with policies, plans and statutory requirements.

The top management and the Audit Committee of the Board review the findings and recommendations of the internal audit panel.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report contains some forward looking statements based upon the information and data available with the Company, assumptions with regard to global economic conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Hence it is cautioned that the actual results may differ from those expressed or implied in this report.

For Bhagawati Gas Limited

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789

Date: 14th August, 2018
Place: Delhi

Sd/-
Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

Annexure B

CORPORATE GOVERNANCE REPORT

1. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company follows principle of effective Corporate Governance. The endeavor of the Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay emphasis on integrity, transparency and overall accountability. The Company adheres to most of the recommendations made by the SEBI and incorporated by the Stock Exchanges in the Standard Listing Agreement. However, due to paucity of funds and unavailability of qualified staff there was a delay in complying with the condition of Listing Agreement.

2. BOARD OF DIRECTORS

The Board of Directors is at the core of our corporate governance practice and how the management serves and protects the long term interests of all our stakeholders. The Board of Directors along with its Committees provide leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company. The Board currently comprises of four Directors. The Composition of the Board and directorships held as on 31st March, 2017:

Category	DIN No.	Name of the Director
Executive Director	00029757	Mr. Rakesh Samrat Bhardwaj
Non - Executive Director	07232850	Mrs. Shachi Bhardwaj
Non - Executive Independent Director	00387567	Mr. Ganga Charan
	01243510	Mr. Kailash Chand Kedia

3. BOARD MEETINGS, ATTENDANCE AND OTHER DIRECTORSHIPS

During the year under review, five (5) Board meetings were held on May 30, 2017, September 14, 2017, November 14, 2017, December 14, 2017 and February 14, 2018. The maximum time gap between any two consecutive meetings did not exceed 120 days. The attendance particulars are as follows:

Name of the Director	DIN No.	Attendance Particulars	Other Directorships	Board Committees
		Board Meeting	Last AGM held on 30 th September, 2017	Chairmanship Memberships
Mr. Rakesh Samrat Bhardwaj	00029757	5	YES	07 1 3
Mr. Ganga Charan	00387567	5	YES	NIL 1 2

Mr. Kailash Chand Kedia	01243510	5	YES	NIL	2	1
Mrs. Shachi Bhardwaj	07232850	5	YES	NIL	NIL	NIL

4. AUDIT COMMITTEE

The Company has complied with the requirements of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as regards composition of Audit Committee.

The Audit Committee consists of three (03) members. All the members of the committee have good financial and accounting knowledge. The committee is chaired by Mr. Kailash Chand Kedia (Independent Director).

During the year under review four (5) meetings of Audit Committee were held on on May 30, 2017, September 14, 2017, November 14, 2017, December 14, 2017 and February 14, 2018. The composition of the Audit Committee and the attendance of members at the meetings of the Audit Committee held during the financial year 2017-2018 are as follows:

Name of the Members	Category	Numbers of the Meetings attended
Mr. Kailash Chand Kedia	Independent	5
Mr. Rakesh Samrat Bhardwaj	Non-Independent	5
Mr. Ganga Charan	Independent	5

The Audit Committee meetings were also attended by the statutory auditors, wherever necessary. The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly/half yearly/annual financial statements, reviewing with the management the financial statements and adequacy of internal audit function, recommending the appointment/re-appointment of statutory auditors and fixation of audit fees, reviewing the significant internal audit findings/related party transactions, reviewing the management discussion and analysis of financial condition and result of operations and also statutory compliance issue. The committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

In addition, the committee has discharged such other role/function as envisaged under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 177 of the Companies Act, 2013.

5. NOMINATION AND REMUNERATION COMMITTEE

In terms of Section 178 of the Companies Act, 2013, the Board re-constituted the Nomination Committee and Remuneration Committee into the Nomination and Remuneration Committee.

The Company has complied with the requirements of the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 as regards composition of Nomination and Remuneration Committee.

The Nomination and Remuneration Committee consists of three (03) members. The committee is chaired by Mr. Kailash Chand Kedia (Independent Director).

During the year, one (1) meeting of Nomination and Remuneration Committee was held on August 14, 2017 which was duly attended by all the Committee members.

The composition of the Nomination and Remuneration Committee and the attendance of the members at the meetings of the Nomination and Remuneration Committee held during the financial year 2017-2018 are as follows:

Name of the Members	Category	Numbers of the Meetings attended
Mr. Kailash Chand Kedia	Independent	1
Mr. Rakesh Samrat Bhardwaj	Non-Independent	1
Mr. Ganga Charan	Independent	1

The purpose of the committee is to oversee the Company's nomination process for the senior management and specifically to identify, screen and review individuals qualified to serve as EDs, NEDs and IDs consistent with the criteria approved by the Board and to recommend for approval by the Board, nominees for election at the AGM of the shareholders.

The Committee also discharges Board's responsibilities relating to compensation of the Company's EDs and senior management. The Committee has overall responsibility of approving and evaluating the compensation plans, policies and programmes for EDs and the senior management. The Committee reviews and recommend to the Board, to approve for the EDs, the base salary, incentives/commission, other benefits, compensation or arrangements and executive employment agreements.

The Committee further recommend to the Board, the remuneration package of the executive directors. Remuneration of the executive directors is governed by the external competitive environment, track record, potential and performance of the executive and performance of the company.

6. **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

In terms of Section 178 of the Companies Act, 2013, the Board re-named the "Investors' Grievance Committee" as the "Stakeholders' Relationship Committee." The remit of the Committee is to consider and resolve the grievances of the security holders of the company, including complaints relating to transfer and transmission of securities, non receipt of dividends and such other grievance as may be raised by the security holders from time to time.

The Stakeholders' Relationship Committee consists of three members. The Committee is chaired by Mr. Ganga Charan (Independent Director).

During the year, four (4) meeting of Stakeholders' Relationship Committee was on May 30, 2017, September 14, 2017, November 14, 2017 and February 14, 2018 which was duly attended by all the Committee members.

The composition of the Stakeholders' Relationship Committee and the attendance of members at the meetings of the Stakeholders' Relationship Committee held during the financial year 2017-2018 are as follows:

Name of the Members	Category	Numbers of the Meetings attended
Mr. Rakesh Samrat Bhardwaj	Non-Independent	4
Mr. Kailash Chand Kedia	Independent	4
Mr. Ganga Charan	Independent	4

7. DIRECTORS' REMUNERATION

Name	Designation	Salary Allowances	Contribution To Provident Fund	Other Benefits	Sitting Fees	Total
Mr. Rakesh Samrat Bhardwaj	Executive Director	6,00,000	0	0	0	6,00,000
Mrs. Shachi Bhardwaj	Non Executive Director	0	0	0	0	0
Mr. Ganga Charan	Non Executive Independent Director	0	0	0	0	0
Mr. Kailash Chand Kedia	Non Executive Independent Director	0	0	0	0	0

The Company doesn't pay any remuneration to its non-executive directors except sitting fee for attending the meetings of the board and committee thereof. The Company currently does not have Stock Option Schemes.

8. GENERAL MEETINGS

Financial Year Ended	Date	Time	Venue	Special Resolution Passed
2017	September 30, 2017	11.00 A.M	Banawas, Khetrinagar, Distt.- Jhunjhunu, Rajasthan-333504	1. Grant loan(s), / give guarantee(s) or security (ies) and make investment in securities by the company in terms of section 186
2016	September 30, 2016	01.00 P.M	Banawas, Khetrinagar, Distt.- Jhunjhunu, Rajasthan-333504	NA

2015	September 30, 2015	11.00 A.M	Banawas, Khetrinagar, Distt.- Jhunjhunu, Rajasthan- 333504	1. Appointment of Mrs. Shachi Bhardwaj (DIN: 07232850) as Director of the Company
2014	September 30, 2014	11.00 A.M	Banawas, Khetrinagar, Distt.- Jhunjhunu, Rajasthan- 333504	1. Appointment of Mr. Ganga Charan as an Independent Director. 2. Appointment of Mr. Kailash Chand Kedia as an Independent Director. 3. Re-appointment of Mr. Rakesh Samrat Bhardwaj as Managing Director of the Company. 4. Authorisation to sell, lease, charge and/or mortgage or otherwise dispose off all or any of the immovable and movable property, undertaking/assets of the company.

9. RESOLUTIONS PASSED THROUGH POSTAL BALLOT:

During the year no resolutions were passed through postal ballot.

10. DISCLOSURES CODE OF CONDUCT

The Company has adopted the Code of Conduct for EDs, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the EDs as well as Senior Management Personnel regarding compliance of the Code during the year under review. It has also adopted the Code of Conduct for NEDs of the Company. The Company has received confirmations from the NEDs regarding compliance of the Code for the year under review. Both the Codes are posted on the website of the Company.

11. DETAILS OF NON-COMPLIANCE

With regards to the matters related to capital markets, the Company has complied with requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except as qualified in the report of Auditors and their explanation by the management as given in the heading Auditors and Auditor's Report of Board's Report.

12. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required by Regulation 34 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors' certificate is annexed to this report.

13. CEO AND CFO CERTIFICATION

As required by Regulation 17 read with Regulation 34 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO have given appropriate certifications to the Board of Directors.

14. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under Section 188 of the Companies Act, 2013 and Regulation 23 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year were on an arm's length price basis and in the ordinary course of business. The Board of Directors has adopted a policy on Related Party Transactions and the same has been prepared but yet to be uploaded on the website of the Company.

15. WHISTLE BLOWER POLICY

The Company at present has formulated a Whistle Blower mechanism in place.

INFORMATION TO INVESTORS

Annual General Meeting

Date	September 27, 2018
Time	11.00 AM
Venue	Banawas, Khetrinagar - 333504, Distt - Jhunjhunu, Rajasthan
Financial Year	2017-18
Book Closure	September 21, 2018 to September 27, 2018

DISTRIBUTION OF SHAREHOLDING OF ORDINARY SHARES

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
1	2	3	4	5
Up To 5,000	20241	88.6	29055550	17.35
5001 To 10,000	1268	5.55	11354530	6.78
10001 To 20,000	605	2.65	9801340	5.85
20001 To 30,000	218	0.95	5714740	3.41
30001 To 40,000	119	0.52	4316180	2.58
40001 To 50,000	120	0.53	5815590	3.47
50001 To 1,00,000	147	0.64	11262620	6.73
1,00,000 and Above	127	0.56	90104040	53.82
Total	22845	100	167424590	100

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2018

Category	No. of shares held	Percentage of shareholding
Promoter's Shareholding	5730443	34.23
Non Promoter's Shareholding/Public	11012016	65.77
Others	0	0

LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on the following stock exchanges: The Bombay Stock Exchange Limited (BSE)

P.J.Towers, Dalal Street,
Fort, Mumbai-400001

STOCK CODE:

For equity shares:

Bombay Stock Exchange Limited : 500051

International Security Identification Number: INE099C01010

Corporate Identity Number (CIN) : L24111RJ1974PLC005789

MARKET PRICE DATA: (AS OBTAINED FROM BSE)

Trading of the company was suspended before closure of FY 2016-17 and recently, after closure of the financial year 2017-18 the company has been delisted from the platform of exchange w.e.f. May 11, 2018 under compulsory delisting of the companies as per notice issued by the BSE Limited in Financial Express Newspaper dated May 12, 2018. So, we are unable to provide the price data.

In this regard, the company has made communication with BSE Limited that the company has not received any notice regarding delisting of the company and after that receive such notices from BSE LIMITED. Further, the company has drawn a Cheque of Rs. 50,000/-for settlement of Listing Fees case pending with BSE Limited as a first installment with a request to prepare consent terms to settle the matter finally and communicate that payment of entire amount of outstanding dues will be paid off by October, 2018.

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited,
A, Okhla Industrial Area, Phase - I, New Delhi - 110 020

E- Mail	admin@skylinerta.com
Phone Nos.	011- 40450193 to 97

SHARE TRANSFER SYSTEM

In compliance of SEBI requirement, Share transfers are entertained, both under Demat Form and Physical Form. Share Transfers in respect of physical shares are normally effected within 10-15 days from the date of receipt.

STATUS OF INVESTORS' COMPLAINTS

The status of investors' complaints as on March 31, 2018 is as follows:	
Number of complaints as on April 1,2017	0
Number of complaints received during the financial year 2017-18	0
Number of complaints resolved up to March 31,2018	0
Number of complaints pending as on March 31,2018	0

DIRECTORS' SHAREHOLDING

Name of Directors	No. of Shares Held
Mr. Rakesh S Bhardwaj	2347610
Mrs. Shachi Bhardwaj	977600

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

The Company has not issued any GDRs/ADRs/ Warrants & convertible instruments.

REGISTERED OFFICE & PLANT LOCATION

Banawas, Khetrinagar, Distt.-Jhunjhunu, Rajasthan-333504.

Phone : 01593-221478-80

Fax : 01593-221477

CORPORATE OFFICE

S 492/A, Greater Kailash-I, New Delhi-110048

Phone : 011-

E-mail : bhagwatigases@gmail.com

NAME, DESIGNATION AND CONTACT

Mr. Rakesh Samrat Bhardwaj Chairman & Managing Director, 0120-4749901

DETAILS OF THE COMPLIANCE OFFICER

SHALINI CHHONKAR

Company Secretary

Bhagawati Gas Limited

S 492/A,

Greater Kailash-I,

New Delhi-110048

Phone: 011-49120719

E-mail: bhagwatigases@gmail.com

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT OF THE COMPANY AS PER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Rakesh Samrat Bhardwaj, Chairman & Managing Director of Bhagawati Gas Limited hereby declare that, as of March 31, 2018, all the Board members and senior management personnel have affirmed compliance with the Code of Ethics of the Company.

For Bhagawati Gas Limited

Place: Delhi
Date: 14.08.2018

Sd/-
Rakesh Samrat Bhardwaj
Chairman & Managing Director

CERTIFICATION FROM CEO AND CFO**

IN TERMS OF REGULATION 17 READ WITH REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, hereby, to the best of our knowledge and belief, certify that:

- a) We have reviewed financial statements and the cash flow statements for the year 2016-2017:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are no transactions, entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year, if any;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
 - (iii) instances of fraud, whether or not significant, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Bhagawati Gas Limited

Place: Delhi
Date: 14.08.2018

Sd/-
Rakesh Samrat Bhardwaj
Chairman & Managing Director

** Since there is no CEO or CFO in the Company, the above declaration is given by Mr. Rakesh Samrat Bhardwaj, Managing Director of the Company.

ANNEXURE C

Information as per under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of companies (Accounts) Rules,2014 for the year ended 31st March, 2018

- A. Conservation of Energy- Not Applicable as the operations of the Company has been temporarily closed.
- B. Research & Development
- a) Specific area in which R & D carried out by the Company
- Research and Development not carried as the manufacturing operations are shut down due to shut down of smelter of Hindustan Copper Limited.
- b) Benefits derived as a result of the above Research & Development Not applicable
- c) Future Plan of Action
Research and Development activities shall be resumed on resumption of manufacturing activity.
- d) Expenditure on R & D Not applicable.
2. Technology absorption, adaptation & innovation
- a) Efforts made towards technology absorption, adaptation and innovation
The Company has successfully absorbed the technology of the plants supplied by the manufacturers.
- b) Benefits derived as a result of the above efforts: Not applicable.
- c) Particulars relating to imported technology:
Nil

C. Foreign Exchange Earnings and Outflow

(Amount in `)

Particulars	2017-2018	2016-2017
Foreign Exchange Outflow		
-Traveling Expenses (on Accrual Basis)	0	0
Total	0	0
Foreign Exchange Earning	0	0

For Bhagawati Gas Limited

Regd. office:
Banawas, Khetri Nagar,
Jhunjhunu,
Rajasthan-333504
CIN: L24111RJ1974PLC005789

Sd/-
Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

Date: 14th August, 2018

Place: Delhi

ANNEXURE D

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions'	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions'	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

For Bhagawati Gas Limited

Sd/-

Date: 14th August, 2018

Place: Delhi

Rakesh Samrat Bhardwaj

Managing Director

DIN:00029757

ANNEXURE- E

Remuneration paid to Managing Director for the period ended 31.3.2018

Name	Designation	Salary & Allowances Fund	Contribution To Provident	Other Benefits	Sitting Fees	Total
Mr. Rakesh S Bhardwaj	Executive Chairman & Managing Director	6,00,000	0	0	0	6,00,000

Date: 14th August, 2018
Place: Delhi

For Bhagawati Gas Limited

Sd/-

Rakesh Samrat Bhardwaj
Managing Director
DIN:00029757

ANNEXURE- F

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

BHAGAWATI GAS LIMITED

BANAWAS, KHETRI NAGAR, JHUNJHUNU-333504 RAJASTHAN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhagawati Gas Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing

- with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period) and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof;
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (Notified w.e.f. 01.07.2015 and revised w.e.f. 01.10.2017);
- ii. The Listing Agreements entered into by the Company with BSE Ltd and CSE Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1) The company has not filed Form DIR-12 for the regularization of Mrs. Shachi Bhardwaj who was appointed as an Additional Director with effect from July 08, 2015 and regularized in the Annual General Meeting held on September 30, 2015.
- 2) The Company has not appointed Chief Financial Officer as per Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- 3) Form MGT 14 for Approval of Accounts and Board's Report was not filed during the year.
- 4) Form MGT 15 for Report on Annual General Meeting was not filed during the year.
- 5) CIN is not printed on letterheads of the company to comply with the provision of Section 12 (3)(c) of the Companies ACT, 2013.
- 6) Company has its Website but it is not maintained as per the requirement of the Act and SEBI Guidelines.
- 7) There was no Company Secretary in the company during the Financial Year. However, recently company has appointed Company Secretary w.e.f. 02.04.2018.
- 8) The company has not paid Listing Fees from last few years to the Stock Exchange.
- 9) The trading of the company was suspended on exchange and recently, the company has been delisted from platform of the exchange of BSE Limited with effect from May 11, 2018 as per public notice of BSE in financial express newspaper dated 12.05.2018.
- 10) We have not found receipt of notices and proof of dispatch of notices to members of the company for the general meeting held during the financial year, for which management clarified that they are sending the same in due course by ordinary post and meeting was duly held in which proper quorum was present and no complain for not receiving notice was received by the company during the financial year.
- 11) Hundred percent Shareholding of promoter(s) and promoter group is not in dematerialized form as required under Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 12) Disclosure in Board's Report and Corporate Governance Report was not according to relevant provisions of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 13) The Company had granted interest free unsecured loan to a Company covered under section 189 of the Companies Act, 2013. The Company has not provided interest on the said loan as prescribed u/s 186 (7) of the Companies Act, 2013.
- 14) The company has not complied with following regulations of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 and other SEBI Regulations:
 - a) As per regulation 7 (3), no compliance certificate was submitted to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent.
 - b) As per regulation 40(9), Certificate from a practicing company secretary certifying that

all certificates have been issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies was not submitted to the exchange.

- c) As per Regulation 34, Annual Report was not submitted to the exchange.
- d) As per Regulation 44, the company has not submitted conclusion report of its general meeting details regarding voting results to the exchange.
- e) The company has not filed the Reconciliation of Share Capital in term of Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996.

Apart from above, we are unable to check other compliances on BSE portal as the company has been delisted from the exchange.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the company has taken approval of shareholders for related party transaction in the Annual General Meeting held on 29.09.2017. Apart from this during the audit period, the Company has not undertaken any events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Jaipur
Date: 14.08.2018

For ATCS & Associates
Practicing Company Secretaries

Sd/-

CS Deepak Arora
Partner
FCS 5104
C P No. : 3641

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE 'A'

To,

The Members

BHAGAWATI GAS LIMITED

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. We have relied upon the Report of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statements of the relevant Financial Year, which give a true and fair view of the state of the affairs of the company.
4. We have relied upon the Report of Statutory Auditors regarding compliance of Fiscal Laws, like the Income Tax Act, 1961 & Finance Acts, the Customs Act, 1962, the Central Excise Act, 1944 and Service Tax.
5. Where ever required, we have obtained the Management representation about the compliance of Laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Jaipur

Date: 14.08.2018

For ATCS & Associates
Practicing Company Secretaries

Sd/-

CS Deepak Arora

Partner

FCS 5104

C P No. : 3641

Annexure G

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule
12(1) of the Company (Management & Administration)
Rules, 2014**

I. REGISTRATION & OTHER DETAILS:

1. CIN	L24111RJ1974PLC005789
2. Registration Date	16/11/1974
3. Name of the Company	BHAGAWATI GAS LIMITED
4. Category/Sub-category of the Company	COMPANY LIMITED BY SHARES/INDIAN NON GOVERNMENT COMPANY
5. Address of the Registered office & contact details	Banawas, Khetrinagar, Distt.-Jhunjhunu, Rajasthan-333504
6. Whether listed company	LISTED
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	NIL	NA	NA

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - There are no holding, subsidiary or associate companies.

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category- wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	42450	4290493	4332943	25.88	42450	4290493	4332943	25.88	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	1397500	1397500	8.35	0	1397500	1397500	8.35	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	42450	5687993	5730443	34.23	42450	5687993	5730443	34.23	0
B. Public Shareholding									
1. Institutions									

a) Mutual Funds	0	24400	24400	0.15	0	24400	24400	0.15	0
b) Banks / FI	0	800	800	0	0	800	800	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify Sub-total (B)(1):-	0	25200	25200	0.15	0	25200	25200	0.15	0

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	591560	811000	1402660	8.38	528947	811000	1339947	8.00	(0.38)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	6407964	1528375	7936339	47.40	5677362	1528075	7205437	43.04	(4.36)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1140516	0	1140516	6.81	1929661	0	1929661	11.53	4.72

c) Others (specify)									
Non Resident Indians	66395	14100	80495	0.48	68165	14100	82265	0.49	0.01
HUF	426706	100	426806	2.55	429406	100	429506	2.57	0.02
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	8633141	2353675	10986816	65.62	8633541	2353275	10986816	65.62	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	8633141	2378875	11012016	65.77	8633541	2378475	11012016	65.77	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	8675591	8067768	16742459	100	8675592	8066868	16742459	100	0

B) Shareholding of Promoter-

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / Shares encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / Shares encumbered to total shares	
1	RAKESH BHARDWAJ	2347610	14.02	0.00	2347610	14.02	0.00	0.00
2	RAMPRATAP SHARMA	10	0.00	0.00	10	0.00	0.00	0.00
3	LAXMICHAND SHARMA	10	0.00	0.00	10	0.00	0.00	0.00
4	DHARAMPAL SAROWA	10	0.00	0.00	10	0.00	0.00	0.00
5	MANSACHARAN CHAKRABARTY	10	0.00	0.00	10	0.00	0.00	0.00
6	MURLIDHAR GUPTA	10	0.00	0.00	10	0.00	0.00	0.00
7	KANTA DEVI BHARDWAJ	33410	0.20	0.00	33410	0.20	0.00	0.00
8	GOKULA NANDA MUKHERJEE	500	0.00	0.00	500	0.00	0.00	0.00
9	SHASHI SHARMA	1000	0.01	0	1000	0.01	0	0
10	RAMRUP SHARMA	171810	1.03	0	171810	1.03	0	0
11	SUMAN SHARMA	6000	0.04	0	6000	0.04	0	0
12	SHACHI BHARDWAJ	977600	5.78	0	977600	5.84	0	0

13	SURESH KUMAR SHARMA	64650	0.39	0	64650	0.39	0	0
14	TARA DEVI SHARMA	11700	0.07	0	11700	0.07	0	0
15	DYUMAN BHARDWAJ	14000	0.08	0	14000	0.08	0	0
16	HIMANSHU SHARMA	449363	2.68	0	449363	2.68	0	0
17	VIVEK SHARMA	24400	0.15	0	24400	0.15	0	0
18	PADMAJA BHARDWA	34300	0.20	0	34300	0.20	0	0
19	B.P. BHARDWAJ	50100	0.30	0	50100	0.30	0	0
20	SARBATI DEVI SHARMA	146450	0.87	0	146450	0.87	0	0
21	BHAGAWATI INTERNATIONAL PVT LTD	25000	0.15	0	25000	0.15	0	0
22	LAVINO PORTFOLIOS PVT LTD	40000	0.24	0	40000	0.24	0	0
23	NGP INDUSTRIES PVT LTD	50000	0.30	0	50000	0.30	0	0
24	BLUE CROSS SERVICES PVT LTD	70000	0.42	0	70000	0.42	0	0
25	S K STEELS PVT LTD	81900	0.49	0	81900	0.49	0	0
26	BHAGAWATI OXYGEN LIMITED	90000	0.54	0	90000	0.54	0	0
27	BHAGAWATI STEEL PVT LTD	1040600	6.22	0	1040600	6.22	0	0

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	57,30,443	34.23	57,30,443	34.23
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change	No change	No change	No change
	At the end of the year	57,30,443	34.23	57,30,443	34.23

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year -1st April 2017./end of the year 31.03.2017		Shareholding at the end of year 31st March,2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AIR LIQUIDE INDIA HOLDING PVT. LTD.	784400	4.69	784400	4.69
2	RAJANIKANT G DAFADE	0	0	55400	0.33
3	PRAVEEN ELECTRONICS PVT LTD	103900	0.62	103900	0.62

4	KAYZAD SIRUS EGHLM	100000	0.60	100000	0.60
5	LGW LIMITED	91400	0.55	91400	0.55
6	PREM LATA DAGA	0	0	265000	1.58
7	DHEERAJ KUMAR LOHIA	64944	0.39	64944	0.39
8	VEENA KHEMKA	54000	0.32	54000	0.32
9	MITA DIPAK SHAH	0	0	50000	0.30
10	RAJ KUMAR LOHIA	50779	0.30	50779	0.30

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Rakesh Samrat Bhardwaj	2347610	14.02	2347610	14.02
2.	Shachi Bhardwaj	977600	5.84	977600	5.84

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	37,55,681	50,00,000	0	87,55,681
ii) Interest due but not paid	13,50,462	0	0	13,50,462
iii) Interest accrued but not due			0	0
Total (i+ii+iii)	51,06,143	50,00,000	0	1,01,06,143
Change in Indebtedness during the financial year				
* Addition	75,159	0	0	75,159
* Reduction	0	4,00,000	0	(4,00,000)
Net Change	75,159	(4,00,000)	0	(3,24,841)
Indebtedness at the end of the financial year				
i) Principal Amount	30,67,681	46,00,000	0	76,67,681
ii) Interest due but not paid	21,13,621	0	0	21,13,621
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	51,81,302	46,00,000	0	97,81,302

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Rakesh Bhardwaj (MD)	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600000	600000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	600000	600000
	Ceiling as per the Act		

B. Remuneration to other directors

SN	Name of Directors	Independent Directors			Total (1)	Other Non-Executive Directors			Total (2)	Total (1+2)	Total Managerial Remuneration	Overall Ceiling as per the Act
		Fee for attending board / committee meetings	Commission	Others		Fee for attending board committee meetings	Commission	Others				
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Name of Key Managerial Personnel	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others		
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

VII.

PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL		NIL		NIL
Punishment	NIL		NIL		NIL
Compounding	NIL		NIL		NIL
B. DIRECTORS					
Penalty	NIL		NIL		NIL
Punishment	NIL		NIL		NIL
Compounding	NIL		NIL		NIL
C. OTHER IN DEFAULT OFFICERS					
Penalty	NIL		NIL		NIL
Punishment	NIL		NIL		NIL
Compounding	NIL		NIL		NIL

For Bhagawati Gas Limited

Sd/-

Date: 14th August, 2018

Place: Delhi

Rakesh Samrat Bhardwaj

Managing Director

DIN:00029757

FORM NO. MGT – 12

([Pursuant to Section 109 (5) of the Companies Act, 2013 and Rule 21
(1) (C) of the Companies (Management and Administration) Rules,
2014])

BALLOT FORM**BHAGAWATI GAS LIMITED**

(CIN: L24111RJ1974PLC005789)

Regd. Office: Banawas, Khetri Nagar, Jhunjhunu,
Rajasthan-333504 E-mail bhagwatigases@gmail.com Fax:
+91 011 49120719

Sr.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered Folio No. / *DP ID and Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special Resolution/s enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sr. No.	Resolutions	No. of share s held by me	I assent to the resolution	I dissent from the resolution
ORDINARY BUSINESS				
1.	To receive, consider, and adopt Financial Statements for the year ended 31 st March, 2018 and the Auditor's and Board's report thereon.			
2.	To appoint Mrs. Shachi Bhardwaj (DIN: 07232850), who retires by rotation and being eligible offers herself for re-appointment.			

BHAGAWATI GAS LIMITED
 (CIN : L24111RJ1974PLC005789)
 Regd. Office : Banawas, Khetri Nagar, Jhunjhunu,
 Rajasthan-333504 E-mail : bhagwatigases@gmail.com
 Fax: +91 011 49120719

ATTENDANCE SLIP FOR THE 44th ANNUAL GENERAL MEETING

I/We here by record my/our presence at the 44th Annual General Meeting of the company at the registered office of the Company at Banawas, Khetri Nagar, Jhunjhunu, Rajasthan-333504 on

.....

Client ID & DP ID/Registered Folio No.

.....

Full Name of Shareholder / Proxy

.....

If Proxy, Full Name of Shareholder

.....

.....

Signature of

Shareholder/Proxy Note:

1. Please complete the Client ID & DP ID/Registered Folio and name, sign this Attendance slip and handover at the entrance of the meeting hall.
2. Electronic copy of the Annual Report for FY 2017-2018 and the notice of the Annual general Meeting (AGM) along with Attendance Slip and proxy Form are being sent to all the members whose email address is registered within the Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy Annual Report for FY 2017-18 and the Notice of the Annual general Meeting (AGM) along with Attendance Slip and proxy Form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy.

BHAGAWATI GAS LIMITED

(CIN : L24111RJ1974PLC005789)

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 Rajasthan-333504 E-mail : bhagwatigases@gmail.com
 Fax: +91 011 49120719

E-Voting particulars

EVEN (E-Voting Event Number)	USER ID	Password/PIN

Note: Please read instructions given at Point 12 of the Notice of the 44th Annual General Meeting carefully before voting electronically.

**Form No. MGT-11
FORM OF PROXY**

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Amendment Rules, 2015

BHAGAWATI GAS LIMITED
(CIN : L24111RJ1974PLC005789)
Regd. Office : Banawas, Khetri Nagar, Jhunjhunu,
Rajasthan-333504 E-mail : bhagwatigases@gmail.com
Fax: +91 011 49120719

44th ANNUAL GENERAL MEETING
Thursday, 27th September, 2018 at 11.00 a.m.

Name of the Member (s)	
Registered address:	
E-mail Id:	
Folio No./Client ID:	

I/We being the member (s) of shares of the Limited, hereby appoint:

1. Name: Address:
..... E-mail Id:
..... Signature:
.....or failing him/her

2. Name: Address:
..... E-mail Id:
..... Signature:
.....or failing him/her

3. Name: Address:
..... E-mail Id:
..... Signature:
.....or failing him/her

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the Company to be held on Thursday, 27th September, 2018 at 11.00 A.M. at Banawas, Khetrinagar-333504, Jhunjhunu, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolution	Vote		
		For	Against	Abstain
Ordinary Business				
1.	To receive, consider, and adopt Financial Statements for the year ended 31st March, 2018 and the Auditors and Directors reports thereon.			
2.	To appoint Mrs. Shachi Bhardwaj (DIN: 07232850) who retires by rotation and being eligible offers herself for re-appointment.			

Signed this onday,, 2018

Signature of shareholder.....Signature of Proxy holder(s).....

Affix Revenue Stamp

1. The Proxy to be effective should be deposited at the Registered office of the company not less than **FORTY EIGHT HOURS** before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. ^ This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BHAGAWATI GAS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Bhagawati Gas Limited('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on these financial statements.

Basis for Qualified Opinion

- (i) Note 28(d) to the statement, receivables aggregating to Rs.13,96,41,143 and Advances of Rs.66,84,618 are considered doubtful for recovery. The management is hopeful of recovering the amount in due course of time and therefore provisions there against is not considered necessary.
- (ii) Note 28(g) to the statement, the Company is yet to receive Bank Balance Confirmation from a Bank for Rs.55,763/- included under cash and cash equivalents as on 31 Mar 2018. Accordingly, we are unable to comment upon the consequential impact, if any, on the statement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The financial statements dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Company as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in Note 28(a) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mohan L Jain & Co

Chartered Accountants

Firm Registration No. 005345N

Ankush Jain

Partner

Membership No. 540194

Place: New Delhi

Date: 30.05.2018

"ANNEXURE -A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENT OF BHAGAWATI GAS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Bhagawati Gas Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and the Guidance Note issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mohan L Jain & Co

Chartered Accountants

Firm Registration No. 005345N

Ankush Jain

Partner

Membership No. 540194

Place: New Delhi

Date: 30.05.2018

Annexure to the Independent Auditor's Report

To the Members of Bhagawati Gas Limited

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2018.

On the basis of such checks as we considered appropriate and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) Fixed assets:

- (a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b)** As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c)** As explained to us, title deeds of immovable properties are held in the name of the company.

(ii) Inventories:

- (a)** The Company does not have any inventory at any time during the year. Accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.

(iii) Granting of loans to certain parties:

According to the information and explanation given to us, the Company has granted interest free loan of Rs. 11,716,188 to a body corporate covered by Section 2(76) of the Companies Act, 2013;

- I. In our opinion, in absence of any terms and conditions on which the loans had been granted to the body corporate listed in the register maintained under Section 189 of the Act. We are unable to comment whether the same are prejudicial to the interest of the Company.
- II. In absence of specific terms related to repayment (Refer Note 28 (e)), we are unable to comment whether the receipt of principal amount is regular;
- III. In view of (iii) (II) above, we are unable to comment whether there is any overdue amount in respect of this loan.

(iv) Loans and investments:

- (a)** According to the information and explanation given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the investments, guarantees and security, wherever applicable. As stated in Note 7, the Company had advanced a loan Of Rs. 11,716,188 outstanding as at March 31, 2018 to company in which directors are interested. In our opinion, the Company has not complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of such loans and advances

(v) Acceptance of Deposits:

- (a)** In our opinion and according to the information and explanation given to us, the Company has not received any public deposits during the year.

(vi) Maintenance of cost records:

- (a)** According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

(vii) Deposit of statutory dues:

- (a)** According to the records of the company and information and explanations given to us, the Company has not been regular in depositing undisputed statutory dues, including Provident Fund, employees state

insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.

Nature of the Statute	Nature of Dues	Amount	Period to which Amount relates	Due date	Date of Payment
Service Tax	Service Tax	1,96,853	Opening Balance and April 2017 to July 2017	6 th Succeeding month	Not paid
Sales Tax	Sales Tax	99,235	Opening Balance	20 th Succeeding month	Not Paid

(b) According to the information and explanations given to us, there are no dues in respect of Income-tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

(viii) *Default in repayment of dues:*

(a) In our opinion and according to the information and explanations given to us, the Company has no dues to financial institutions, government and debenture holders. Details of defaults made in repayment of dues to banks are given below:

Central bank of India A/C No. 3207352107						
Principal Installment	Interest Charged & Due	Total Amount Due	Due Date	Amount of default	Date of payment	Period of default upto 31st March 2018 (in days)
82,328		82,328	30/06/2015	45,000	28/04/2017	668
				37,328	26/05/2017	696
241,666		241,666	31/07/2015	7,672	26/05/2017	665
				10,000	14/06/2017	684
				56,000	29/06/2017	699
				75,000	24/07/2017	724
				92,994	28/08/2017	759
241,666		241,666	31/08/2015	7,006	28/08/2017	728
				70,000	21/09/2017	752
				60,000	30/10/2017	791
				60,000	28/11/2017	820
				19,000	18/12/2017	840
				25,660	25/01/2018	878
122,340		241,666	30/09/2015	48,340	25/01/2018	848
				25,000	14/02/2018	868

				25,000	28/02/2018	882
				24,000	31/03/2018	913
	42,463	42,463	31/10/2015	42,463	Outstanding	883
	68,625	68,625	30/11/2015	68,625	Outstanding	853
	72,672	72,672	31/12/2015	72,672	Outstanding	822
	73,143	73,143	31/01/2016	73,143	Outstanding	791
	70,111	70,111	29/02/2016	70,111	Outstanding	762
	76,767	76,767	31/03/2016	76,767	Outstanding	731
	85,056	85,056	30/04/2016	85,056	Outstanding	701
	85,922	85,922	31/05/2016	85,922	Outstanding	670
	79,587	79,587	30/06/2016	79,587	Outstanding	640
	89,468	89,468	31/07/2016	89,468	Outstanding	609
	88,389	88,389	31/08/2016	88,389	Outstanding	578
	83,249	83,249	30/09/2016	83,249	Outstanding	548
	88,107	88,107	31/10/2016	88,107	Outstanding	517
	80,005	80,005	30/11/2016	80,005	Outstanding	487
	70,555	70,555	31/12/2016	70,555	Outstanding	456
	65,312	65,312	31/01/2017	65,312	Outstanding	425
	64,215	64,215	28/02/2017	64,215	Outstanding	397
	66,816	66,816	31/03/2017	66,816	Outstanding	366
	75,458	75,458	30/04/2017	75,458	Outstanding	336
	73,526	73,526	31/05/2017	73,526	Outstanding	305
	71,657	71,657	30/06/2017	71,657	Outstanding	275
	87,896	87,896	31/07/2017	87,896	Outstanding	244
	85,647	85,647	31/08/2017	85,647	Outstanding	213
	82,885	82,885	30/09/2017	82,885	Outstanding	183
	47,853	47,853	31/10/2017	47,853	Outstanding	152
	45,784	45,784	30/11/2017	45,784	Outstanding	122
	43,166	43,166	31/12/2017	43,166	Outstanding	91
	51,459	51,459	31/01/2018	51,459	Outstanding	60
	49,786	49,786	28/02/2018	49,786	Outstanding	32
	48,042	48,042	31/03/2018	48,042	Outstanding	1

(ix) *Application of term loans/public issue/follow on offer:*

(a) In our opinion and according to the information and explanations given to us, monies raised by way of debt instruments and the term loans have been applied by the Company during the year for the purposes for which they were raised.

(x) *Fraud reporting:*

(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) *Managerial remuneration:*

(a) According to the information and explanation given to us and based on the audit procedure conducted by us, Managerial remuneration of Rs 6,00,000 paid/provided was in excess of the minimum remuneration allowable as per provisions of Section 197 read with the Schedule V of the Act.

(xii) *Nidhi Company:*

(a) The Company is not Nidhi Company as per Companies Act 2013. Accordingly, the provision of clause 3(xii) of the Order is not applicable.

(xiii) *Related party transactions:*

(a) In our opinion and according to the information and explanations given to us, the company has not complied with section 177 and 188 of Companies Act, 2013, where applicable in relation to the transactions with the related parties. The details in relation to the transactions with the related parties have been disclosed in the Financial Statements as required by the applicable accounting standards. The detail of non-compliance of section 177 and 188 of Companies Act, 2013 are as follows:

Nature of the related party relationship	Nature of Transaction	Amount (in Rs.)	Remarks
Company under common control	Advances given	5,27,900	No Approval

(xiv) *Preferential allotment/private placement:*

(a) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable.

(xv) *Non-cash transactions:*

(a) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For Mohan L Jain & Co.
Chartered Accountants
(Firm Registration No: 005345N)

Ankush Jain
Partner
Membership No: 540194

Place: New Delhi
Date: 30.05.2018

Bhagawati Gas Limited**Balance Sheet as at 31st March, 2018**

All amount in Rs.

	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1	49,507,730	55,154,375	58,256,481
(b) Financial Assets				
(i) Loans	2	6,933,654	6,828,654	6,828,654
(c) Other non-current assets	3	8,635,567	8,599,567	8,964,250
Total Non-current Assets		65,076,951	70,582,596	74,049,385
Current assets				
(a) Financial Assets				
(i) Investments	4	310,000	399,000	176,962
(ii) Trade receivables	5	57,731,233	57,731,233	57,731,233
(iii) Cash and cash equivalents	6	984,756	2,646,707	1,657,825
(iv) Loans	7	15,479,868	14,644,558	20,849,773
(v) Other financial assets	8	81,909,910	82,017,910	81,909,910
(b) Other current assets	9	14,799,784	14,084,845	16,272,242
Total Current Assets		171,215,552	171,524,253	178,597,945
Total Assets		236,292,503	242,106,849	252,647,330
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	10	167,424,590	167,424,590	167,424,590
(b) Other Equity	11	(5,711,086)	1,423,220	5,967,637
Total Equity		161,713,504	168,847,810	173,392,227
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	12	3,067,681	3,755,681	2,706,689
(b) Provisions	13	2,465,266	2,407,568	2,612,350
(c) Deferred tax liabilities (Net)	14	6,937,738	7,383,686	12,216,488
Total Non-current Liabilities		12,470,684	13,546,935	17,535,527
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	4,600,000	5,000,000	5,000,000
(ii) Trade Payables	16	1,344,456	1,344,456	1,344,456
(b) Other financial liabilities	17	46,523,972	44,346,411	48,247,997
(c) Other current liabilities	18	7,666,213	7,071,939	5,716,334
(d) Provisions	19	1,973,672	1,949,299	1,410,790
Total Current Liabilities		62,108,313	59,712,105	61,719,577
Total Liabilities		74,578,997	73,259,041	79,255,104
Total Equity and Liabilities		236,292,503	242,106,849	252,647,330

Significant Accounting Policies

See accompanying Notes to the Financial Statement 1 to 30

As per our Report of even date

For Mohan L Jain & Co. For and on behalf of the Board of Directors Chartered Accountants

Firm Registration No. 005345N

Sd/-
Ankush Jain
Partner
Membership No. 540194

Sd/-
Rakesh S. Bhardwaj
Chairman & Managing
DIN- 00029757

sd/-
Kailash Chand Kedia
Director
DIN- 01243510

sd/-
Shalini Chhonkar
Company Secretary
M.no: 51525

Place: New Delhi

Date: 30.05.2018

Bhagawati Gas Limited

Statement of profit and loss for the year ended 31 March 2018

All amount in Rs.

Particulars	Notes	Year ended 31 March 2018	Year ended 31 March 2017
1 INCOME			
(a) Other Income	20	1,805,953	1,738,990
Total Income		<u>1,805,953</u>	<u>1,738,990</u>
2 EXPENSES			
(a) Employee benefits expense	21	2,881,085	2,882,883
(b) Finance costs	22	773,419	976,537
(c) Depreciation and amortisation expense	1	2,823,379	3,940,845
(d) Other expenses	23	3,119,031	3,456,859
Total Expenses		<u>9,596,914</u>	<u>11,257,124</u>
3 Profit before Tax		<u>(7,790,961)</u>	<u>(9,518,134)</u>
4 Tax expense:			
(a) Current tax		-	-
(b) Deferred tax		445,949	4,832,800
5 Profit/(Loss) for the year		<u>(7,345,012)</u>	<u>(4,685,334)</u>
6 Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		210,706	140,918
Total Other Comprehensive Income		<u>210,706</u>	<u>140,918</u>
Total Comprehensive Income for the year		<u>(7,134,306)</u>	<u>(4,544,416)</u>
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)		(0.43)	(0.27)
Diluted (in ₹)		(0.43)	(0.27)

Significant Accounting Policies

See accompanying Notes to the Financial Statement 1 to 30

As per our Report of even date

For Mohan L Jain & Co. For and on behalf of the Board of Directors Chartered Accountants

Firm Registration No. 005345N

Sd/-

Ankush Jain

Partner

Membership No. 540194

Place: New Delhi

Date: 30.05.2018

sd/-

Rakesh S. Bhardwaj

Chairman & Managing Director

DIN- 00029757

sd/-

Kailash Chand Kedia

Director

DIN- 01243510

sd/-

Shalini Chhonkar

Company Secretary

M.no: 51525

Bhagawati Gas Limited

Cash Flow Statement for the year ended 31st March, 2018

Amount in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax as per Statement of Profit and Loss	(7,790,961)	(9,518,134)
Adjustments for		
(Profit)/ loss on disposal of property, plant and equipment	(1,445,953)	(971,990)
Allowances for credit losses	-	-
Depreciation and amortisation expense	2,823,379	3,940,845
Effect of exchange rate change	-	-
Excess provisions/sundry balances written back	-	-
Remeasurements of the defined benefit plans	210,706	140,918
Profit on sale of current investments (net)	-	-
Net (gain)/loss arising on financial instruments at FVTPL	89,000	(299,000)
Amortisation of Lease rent	-	-
Dividend income	-	-
Interest income	(360,000)	(468,000)
Finance costs	773,419	976,537
	<u>2,090,551</u>	<u>3,319,310</u>
Operating profit before working capital changes	(5,700,410)	(6,198,824)
Adjusted for:		
Decrease/(Increase) in Inventories	-	-
Decrease/(Increase) in Trade Receivables	-	-
Decrease/(Increase) in Loans and Advances	(1,550,249)	8,392,612
Increase/(Decrease) in Current Liabilities and Provisions	2,093,742	(258,947)
	<u>543,493</u>	<u>8,133,665</u>
Cash generated from/ (used in) operations	(5,156,917)	1,934,841
Tax paid	(36,000)	364,683
Net cash from/ (used in) operating activities	<u>(5,192,917)</u>	<u>2,299,524</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Property, Plant and Equipment	(80,780)	(1,036,750)
Proceeds from disposal of Property, Plant and Equipment	4,350,000	1,170,000
Purchase of non current investments	-	-
Purchase of current investments	-	-
Sale of investments	-	76,962
Movement in loans and advances	-	-
Net Withdrawal of/ (Investment in) fixed deposits	-	-
Interest income	360,000	360,000
Dividend income	-	-
	<u>4,629,220</u>	<u>570,212</u>
Net cash from/(used in) investing activities	<u>4,629,220</u>	<u>570,212</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings (net)	(688,000)	(1,851,000)
Repayment of long term borrowings	-	-
Share application money (paid) / received	-	-
Changes in Share Capital	-	-
Changes in Other Equity	-	-
Repayment of Short term borrowings (net)	(400,000)	-
Interest/Financial cost	(10,260)	(29,856)
	<u>(1,098,260)</u>	<u>(1,880,856)</u>
Net cash provided by financing activities	<u>(1,098,260)</u>	<u>(1,880,856)</u>
Net increase/(decrease) in cash and cash equivalents	(1,661,951)	988,882
Cash and cash equivalents at the beginning of the year	2,646,707	1,657,825
Cash and cash equivalents at the end of the year	<u>984,756</u>	<u>2,646,707</u>

As per our Report of even date
For Mohan L Jain & Co.
Chartered Accountants
Firm Registration No. 005345N

For and on behalf of the Board of Directors

Ankush Jain
Partner
Membership No. 540194

Rakesh S. Bhardwaj
Chairman & Managing Director
DIN- 00029757

Kailash Chand Kedia
Director
DIN- 01243510

Shalini Chhonkar
Company Secretary
M.no: 51525

Place: New Delhi | Date: 30.05.2018

NOTES TO THE FINANCIAL STATEMENTS

A. CORPORATE INFORMATION

Bhagawati Gas Limited ("the Company") is a company incorporated in India. The principal activity of the Company is production of gases.

B. ACCOUNTING POLICIES

B.1 STATEMENT OF COMPLIANCE

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the companies Act, 2013.

Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirement of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

B.2 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

B.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment:

Under the previous GAAP (erstwhile Indian GAAP), Property Plant and Equipments, were carried in the balance sheet at historical cost. The Company has elected to regard those values of property as deemed cost as at April 1, 2016 (date of transition to Ind AS).

Recognition and de-recognition

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labor cost and other direct costs incurred up to the date the asset is ready for its intended use.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-progress.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised

Subsequent measurement (depreciation)

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Pursuant to the enactment of the Companies Act, 2013 (the Act), cost of leasehold improvements is being amortised over the remaining period of lease of the premises. Plant and machinery - distribution equipment is being depreciated over a period of 10 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(c) Intangible assets:

Recognition and de-recognition

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Subsequent measurement (amortisation)

The cost of intangible asset is amortized over a period of its useful life from the date of its acquisition.

Computer software is being depreciated over a period of 5 years.

(d) Development Expenses

Revenue expenditure pertaining to pre-production activity is charged to the Profit and Loss Statement. Development costs of shows are charged to the Profit and Loss Statement unless a show's feasibility has been established, in which case such expenditure is recognised as work-in-progress.

(e) Borrowing Cost

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably.

Other borrowing costs are recognised as an expense in the year in which they are incurred.

(f) Inventories

Items of inventories are measured at lower of cost and net realisable value.

(g) Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of operations.

(h) Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

(i) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to the Profit and Loss Statement in the year of exercise of option by the employee

(j) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

- **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

(l) Foreign currencies

Company's financial statements are presented in INR, which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except to the extent that exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings are capitalized as cost of assets under construction. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of fixed assets are adjusted in the carrying cost of such assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following condition are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- it can be reliably measured and it is reasonable to expect ultimate collection

(n) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(o) Financial Instruments

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting

II Subsequent measurement

Non Derivative Financial Instruments

(i) Financial assets carried at amortised cost (AC) :

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(iii) Financial assets at fair value through profit or loss (FVTPL) :

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value either as at FVTOCI or FVTPL. The company makes such election on instrument-by-instrument basis.

For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables
- d) Trade receivables or any contractual right to receive cash or another financial asset
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

III. De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

IV. Fair value of financial instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value and such value may vary from actual realization on future date.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

- **Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.
- **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Recoverability of advances/receivables** – At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.
- **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- **Fair value measurements** - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date

D. FIRST TIME ADOPTION OF IND AS:

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

a) Exemptions from retrospective application:

- (i) **Business combination exemption** Not Applicable
- (ii) **Share-based payment transactions** Not Applicable
- (iii) **Insurance contracts**

Not applicable

(iv) Fair value as deemed cost exemption:

The Company has elected to measure any item of property, plant and equipment at its carrying value at the transition date except for certain assets which are measured at fair value as deemed cost.

(v) Leases exemption:

The Company do not have any arrangements containing a lease as defined under Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, as of the transition date and hence this exemption is not applicable to us.

(vi) Cumulative translation differences

The Company has chosen to apply this election and has eliminated the cumulative translation difference and adjusted retained earnings by the same amount at the date of transition to Ind AS.

(vii) Long Term Foreign Currency Monetary Items

Not Applicable

(viii) Investments in subsidiaries, joint ventures and associates Not Applicable

(ix) Assets and liabilities of subsidiaries, associates and joint ventures Not Applicable

(x) Compound financial instrument Not Applicable

(xi) Designation of previously recognised financial instruments Not Applicable

(xii) Fair value measurement of financial assets or liabilities at initial recognition:

The Company has not applied the provision of Ind AS 109, Financial Instruments, upon the initial recognition of the financial instruments where there is no active market.

(xiii) Decommissioning liabilities included in the cost of property, plant and Equipment

Not Applicable

(xiv) Extinguishing financial liabilities with equity instruments

Not applicable

(xv) Severe hyperinflation

Not applicable

b) Exceptions from full retrospective application:

(i) Estimates exception

Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise the estimates under Ind AS except where estimates were required by Ind AS and not required by Indian GAAP.

(ii) Derecognition of financial assets and liabilities exception:

Financial assets and liabilities derecognized before transition date are not re-recognised under Ind AS.

(iii) Hedge accounting exception:

The Company has not identified any hedging relationships existing as of the transition date. Consequently, this exception, of not reflecting in its opening Ind AS Balance Sheet a hedging relationship of a type that does not qualify for hedge accounting under Ind AS 109, is not applicable to the Company.

Bhagawati Gas Limited
Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity Share Capital

All amount in Rs.

Balance at the beginning of 1st April, 2016	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2017	Balance at the beginning of 1st April, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018
167,424,590	-	167,424,590	167,424,590	-	167,424,590

B. Other Equity

Particulars	Reserves and Surplus			Remeasurements of the defined benefit plans	Total
	Securities Premium Account	General Reserve	Retained Earnings		

As on 31st March 2017

Balance at the beginning of 1st April 2016	66,700,165	12,511,248	(73,243,777)	-	5,967,636
Total Comprehensive Income for the year	-	-	(4,685,334)	140,918	(4,544,416)
Balance at the end of 31st March 2017	66,700,165	12,511,248	(77,929,111)	140,918	1,423,220

As on 31st March 2018

Balance at the beginning of the reporting period	66,700,165	12,511,248	(77,788,193)	-	1,423,220
Total Comprehensive Income for the year	-	-	(7,345,012)	210,706	(7,134,306)
Balance at the end of the reporting period	66,700,165	12,511,248	(85,133,205)	210,706	(5,711,086)

As per our Report of even date
For Mohan L Jain & Co.
Chartered Accountants
Firm Registration No. 005345N
Ankush Jain
Partner
Membership No. 540194
Place: New Delhi
Date: 30.05.2018

For and on behalf of the Board of Directors

Sd/-
Rakesh S. Bhardwaj
Chairman & Managing Director
DIN- 00029757

Sd/-
Kailash Chand Kedia
Director
DIN- 01243510

1 - Property, Plant and Equipment

PARTICULARS	Gross Block				Depreciation				Net Block				
	As at 1st April 2016	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2017	Upto 31 March 2016	For Current period	Deductions/ Adjustments	Upto 31 March 2017	For Current period	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Property Plant Equipment	6,675,340	-	-	6,675,340	-	-	-	-	-	-	6,675,340	6,675,340	6,675,340
Freehold Land	53,287,099	-	-	53,287,099	28,558,575	1,399,313	-	29,957,888	1,388,426	31,346,314	21,940,785	23,329,211	24,728,524
Building	7,141,212	-	-	7,141,212	5,718,848	137,578	-	5,856,426	132,532	5,988,958	1,152,254	1,284,785	1,422,364
Lease Hold Improvement	143,857,729	1,004,750	4,346,648	140,515,831	119,907,145	2,322,271	4,148,638	118,080,778	1,210,394	19,779,888	18,320,612	22,435,053	23,950,584
Plant & Machinery	1,469,102	-	-	1,469,102	1,415,115	40	-	1,415,155	-	1,415,155	53,947	53,947	53,987
Truck & Tankers	3,101,756	-	-	3,101,756	2,817,042	63,475	-	2,880,517	85,947	2,966,464	135,292	221,239	284,714
Furniture & Fixture	7,512,470	32,000	-	7,544,470	6,481,292	18,168	-	6,499,460	6,080	6,505,540	1,119,710	1,045,010	1,031,178
Office Equipment	6,008,055	-	-	6,008,055	5,898,265	-	-	5,898,265	-	5,898,265	109,790	109,790	109,790
Vehicles	229,052,763	1,036,750	4,346,648	225,742,865	170,796,282	3,940,845	4,148,638	170,588,489	2,823,379	73,900,584	49,507,730	55,154,375	58,256,481
Total Property, Plant & Equipment													

Bhagawati Gas Limited
Notes to the Financial Statements for the year ended 31st March, 2018

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
2 Non-current: Loans			
Capital Advances	6,933,654	6,828,654	6,828,654
Total	6,933,654	6,828,654	6,828,654
3 Other non-current assets			
Advance Income Tax (Net of allowance)	1,124,542	1,088,542	1,453,225
MAT Credit Entitlement	7,511,025	7,511,025	7,511,025
Total	8,635,567	8,599,567	8,964,250
4 Current: Investment			
Investment Classification at Fair Value through Profit & Loss (FVTPL)			
In Equity shares			
In Equity Shares - Quoted , Fully paid up 10,000 (10,000) Bhagawati Oxygen Limited of Rs. 10 each	310,000	399,000	100,000
In Equity Shares - Quoted , Fully paid up 65,000 (65,000) Chaturvedi Metal Private Limited of Rs. 10 each	650,000	650,000	650,000
Less:- Provision for diminution in value of Shares	(650,000)	(650,000)	(650,000)
Other Investment			
Investment in Equity fund	-	-	76,962
Total	310,000	399,000	176,962
4.1 Category wise current investments			
Financial assets measured at fair value through profit & loss (FVTPL)	310,000	399,000	176,962
5 Trade receivables			
Secured, considered good	-	-	-
Unsecured, considered good	57,731,233	57,731,233	57,731,233
Total	57,731,233	57,731,233	57,731,233
6 Cash and cash equivalents			
Cash on hand	909,532	1,084,048	1,590,783
Cheques on hand	-	-	-
Balances with bank			
In current accounts	75,225	1,562,659	67,042
in deposit accounts	-	-	-
Total	984,756	2,646,707	1,657,825
7 Current: Loans			
(Unsecured and Considered Good)			
Loans and advances to related parties (Refer Note 28 (e))	11,716,188	11,188,288	16,727,232
Loan To Body Corporate	3,648,000	3,324,000	3,972,000
Security deposits	115,680	132,270	150,541
Total	15,479,868	14,644,558	20,849,773
8 Current: Other financial assets			
Interest accrued on Deposits/ Investments	-	108,000	-
Others			
Advances to vendors			
Loans and advances to employees - Unsecured, considered good	81,909,910	81,909,910	81,909,910
Total	81,909,910	82,017,910	81,909,910
9 Other Current assets			
Other loans and advances	14,249,431	13,534,492	15,692,541
Deposit with Government Authority	550,353	550,353	579,701
(Unsecured and Considered Good)			
- Other Advances	2,162,900	2,162,900	2,162,900
Less:- Provision for Doubtful Debts	2,162,900	2,162,900	2,162,900
Total	14,799,784	14,084,845	16,272,242

Bhagawati Gas Limited
Notes to the Financial Statements for the year ended

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
10 Equity Share Capital						
(a) Authorised Share Capital: Equity shares of Rs. 10 each	25,000,000	250,000,000	25,000,000	250,000,000	25,000,000	250,000,000
(b) Issued, Subscribed and fully paid up						
(i) Issued	16,742,459	167,424,590	16,742,459	167,424,590	16,742,459	167,424,590
(ii) Subscribed and fully paid up	16,742,459	167,424,590	16,742,459	167,424,590	16,742,459	167,424,590
(iii) Shares forfeited	-	-	-	-	-	-
Total	16,742,459	167,424,590	16,742,459	167,424,590	16,742,459	167,424,590
10.1 Details of shares held by each shareholder holding more than 5% shares :						
Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding
Rakesh Samrat Bhardwaj	2,347,610	14.02%	2,347,610	14.02%	1,573,370	9.40%
Shachi Bhardwaj	977,600	5.84%	977,600	5.84%	977,600	5.84%
Bhagawati Steels Private Limited	1,040,600	6.22%	1,040,600	6.22%	1,040,600	6.22%
Total	4,365,810	26.08%	4,365,810	26.08%	3,591,570	21.45%
11 Other Equity						
(a) Securities Premium Account						
Opening balance as per last Balance Sheet		66,700,165		66,700,165		66,700,165
Add: Received during the year		-		-		-
		66,700,165		66,700,165		66,700,165
(b) General Reserve						
Opening balance as per last Balance Sheet		12,511,248		12,511,248		12,511,248
Add: Additions during the year		-		-		-
		12,511,248		12,511,248		12,511,248
(c) Retained Earnings						
Opening balance as per last Balance Sheet		(77,788,193)		(73,243,777)		(63,625,797)
Add: Profit/ (Loss) for the year		(7,134,306)		(4,544,416)		(9,617,979)
		(84,922,499)		(77,788,193)		(73,243,776)
Total of Other Equity		(5,711,086)		1,423,220		5,967,637

Bhagawati Gas Limited

Notes to the Financial Statements for the year ended 31st March, 2018

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
12 Non-current: Borrowings Secured			
Term Loan from banks- Central Bank of India	3,067,681	3,755,681	2,706,689
Total	<u>3,067,681</u>	<u>3,755,681</u>	<u>2,706,689</u>
13 Non-current: Provisions			
Provision for employee benefits			
For Gratuity	1,342,630	1,293,131	1,510,997
For Leave Encashment	1,122,636	1,114,437	1,101,353
Total	<u>2,465,266</u>	<u>2,407,568</u>	<u>2,612,350</u>
14 Deferred Tax Liabilities (Net)			
Deferred Tax Liability	6,937,738	7,383,686	
Total	<u>6,937,738</u>	<u>7,383,686</u>	-
15 Current: Borrowings			
Unsecured			
Loans and advances from related parties	1,100,000	1,500,000	1,500,000
Loans from Others	3,500,000	3,500,000	3,500,000
Total	<u>4,600,000</u>	<u>5,000,000</u>	<u>5,000,000</u>

Bhagawati Gas Limited

Notes to the Financial Statements for the year ended 31st March, 2018

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
16 Trade Payables			
Trade payables	1,344,456	1,344,456	1,344,456
Total	<u>1,344,456</u>	<u>1,344,456</u>	<u>1,344,456</u>
Note:			
According to the records available with the Company, there were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the period. Hence disclosures, if any, relating to amounts unpaid as at the period end together with the interest paid / payable as required under the said Act have not been given.			
17 Current: Other Financial Liabilities			
Current maturities of long term debt			
From Banks and Others	-	-	2,899,992
Others	41,890,438	37,976,036	42,438,401
Security Deposits	2,519,913	5,019,913	2,505,823
Interest accrued but not due on borrowings	2,113,621	1,350,462	403,781
Total	<u>46,523,972</u>	<u>44,346,411</u>	<u>48,247,997</u>
18 Other Current Liabilities			
Other payables			
Statutory dues	296,088	199,624	296,905
Employee benefit payable	7,370,125	6,872,315	5,419,429
Total	<u>7,666,213</u>	<u>7,071,939</u>	<u>5,716,334</u>
19 Current: Provisions			
Provision for employee benefits			
For Gratuity	1,781,731	1,731,477	1,324,410
For Leave Encashment	191,941	217,822	86,380
Total	<u>1,973,672</u>	<u>1,949,299</u>	<u>1,410,790</u>

Bhagawati Gas Limited

Notes to the Financial Statements for the year ended 31st March, 2018

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
20 Other Income		
Interest Income	360,000	468,000
Profit on sale of shares	-	-
Profit on sale of Fixed Assets	1,445,953	971,990
Net Gain FVTPL	-	299,000
Total	1,805,953	1,738,990
21 Employee Benefits Expense		
Salaries and wages	2,549,706	2,514,950
Contribution to provident and other funds	-	2,106
Gratuity expense	310,459	330,119
Staff welfare expenses	20,920	35,708
Total	2,881,085	2,882,883
22 Finance Cost		
Interest Expense		
-On Fixed Loans	763,159	946,681
-On Others	10,260	29,856
Total	773,419	976,537
23 Other Expenses		
Travelling & Conveyance	473,663	440,761
Power & Water Charges	72,524	126,297
Rent	-	42,000
Balances/Bad Debts Written Off	2,393	25,795
Auditors Remunertions	222,128	222,128
Security Services Expenses	357,254	660,631
Legal & Professional Charges	138,149	173,601
Telephone Expenses	132,158	182,275
Repairs And Maintenance - Others	95,966	139,478
Insurance Chargess	3,602	2,562
Other Miscellaneous Expenses	1,424,194	894,659
Provision for obscelence/write off inventory	-	546,672
Interest Receivable written off	108,000	-
Net Loss FVTPL	89,000	-
Total	3,119,031	3,456,859

24 Defined contribution plans

The Company makes Provident Fund and Pension contributions to the relevant authorities, which are defined contribution Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	(Amount in Rupees)	
	2017-18	2016-17
Employer's Contribution to Provident Fund	-	644
Employer's Contribution to Pension Fund	-	1,462

25 Defined benefit plans

The Company provides gratuity (which is unfunded) as employee benefit schemes to its employees. The following table sets

i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	(Amount in Rupees)	
	Gratuity (Funded)	
	Year ended 31.03.2018	Year ended 31.03.2017
Defined Benefit obligation at beginning of the year	3,024,608	2,835,407
Current Service Cost	102,971	103,286
Interest Cost	207,488	226,833
Actuarial (gain)/ loss	(210,706)	(140,918)
Benefits paid	-	-
Defined Benefit obligation at year end	3,124,361	3,024,608

ii) Expenses recognised during the year:

Particulars	(Amount in Rupees)	
	2017-18	2016-17
In Income Statement		
Current Service Cost	102,971	103,286
Interest Cost	207,488	226,833
Net Cost	310,459	330,119
In Other Comprehensive Income		
Actuarial gain / (loss) on defined benefit obligation	(210,706)	(140,918)
Net (Income) /Expense recognized in OCI	(210,706)	(140,918)

iii) Actuarial assumptions:

Particulars	(Amount in Rupees)	
	2017-18	2016-17
Mortality Table (IALM)	2006-08	2006-08
Discount rate (per annum)	7.22	6.86
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5.50	5.50

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion

iv) The expected contributions for Defined Benefit Plan for the next financial year will be in line with financial year 2016-17.

v) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary

Particulars	(Amount in Rupees)	
	Gratuity (Funded)	
	As at 31st March	
	2018	2017
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	3,124,361	3,024,608
i) Impact due to increase of 0.5%	(27,465)	
ii) Impact due to decrease of 0.5%	28,276	
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	3,124,361	3,024,608
i) Impact due to increase of 0.5%	(28,607)	
ii) Impact due to decrease of 0.5%	28,037	

These plan typically expose the Company to actuarial risks such as : investment risk, interest risk, longevity risk and salary risk

a) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

b) Interest risk

A decrease in the bond interest rate will increase the plan liability.

c) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and other their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

d) Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an

26 Related party disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Details of related parties:

Description of relationship	Names of related parties
Parties under common control	Bhagawati International Limited Bhagawati Combat Systems Limited Lavino Portfolios Private Limited Kamakshi Bricon Private Limited Flow Tech Hotels Private Limited
Director/Key Management Personnel (KMP) and their relatives	Mr Rakesh S. Bhardwaj Mrs Shachi Bhardwaj Mr Kailash Chand Kedia Mr Vivek Sharma

Details of related party transactions during the year ended 31st March, 2018 and balances outstanding as at 31st March, 2018:

Particulars	Director/Key Management Personnel (KMP) and their relatives	Parties under common control
Transactions during the year		
Advance Given		
Bhagawati International Limited		527,900
Advance Repaid		
Bhagawati International Limited		6,699,881
Advance Received		
Kamakshi Bricon Pvt Limited		4,022,174
Expenses paid		
Remuneration		
Rakesh Samrat Bhardwaj	600,000	

Note: Related parties have been identified by the Management.

27 First time Ind AS adoption reconciliations

27.1 Effect of Ind AS adoption on the Balance Sheet as at 31st March 2017 and 1st April, 2016

	Amount in Rs.					
	As at 31st March 2017			As at 1st April 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
Assets						
Non-current assets						
Property, Plant and Equipment	55,154,375	-	55,154,375	58,256,481	-	58,256,481
Financial Assets	-	-	-	-	-	-
(i) Loans	6,828,654	-	6,828,654	6,828,654	-	6,828,654
Other non-current assets	8,599,567	-	8,599,567	8,964,250	-	8,964,250
	<u>70,582,596</u>	<u>-</u>	<u>70,582,596</u>	<u>74,049,385</u>	<u>-</u>	<u>74,049,385</u>
Current assets						
Financial Assets						
(i) Investments	100,000	299,000	399,000	176,962	-	176,962
(ii) Trade receivables	57,731,233	-	57,731,233	57,731,233	-	57,731,233
(iii) Cash and cash equivalents	2,646,707	-	2,646,707	1,657,825	-	1,657,825
(iv) Bank balances other than above	-	-	-	-	-	-
(iv) Loans	14,644,558	-	14,644,558	20,849,773	-	20,849,773
(v) Other financial assets	82,017,910	-	82,017,910	81,909,910	-	81,909,910
Other current assets	14,084,845	-	14,084,845	16,272,242	-	16,272,242
	<u>171,225,253</u>	<u>299,000</u>	<u>171,524,253</u>	<u>178,597,945</u>	<u>-</u>	<u>178,597,945</u>
Total Assets	<u>241,807,849</u>	<u>299,000</u>	<u>242,106,849</u>	<u>252,647,330</u>	<u>-</u>	<u>252,647,330</u>
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	167,424,590	-	167,424,590	167,424,590	-	167,424,590
Other Equity	1,124,220	299,000	1,423,220	5,967,637	-	5,967,637
Total Equity	<u>168,548,810</u>	<u>299,000</u>	<u>168,847,810</u>	<u>173,392,227</u>	<u>-</u>	<u>173,392,227</u>
Liabilities						
Non-current liabilities						
Financial Liabilities						
(i) Borrowings	3,755,681	-	3,755,681	2,706,689	-	2,706,689
Provisions	2,407,568	-	2,407,568	2,612,350	-	2,612,350
Deferred tax liabilities (Net)	7,383,686	-	7,383,686	12,216,488	-	12,216,488
	<u>13,546,935</u>	<u>-</u>	<u>13,546,935</u>	<u>17,535,527</u>	<u>-</u>	<u>17,535,527</u>
Current liabilities						
Financial Liabilities						
(i) Borrowings	5,000,000	-	5,000,000	5,000,000	-	5,000,000
(ii) Trade Payables	1,344,456	-	1,344,456	1,344,456	-	1,344,456
Other financial liabilities	44,346,411	-	44,346,411	48,247,997	-	48,247,997
Other current liabilities	7,071,939	-	7,071,939	5,716,334	-	5,716,334
Provisions	1,949,299	-	1,949,299	1,410,790	-	1,410,790
	<u>59,712,105</u>	<u>-</u>	<u>59,712,105</u>	<u>61,719,577</u>	<u>-</u>	<u>61,719,577</u>
Total Equity and Liabilities	<u>241,807,851</u>	<u>299,000</u>	<u>242,106,851</u>	<u>252,647,331</u>	<u>-</u>	<u>252,647,331</u>

27.2 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March 2016

	Rs. in Lakh		
	Year ended 31st March 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Income			
Other Income	1,439,990	299,000	1,738,990
Total Income	<u>1,439,990</u>	<u>299,000</u>	<u>1,738,990</u>
Expenses			
Employee benefits expense	2,882,883	-	2,882,883
Finance costs	976,537	-	976,537
Depreciation and amortisation expense	3,940,845	-	3,940,845
Other expenses	3,456,859	-	3,456,859
Total Expenses	<u>11,257,124</u>	<u>-</u>	<u>11,257,124</u>
Profit before tax	<u>(9,817,134)</u>	<u>299,000</u>	<u>(9,518,134)</u>
Tax Expense			
Deferred Tax	4,832,800	-	4,832,800
Profit for the year	<u>(14,649,934)</u>	<u>299,000</u>	<u>(4,685,334)</u>

Bhagawati Gas Limited
Notes to the Financial Statements for the year ended 31st March, 2018

28 (a) Contingent liabilities not provided for: Particulars	Amount in Rs.	
	As at March 31, 2018	As at March 31, 2017
Counter Guarantee given to bankers for guarantees issued by the banker (Net of margins)	Nil	Nil
Security provided against amount withdrawn from the Hon'ble High Court. (refer note 28 (b))	23,083,887	23,083,887

(b) The company had, in an earlier year, won an arbitration award in respect of an amount aggregating to Rs.2,30,83,887 recoverable from Hindustan Copper Limited (HCL) along with interest. The Additional District Judge, Khetri, Rajasthan has dismissed the appeal filed by HCL against the arbitration award and passed an order for decree. The HCL has preferred an appeal against the said order in the High Court of Judicature for Rajasthan at Jaipur Bench, Jaipur. The Hon'ble High Court have admitted HCL's appeal and granted interim stay and directed HCL to deposit the award amount of Rs.2,30,83,887. The Honorable Supreme Court on an appeal of HCL had modified the award and the company was permitted to withdraw the said amount by furnishing security to the satisfaction of the Court.

(c) An arbitration award in respect of an amount aggregating to Rs.10,79,80,044 claimed from HCL is passed by the arbitral tribunal in favour of the company. Hindustan Copper Limited (HCL) has preferred an application under Section 34 of The Arbitration and Conciliation Act, 1996 against the award in the court of the District Judge, Jhunjhunu. The Hon'ble Court of District Judge, Jhunjhunu, has dismissed the said application filed by HCL. The HCL has preferred an Appeal against the said order in the High Court of Judicature for Rajasthan at Jaipur Bench, Jaipur. The Hon'ble High Court have admitted HCL's appeal and granted interim stay and directed HCL to deposit 25% of the award amount i.e. Rs.2,69,95,011 within ten weeks from 25.5.2015 and that amount can be withdrawn by the company by furnishing Security and / Undertaking to the satisfaction of the Court.

(d) Receivables aggregating to Rs.13,96,41,143 and Advances of Rs.66,84,618 are considered doubtful for recovery. The management is hopeful of recovering the amount in due course of time and therefore provisions there against is not considered necessary.

(e) The company had outstanding interest free loan aggregating to Rs.1,17,16,188 as at March 31, 2018 given to a borrower company. The borrower company has given a proposal to the Company to convert its borrowings into Equity. The company is still in the process of finalization/ acceptance of the proposal. Pending such finalization/acceptance, the same is presented as loans to related parties under Note 7.

(f) During the period, the Company's plant remain closed. The Company has obligations pertaining to borrowings, unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to pay the borrowings, creditors and other statutory obligations. The Management of the Company hope to fulfill company's obligation in due course of time. The Management of the company is evaluating other business operations for the foreseeable future. Accordingly, financial statements are prepared on going concern basis. The financial statement does not include any adjustment in respect of impairment, if any, on fixed assets.

(g) The Company is yet to receive Bank Balance Confirmation from a Bank for Rs. 55,763/- included under cash and cash equivalents as on

31st Mar 2018. Accordingly, we are unable to comment upon the consequential impact, if any, on the statement.

29 The Company is engaged only in one segment i.e. "Production of gases" and hence segment reporting is not applicable.

30 Previous periods figures have been regrouped, wherever considered necessary

As per our Report of even date

For Mohan L Jain & Co.

Chartered Accountants

Firm Registration No. 005345N

Ankush Jain

Partner

Membership No. 540194

Place: New Delhi

Date 30.05.2018

For and on behalf of the Board of Directors

sd/-

Rakesh S. Bhardwaj

Chairman & Managing Director

DIN- 00029757

sd/-

Kailash Chand Kedia

Director

DIN- 01243510

KYC Updation

To

The Members

Bhagawati Gas Limited

Re.: Seeking copy of PAN CARD and Bank Details

Dear Sir/Madam,

We refer to the SEBI circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated: 20th April, 2018 and subsequent circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated: 16th July, 2018 wherein SEBI has directed all the listed companies to record the PAN and Bank account details of all shareholders holding shares of the Company in physical form. As per SEBI notification no. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated 5th July, 2018 mandated that with effect from 5th December, 2018 all transfer(s) of securities would be carried out in dematerialized form only.

We therefore request you to send us the below mentioned documents in order to update your PAN and bank account and other details in the Company's records and take note of the following:

1. Self-attested copy of your PAN Card (in case the shareholder is a resident of Sikkim, the shareholder is required to submit a valid ID proof issued by the Government).
2. Original cancelled cheque leaf /attested bank passbook showing name of account holder) along with a duly filled in Form appended as Annexure-A to this letter, so that all future dividends could directly be credited to your bank account and we would be able to serve you better in future.
3. You are requested to send the desired details/documents to the Company's Registrar & Share Transfer Agent (RTA), M/s. Skyline Financial Services Pvt.ltd at D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020.
4. You may kindly note that in case we do not receive any response from your side, any future transactions in your shares like transfer, transmission, issue of duplicate share certificates etc., and shall be subject to enhanced supervision by the Company. Therefore you are advised to furnish your PAN, bank details and other desired details as mentioned in Annexure A within 21 days of the date of this letter.
5. Shareholder(s) please note that request for transfer of shares in physical form will be considered before 5th December, 2018 subsequently any request for transfer of shares (except requests related to transmission and transposition of shares) shall not be processed. This intimation is in accordance with SEBI notification no. SEBI/LAD-NRO/GN/ 2018/24 dated 8th June, 2018 read with BSE

circular no. LIST/COMP/15/2018-19 dated 5th July, 2018. Copy is available on the company's website www.bglgroup.in. Accordingly, you are advised to dematerialize your entire physical shareholding in company.

6. Shareholders holding shares in physical mode are also requested to send their signature cards to our RTA,), M/s. Skyline Financial Services Pvt.ltd at D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020. at the earliest.

Thanking you,

Yours faithfully,

For Bhagawati Gas Limited

Sd/-

Rakesh Samrat Bhardwaj

Managing Director

DIN: 00029757

Encl. : As above.

Annexure-A

Name of Shareholder(s)	
Folio No.	
Pan (attached Self attested copy of Pan)	
Bank Details (attach Self attested copy of cancelled Cheque)	
Bank Account No.	
Name of Bank	
Branch Address	
IFSC No.	
MICR No.	
E-mail ID of shareholder	

(-----)

Signature of Shareholder (s)