

42ND ANNUAL REPORT

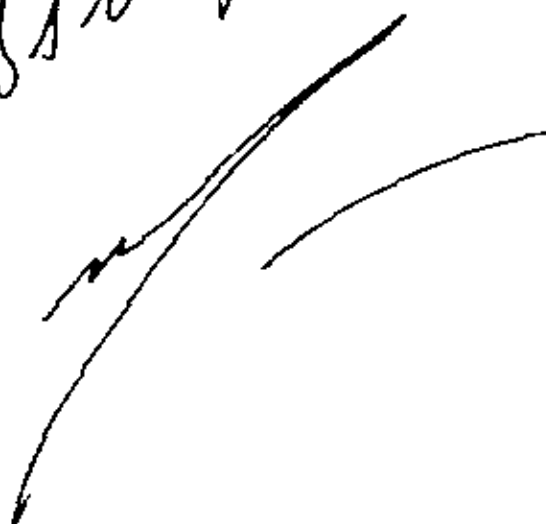
For the year ended 31st March 2014

BHAGAWATI OXYGEN LIMITED

BHAGAWATI OXYGEN LIMITED

'S'-492A, GREATER KAILASH
NEW DELHI

Blessings

A handwritten signature, possibly reading 'Blessings', followed by a large, stylized flourish consisting of several sweeping, curved lines.

Corporate Information

CIN : L74899HR1972PLC006203

Board of Directors :

Shri. S.K.Sharma (Chairman)
Shri. Himanshu Sharma (Managing Director)
Shri. J C Kaushik
Shri. B.B Lal

Banks :

Central Bank of India
ICICI Bank Ltd
State Bank of India
State Bank of Bikaner & Jaipur

Auditors:

Chaturvedi & Company
Chartered Accountants,
Kolkata

Listed at:

- 1) The Bombay Stock Exchange, Mumbai,
Phiroz Jeejeebhoy Tower,
Dalal Street Kala Ghoda, Fort,
Mumbai-400 001
- 2) The Delhi Stock Exchange Association Ltd
DSE House,
3/1 Asaf Ali Road,
New Delhi-110 020

Registrars & Share Transfer Agent:

Skyline Financial Services (P) Ltd
D-153A, 1st Floor, Okhla Industrial Area, Phase-1
New Delhi - 110 020
Ph : +91-11-64732681 to 88
Fax : 011-26812683
Email : admin@skylinarta.com

Offices:

Registered Office : Plot-5, Sector-25, Ballabgarh, Haryana – 121004.
Kolkata Office : 67, Park Street, Kolkata – 700016
Website : www.globalbol.com
Investor Contact Email : investor.relation.bol@gmail.com

NOTICE

TO THE MEMBERS

Notice is hereby given that the 42nd Annual General Meeting of M/S BHAGAWATI OXYGEN LIMITED will be held on Wednesday, 3rd September 2014 at 11:00 AM at the Registered Office of the Company at Plot No. 5, Sector - 25, Ballabhgarh, Haryana-121004 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the financial year ending on 31st March 2014 together with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. J.C KAUSHIK (DIN- 01045425) who retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:
"RESOLVED THAT M/s Chaturvedi & Company, Chartered Accountants(Firm Registration No.- 302137E), be and is hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next annual general meeting of the company at such remuneration as shall be fixed by the Board of Directors of the Company."

Special Business:

4. To consider and if thought fit, to pass, with or without modification(s) the following resolution as a **Ordinary Resolution**:
"RESOLVED THAT pursuant to the Provision of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Director) Rules, 2014(including any Statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. J C KAUSHIK (DIN-01045425), who was appointed as a Director liable to retire by rotation whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office from the date of this Annual General Meeting for 5 consecutive years till 31st March, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."
5. To consider and if thought fit, to pass, with or without modification(s) the following Resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, approval of the Company be and is hereby given to the appointment of Mr. B B LAL (DIN: 01045250), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013 as an Independent Director of the Company who shall hold office from the date of this Annual General Meeting till 31st March, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."
6. To consider and if thought fit, to pass with or without notifications the following resolution as a **Special Resolution** :
"RESOLVED THAT in modification of the earlier resolution passed under section 293(1)(a) of the Companies Act 1956, at the 21st Annual General Meeting held on 30th September, 1993 and subject to the approvals, wherever necessary of the Financial Institutions,/Banks/Insurance Companies from which the Company has obtained/ will obtain financial assistance, consent of the Company be and is hereby accorded under Section 180(1)(a) of the Companies Act, 2013 to mortgaging and/or charging by the Board of Directors of the Company of all or any of the immovable/ movable properties of the Company, wherever situated, both present and future of the whole or substantially the whole of the undertaking/s of the Company in such form and in such manner as the Board of Directors may think fit for securing loans and/or advances already obtained or that may be obtained from any financial institutions/ banks/ insurance companies or persons / persons, and/or to secure any debentures issued and/ or that may be issued and all interest, compound / additional interest, commitment charge, cost,

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charges, expenses and all other monies payable by the Company to the concerned lenders within the overall borrowing limit of Rs. 50 crores"

"RESOLVED FURTHER THAT Mr. Himanshu Sharma, the Managing Director of the Company be and is hereby authorised to do all such acts and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deems necessary, fit and proper."

7. To consider and if thought fit, to pass, with or without modifications the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the 20th Annual General Meeting of the Company held on 30th September, 1992 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013, including any statutory modifications, or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable acts, laws, rules, regulations and guidelines for the time being in force; the consent of the Company be and is hereby accorded to the Board of Directors of the Company from time to time as they may think fit, any sum or sums of money not exceeding Rs. 50 crores (including the money already borrowed by the Company) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge, hypothecation or pledge or otherwise in any way whatsoever on, over, or in any aspect of all, or any of the Company's assets and effects or properties whether moveable or immovable, including stock-in trade, not withstanding that the money be borrowed together with the money already borrowed by the Company (apart from the temporary loans or bridge loans obtained from the Company's banker in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves."

"RESOLVED FURTHER THAT Mr. Himanshu Sharma, the Managing Director of the Company be and is hereby authorised to do all such acts and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deems necessary, fit and proper."

Registered Office:
Plot No-5, Sector-25, Ballabgarh,
Haryana-121004
Date: 30th May 2014

**By the Order of the Board
BHAGAWATI OXYGEN LIMITED**

S.K. Sharma
CHAIRMAN

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
A person can act a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 30th August 2014 to 3rd September 2014 (both days inclusive).
4. The instrument of transfer completed in all respect together with requisite enclosure, should be sent to the Company well in advance so as to reach the Company prior to closure of Register of Members.
5. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting

which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with National Securities Depository (India) Limited (NSDL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.

The instructions for members for voting electronically 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 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 the relevant “EVEN” (E-Voting Event Number) of BHAGAWATI OXYGEN LIMITED on which you chose to vote. 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 shawmanoj2003@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
- C.** Other Instructions:
- i. The e-voting period commences on Wednesday, 27th August 2014 (9.00 a.m. IST) and ends on Friday, 29th August 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on July 18, 2014, 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 July 18, 2014.
 - iii. Mr. Manoj Prasad Shaw, Practicing Company Secretary (Membership No. FCS 5517), has been appointed as the Scrutinizer to scrutinize 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. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.globalbol.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 42nd Annual General Meeting of the Company on September 3, 2014 and communicated to the BSE and DSE, where the shares of the Company are listed.
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6. Members are requested to intimate to the Company change if any, in their registered address along with pin code and post office.
7. For any further information regarding accounts intimation may be given to the Company in writing at least 10 days in advance from the date of the aforesaid meeting so as to enable the management to keep the information ready
8. Members attending the Annual General Meeting are requested to bring their copies of Annual Report.
9. Only registered members carrying the attendance slip and proxies registered with the Company will be permitted to attend the meeting.
10. Members who hold shares in the dematerialized form are requested to bring their Depository ID Number and Client ID numbers to facilitate easier identification of attendance at the Annual General Meeting.
11. Members are informed that the scrip of the Company are activated both on CDSL and NSDL and may be dematerialized under the ISIN No. INE026101010
12. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them. The prescribed form can be obtained/ submitted to Registrar & Share Transfer Agents of the Company.
13. In the light of the recent green initiative of the Government of India, those members who have not yet registered their email ids are requested to register their email id's with their depository participants in case of shares held in demat form and those members holding shares in physical form to register their email id's with the R & T agent. We urge upon you to register the email id on priority and help the Company to support the nation in the green initiative.
14. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has nil amount unpaid and unclaimed with the Company as on 27th September 2013 (date of last Annual General Meeting) and the company has declared the same with the Ministry of Corporate Affairs website.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / R&T agent.
16. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

ITEM NO.4

Mr. J C Kaushik is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in April 1988. Mr. J C Kaushik is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile provisions of the Companies Act 1956. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly in compliance of Section 149,150,152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. J C Kaushik being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting for 5 consecutive years till 31st March, 2019. A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. J C Kaushik fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. J C Kaushik as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. J C Kaushik as an Independent Director for the approval by the shareholders of the Company.

Except Mr. J C Kaushik, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

ITEM NO.5

Mr. B B LAL is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in October, 2003.

Mr. B.B LAL is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile provisions of the Companies Act 1956. Under the Companies Act, 2013, the Company is required to appoint independent Directors for a fixed term and their office shall not be liable to determination by retirement of Directors by rotation. Accordingly in compliance to Section 149,150,152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. B.B LAL being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director who shall hold office from the date of this Annual General Meeting for 5 consecutive years till 31st March, 2019. A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. B.B LAL fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. B.B LAL as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. B.B LAL as an Independent Director for the approval by the shareholders if the Company Except Mr. B.B LAL, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

ITEM NO.6

The Company propose a resolution authorizing Board to borrow loan upto maximum of Rs. 50 crores (Rupees fifty crores only). In order to borrow loans from Banks, Institutions, etc. the Board also needs authorization to mortgage/ hypothecate the assets of the Company as security /collateral security. In order to mortgage or hypothecate the assets of the company the consent of shareholders is required under Section 180 (1) (a) of Companies Act, 2013, authorising the Board of Directors with necessary powers.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or in any way interested in this resolution.

The Board of Directors recommends this enabling resolution for approval of the members

ITEM NO. 7

In terms of the resolution passed by the members of the Company at the 20th Annual General Meeting held on 30th September, 1992 the Board of Directors of the Company were authorized to borrow on behalf of the Company up to Rs. 10 crores at any point of time. In view of expected growth in the business of the Company, it may be necessary for the Company to borrow monies from various sources. Further under law, it is now required that such a resolution be by way of a special resolution.

Yours Directors accordingly commend the borrowing powers of Rs.50 Crores as set out in the resolution at Item No.8 for approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8.

BHAGAWATI OXYGEN LIMITED

DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting their 42nd Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March 2014.

FINANCIAL HIGHLIGHTS

Particulars	2013-14	2012-13
Net Sales (Income from operations)	1230.33	1276.03
Other Income	58.16	70.71
Total Income	1288.49	1346.74
Total Expenditure	1191.09	1160.97
Profit before depreciation and taxes	97.40	185.77
Depreciation and Amortization	42.02	49.92
Exceptional Items (net)	-	-
Net Tax provision	4.91	25.87
Net Profit	50.47	109.98
Basic EPS (Rs)	2.18	4.75
Diluted EPS (Rs)	2.18	4.75

REVIEW OF THE WORKING

During the year under review the sales and other income of the Company amounted to Rs 1288.49 lacs compared to Rs. 1346.74 lacs in the previous year. After providing for financial charges, depreciation, current and deferred taxation and other adjustments, the Company reported profit after tax and extraordinary item of Rs. 50.47 lacs.

DIVIDEND

With a view to plough back the profit for the operations of the Company and the need to conserve the liquid funds of the Company, your directors do not recommend any dividend for the year ended 31st March 2014.

PUBLIC DEPOSIT

Your Company has not accepted any deposits from the public.

DEPOSITORY SYSTEM

The shares of the Company are tradable compulsorily in electronic form and your Company has connectivity with both the depositories, i.e National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

PARTICULARS OF EMPLOYEES

The particulars as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 (as amended) are not applicable as none of the employees of the Company fall under the category prescribed.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance with section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

- in the preparation of the Annual Accounts, the applicable Accounting Standard have been followed.
- they had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent and so as to give a true and fair view of the state of affairs of the Company as on 31st March 2014 and of the profit of the Company for the year ended 31st March 2014.

- c) they have taken proper and sufficient care for the safeguarding for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- d) they have prepared the Annual Accounts on a going concern basis.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

As required under Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 a statement showing the information relating to Research and Development, Technology Absorption and Foreign Exchange Earning and outgo and forming part of the Directors Report is enclosed in Annexure – A. Form A requiring disclosure of particulars with respect to conservation of energy is not applicable in case of your company.

INDUSTRIAL RELATIONS

Company's industrial relation continue to be cordial during the year under review.

DIRECTORS

Mr. J C Kaushik retires by rotation and being eligible offer himself for re-appointment as a Director.

AUDITORS AND AUDITORS' REPORT

M/s. Chaturvedi & Company, Statutory Auditors of the Company retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The notes on financial statements referred to in the auditors' report are self explanatory and do not require any further comments.

COST AUDITORS

In conformity with the directives of the Central Government, the Company has appointed M/s. DGM & Associates, Cost Accountant, of Kolkata, as the Cost Auditor under Section 233B of the Companies Act, 1956, for the year ending 31st March 2014.

SECRETARIAL COMPLIANCE CERTIFICATE

Pursuant to the provision Clause to Sub-Section (1) of Section 383A of the Companies Act, 1956 the Secretarial Compliance Certificate for the year ended 31st March 2014 is attached herewith which is self-explanatory and requires no explanation by the Directors.

APPRECIATION

Your Directors place on record their sincere appreciation for the valuable support and co-operation received from various Central and State Government Authorities, Stock Exchanges, Financial Institutions and Banks during the year. They also gratefully acknowledge the support extended by the customers and shareholders and contribution made by the employees at all level.

By Order of the Board
For **BHAGAWATI OXYGEN LIMITED**

S K SHARMA
CHAIRMAN

Place: Kolkata
Date: 30th May 2014

BHAGAWATI OXYGEN LIMITED

ANNEXURE-A TO DIRECTORS REPORT

Particulars as required under Companies (Disclosures of particulars in the Report of Directors) Rules, 1988 and forming part of Directors Report for the year ended 31st March 2014.

Research & Development

- a) Specific area in which R & D carried out by the Company: Research and Development has been continuously carried to reduce loss of oxygen gas and improve the quality.
- b) Benefits derived as a result of the above R&D: Losses has reduced in a consistent manner.
- c) Future plan of action: Research & Development activities are continued to reduce process wastage.
- d) Expenditure on R & D: Charged under primary heads of accounts.

Technology, Absorption, Adoption & Innovation

- a) Efforts made towards technology absorption, adoption and innovation: The Company has successfully absorbed the technology of the plant supplied by the suppliers.
- b) Benefits derived as a result of the above efforts: Quality of oxygen gas produced is of high standard and acceptable to the consumers of the Company.
- c) Particulars relating to imported technology : NIL

Foreign Exchange Outgo : Rs.1,21,11,351/-

Foreign Exchange Earning : Rs. Nil

ANNEXURE-B INFORMATION REQUIRED UNDER THE LISTING AGREEMENTS WITH STOCK EXCHANGES

The securities of the Company are listed in the Stock Exchanges as stated below and the annual listing fees has been paid to each of the Exchanges.

- 1) The Stock Exchange, Mumbai, Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai 400001
- 2) The Delhi Stock Exchange Association Ltd, DSE House, 3/1 Asaf Ali Road, New Delhi 110002

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure and Development: Your Industry is primarily a "Gas Manufacturing Industry" supplying oxygen gas from Ghatsila plant on exclusive supply scheme basis. The Company is also making wind power and supplying to TNEB, Tamil Nadu.

Opportunities & Threats, Trends & Strategies: The fundamental of the gas industry appears to be better and is growing fast because of the improvement in the steel sector. As our sales are tied up some strategies adopted by your Company are : (a) reducing cost of capital (b) transactional cost of production (c) reducing pollution levels (d) creation of good infrastructure etc. Your Company has taken adequate steps to reduce the cost of production by continuously evaluating process improvements and best operational practices. Although the industrial gas industry is categorized as "Green Industry", your Company is committed to adhere to all applicable environment regulations and improve upon the environmental performance on a continued basis.

Out look: The encouraging growth on both production and sales in last years is likely to be sustained in current year also. Out look for the current year remains strong. The Company's operations are subject to risks which can impact business performance essentially with regard to prices of basic materials like molecular sieves, power. The management is seized of assessing such risks and takes measures to address the same.

Internal Control System : The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures is to ensure efficient use and protection of the Company resources, accuracy in financial reporting and due compliance of statutes and company policies & procedures. Checks and balances exist in the system to ensure that all transactions are adequately authorized and reported correctly.

Human Resources Development: The Company appreciates that human assets constitute the driving force behind the Company's growth plans. The Company has, during the previous year, continued to have good industrial relations with its employees. Your Company would like to record the whole-hearted support and dedication received from the employees at all levels.

Cautionary Statement : Statement in the Management Discussion and Analysis describing the Company's position and expectation may be "forward looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ materially from those expressed or implied. Important Factors that could make a difference to the Company's operation include, among others, economic conditions affecting demand/ supply, changes in Government regulations, tax laws and other statutes and incidental factors.

**Compliance Certificate
Under Rule 3 of the Company (Compliance Certificate) Rules, 2001**

CIN: L74899HR1972PLC006203
Nominal Capital: Rs. 40,000,000/-

To
The Members
M/S BHAGAWATI OXYGEN LIMITED
SECTOR 25, PLOT NO. 5, BALLABHGARH, HARYANA- 121004

We have examined the registers, records, books and papers of M/S BHAGAWATI OXYGEN LIMITED as required to be maintained under the Companies Act, 1956(the act) and the Companies Act, 2013 where ever applicable and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examination carried out by us and explanation furnished to us by the Company and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per provisions and rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Companies Act and rules made there under.
3. The Company being Public Limited Company has complied with the minimum prescribed paid up capital and no comments are required regarding limits to the maximum number of members.
4. The Board of Directors duly met 4 (four) times respectively on 27/05/2013, 08/08/2013, 09/11/2013 and 22/01/2014 in respect of such Meetings proper notices were given and proceedings were properly recorded and signed in minutes book maintained for the purpose. No circular resolution was passed during the year under review.
5. The Company has closed its Register of member from 23rd September, 2013 to 27th September, 2013 during the financial year.
6. The Annual General Meeting for the financial year ended 31.03.2013 was held on 27th September 2013 after giving due notice to the members of the Company and resolution passed thereat have been duly recorded in minutes book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year.
8. The Company has not entered into any contract during the financial year 2013-14 falling within the purview of section 297 of the Act
9. The Company has not advanced any loans during the financial year 2013-14 to its Directors or persons Or firms or Companies referred to under Section 295 of the companies Act, 1956 and as wherever applicable under section 185 of the Companies Act, 2013
10. The Company has made necessary entries in the registers maintained U/s 301 of the Act.
11. As there was no instance falling within the purview of Sec 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government, as the case may be.
12. The Company has not issued any duplicate Share Certificate during the financial year.
13. The Company:
 - i. Has delivered all the certificates on lodgment thereof for transfer wherever applicable, in accordance with the provisions of the act during the financial year.
 - ii. has not deposited any amount in separate Bank Account as no Dividend was declared during the financial year.
 - iii. has not posted Warrants to any Members of the Company as no Dividend was declared during the financial year.
 - iv. duly complied with the requirements of section 217 of the Act.

BHAGAWATI OXYGEN LIMITED

14. The Board of Directors of the Company is duly constituted.
15. The Company has not appointed any Managing Director/ Whole time Director/ Manager during the financial year.
16. The Company has not appointed any Sole Selling Agent during the financial year.
17. The Company's Business during the year under scrutiny did not occasion the obtaining of approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such Authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the Provisions of the Act and the rules made there under.
19. The Company has not issued equity shares, debentures or other securities during the financial year.
20. The Company has not bought back any Shares during the financial year.
21. The Company has not issued any preference shares /debenture and hence there is no question of redemption of the same.
22. There were no transactions necessitating the company to keep in abeyance the right to dividend, right shares and bonus shares, pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company had not made any borrowing during the Financial Year-2013-14 pursuant to section 293(1)(d) of the companies Act, 1956 and wherever applicable under Section 180 of the Companies Act 2013.
25. The Company has complied with the provisions of Section 372A regarding loans and investments or advances or giving of guarantee or providing of securities to other bodies corporate and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year under the Act.
32. The Company has not received any sum as security from its employees during the year under certification.
33. The Company has deducted and deposited both employers' and employees' contribution towards Provident Fund to the prescribed authority within due period of time.

Place: Kolkata
Date: 30.05.2014

Signature for MANOJ SHAW &
(COMPANY SECRETARY)

MANOJ PRASAD SHAW
C.P NO. 4194

It is stated that the compliance of all the applicable provisions of the Companies Act, 1956 is the responsibility of the management. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/ statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the Companies Act, 1956.

Annexure-'A'**Registers as maintained by the Company:**

1. Register of Members u/s 150 & 151
2. Register of Transfers u/s 108
3. Minutes book of Board Meetings u/s 193
4. Minutes book of General Meetings
5. Register and returns u/s 163
6. Books of Accounts and other cost record u/s 209
7. Register of Directors, managing Directors, manager and secretary u/s 303
8. Register of Directors shareholding u/s 307
9. Register of Charges sec 143
10. Register of companies and firms in which directors are interested u/s 301
11. Register of Loan and Investment u/s 372A

Annexure-'B'

Forms and Return as filed by the Company with the Registrar of the Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2014

Sl. No	Form No./Return	Filed U/s	For	Date of filing	Whether filed within Prescribe time Yes / No	If delay in filing whether requisite additional fee paid Yes / No
1	Annual Return	159	Annual Return for AGM held on 27.09.2013	15.10.2013	Yes	N.A.
2	Balance Sheet (Form 23AC & 23ACA) XBRL	220	Balance Sheet as on 31.03.2013	11.10.2013	Yes	N.A.
3	Compliance Certificate (Form 66)	383A	Compliance Certificate for 31.03.2013	05.10.2013	Yes	N.A.
4	CHG-1	125	Creation of Charge made on 15.03.2014	27.05.2014	Yes	N.A.
5	Form-1 (XBRL)	233B	Cost Auditor Report as on 31.03.2013	30.09.2013	Yes	N.A.
6	Form 23D	233B	Information of Cost auditor to Central Government	29.07.2013	Yes	N.A.

BHAGAWATI OXYGEN LIMITED

INDEPENDENT AUDITOR'S REPORT

To
The Members of Bhagawati Oxygen Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Bhagawati Oxygen Limited**, ("the **Company**"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation of financial statements and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956

- e) On the basis of the written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2014 from being appointed as Directors of the Company in terms of (g) of sub-section(1) of section 274 of the Companies Act, 1956.

For CHATURVEDI & CO.
Chartered Accountants
Firm Registration No.-302137E

S. C. Chaturvedi
(Partner)
Membership No.-12705

Place : Kolkata
Date : 30th May 2014

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 of "Other Legal and Regulatory requirements" of our Audit Report)

- i) In respect of Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Fixed Assets.
 - b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. No serious discrepancies were noticed on such physical verification.
 - c) No part of fixed assets has been disposed off during the year.
- ii) In respect of Inventories:
 - a) As explained to us, the physical verification of inventory has been conducted by the management at reasonable intervals. In our opinion, the frequency of the verification is reasonable having regard to the size of the Company and nature of its business.
 - b) In our opinion and according to the information and explanations given to us, the procedures and frequency of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The Company has maintained proper records of inventory. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii) As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from the companies, firms or other parties covered in the register maintained under section 301 of the Companies act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of goods, fixed assets and sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control.
- v) (a) In respect of contracts or arrangements entered in the register maintained in pursuance to the section 301 of the Companies act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us, the particulars of contract referred to in Section 301 that need to be entered into the register, maintained under that section have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions pursuant to such contract have been made at prices which are reasonable to the prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits from the public within the meaning of section 58A and 58AA and any other relevant provisions of the act.
- vii) In our opinion, the internal audit system of the Company is commensurate with the size and nature of its business.
- viii) The Central government has prescribed to the company for the maintenance of Cost records as referred under clause (d) of sub section (1) of Section 209 of the Companies act, 1956. We are of the opinion that *prima facie*,

BHAGAWATI OXYGEN LIMITED

the prescribed accounts and records have been made and maintained. However we are not made any detailed examination of the records with a view to determine whether they are accurate and complete.

- ix) a) According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues including Income Tax and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income tax, wealth Tax, service tax, Sale tax, custom duty and excise duty which are outstanding at the yearend for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, and as per the records of the Company examined by us, the particulars of dues of Income Tax and Value Added Tax, which have not been deposited on account of any dispute as at March 31,2014 are given below:

Sl. No.	Name of the Statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Forum where pending
1	Income Tax Act. 1961	Income Tax	1,67,845/-	2010-2011	CIT (Appeal) Kolkata
		Tax deducted at source	52,100/-	2007-2008	CIT (Appeal) Kolkata
			67,720/-	2008-2009	CIT (Appeal) Kolkata
			53,610/-	2008-2009	CIT (Appeal) Kolkata

- x) The Company does not have any accumulated loss at the end of the financial year and there is no cash loss in the current year and the immediately preceding financial year.
- xi) As per the books and records maintained by the Company and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or banks or debenture holders.
- xii) According to the information and explanations given to us, and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special status applicable to chit fund and nidhi /mutual benefit fund/ societies.
- xiv) As informed and explained to us, the Company is not dealing or trading in shares, securities, debentures and other investments during the year. In our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts relating to other investment and timely entries have been made therein. The shares and other investments have been held by the Company in its own name.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks and financial institutions during the year.
- xvi) In our opinion, the term loan has been applied for the purpose for which they were raised.
- xvii) According to information and explanations and on overall examination of the balance sheet of the Company, we report that no funds raised on short term basis, which have been used for long term investments during the year.
- xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) The Company did not have any outstanding debentures during the year.
- xx) The Company has not raised any money through public issue during the year.
- xxi) Based on the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the year.

For
CHATURVEDI & CO.
Chartered Accountants
Firm Registration No.-302137E
S. C. Chaturvedi
(Partner)

Place : Kolkata
Date : 30th May, 2014

BALANCE SHEET AS AT 31st MARCH 2014

PARTICULARS	NOTE No	(Figures in INR)	
		As at 31st March 2014	As at 31st March 2013
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	1	23,129,690	23,129,690
(b) Reserves and Surplus	2	77,616,688	72,576,686
(2) Non-current liabilities			
(a) Long term borrowings	3	—	1,634,630
(b) Deferred tax liabilities (net)	4	4,785,426	5,758,420
(c) Other long term liabilities	5	—	—
(d) Long term provisions	6	100,000	100,000
(3) Current liabilities			
(a) Short term borrowings	7	—	—
(b) Trade payables	8	10,962,715	11,783,811
(c) Other current liabilities	9	4,403,419	3,607,910
(d) Short term provisions	10	12,094,817	13,470,245
TOTAL		133,092,755	132,061,392
II ASSETS			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	11	23,315,509	27,474,449
(b) Non-current investments	12	23,786,276	20,104,999
(c) Long term loans and advances	13	4,355,860	4,293,835
(d) Other non-current assets	14	24,307	50,819
(2) Current assets			
(a) Inventories	15	3,045,442	13,283,600
(b) Trade receivables	16	24,520,691	25,408,351
(c) Cash and cash equivalents	17	38,644,729	27,818,731
(d) Short term loans and advances	18	15,399,941	13,626,608
(e) Other current assets		—	—
TOTAL		133,092,755	132,061,392

Significant Accounting Policies and
Additional Information

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The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **Chaturvedi and Company**

Chartered Accountants

Firm Regn. No. 302137E

S C Chaturvedi

Partner

(Membership No. - 12705)

Place : Kolkata

Date : 30th May, 2014

For and on behalf of the Board of Directors

Suresh Kr Sharma
Chairman

Himanshu Sharma
Mg Director

BHAGAWATI OXYGEN LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014**

PARTICULARS	NOTE	(Figures in INR)	
		For the year ended 31st March 2014	For the year ended 31st March 2013
I Revenue from operations (Gross)	19	132,610,880	138,390,730
Less : Excise Duty		9,577,334	10,787,323
Revenue from operations (Net)		123,033,546	127,603,407
II Other Income	20	5,815,112	7,070,530
III Total Revenue (I+II)		128,848,658	134,673,937
IV Expenses			
Cost of materials consumed	21	49,137,684	53,940,919
Purchases of stock in trade	22	27,878,260	36,536,085
Change in inventories of finished goods and work in progress & stock in trade	23	10,238,158	(5,127,305)
Manufacturing expenses	24	14,888,086	13,972,646
Employee benefits expenses	25	4,517,495	4,173,748
Finance cost	26	86,049	1,182,980
Depreciation & amortization expenses		4,201,897	4,991,762
Other expenses	27	12,363,545	11,417,920
Total Expenses		123,311,174	121,088,755
V Profit before Exceptional item & Extraordinary item and tax (III-IV)		5,537,484	13,585,182
VI Exceptional item & Extraordinary item		-	-
VII Profit before tax (V+VI)		5,537,484	13,585,182
VIII Less : Tax expenses			
1) Current tax		2,664,410	4,456,092
2) Deferred tax		(972,994)	(1,158,344)
3) Tax relating to prior years		(1,201,006)	(711,306)
IX Profit for the year (VII-VIII)		5,047,074	10,998,740
X Earnings per share (of Rs.10/- each)			
(a) Basic		2.18	4.76
(b) Diluted		2.18	4.76

Significant Accounting Policies and Additional Information 28

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **Chaturvedi and Company**

Chartered Accountants

Firm Regn. No. 302137E

S C Chaturvedi

Partner

(Membership No. - 12705)

Place : Kolkata

Date : 30th May 2014

For and on behalf of the Board of Directors

Suresh Kr Sharma
Chairman

Himanshu Sharma
Mg Director

NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the year ended 31st March 2014	For the year ended 31st March 2013
Charity and Donation	228,150	190,885
Insurance Charges	504,772	577,706
Loss on sale of mutual fund investment/dimution in value of equity investment	765,000	827,131
Vehicle Expenses	613,377	579,908
Contribution to Scientific Research Institutions	245,100	598,100
Sundry Balance Written Off	163,205	703,792
Total	12,363,545	11,417,920

28. SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL INFORMATION**28.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting following generally accepted accounting principles in India (GAAP) and comply with the accounting standards prescribed by the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956 to the extent applicable.

28.2 FIXED ASSETS AND DEPRECIATION

- Depreciation on fixed assets was provided on straight line method at the rates and in the manner prescribed in Schedule - XIV to the Companies Act (as amended), 1956 upto the year 31st March 1996 and after that the depreciation on fixed assets is charged on written down value method at the rates prescribed in Schedule - XIV of the Companies Act, 1956 on residual value of the assets as on 1st April 1996.
- Depreciation on the amount of revaluation of fixed assets is adjusted against fixed assets revaluation reserve created at the time of revaluation.

28.3 INVENTORIES

Inventories are valued as under :

Stores & Spares - At cost.

Finished Goods and Work in Progress - At cost or market value, whichever is less.

28.4 INVESTMENTS

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which investments are made, are classified as current investments. All other investments are classified as long term investments. Long term investments and Current investments are stated at cost, unless there is a permanent decline in value thereof.

28.5 RECOGNITION OF INCOME AND EXPENDITURE

Sales are accounted inclusive of Excise Duty but excluding Sales Tax.

Items of income and expenditure are accounted for on accrual basis. Due to uncertainty as regards to ultimate collection on account of claims for escalation and minimum offtake guarantee, the revenue recognition is postponed as per AS-9 issued by the ICAI till bills are raised for such claims on settlement with the customers.

Cenvat Credit on purchases is adjusted from the Excise Duty payable during the year.

Preliminary Expenses are written off over a number of years as deferred revenue expenditure.

28.6 EMPLOYEE BENEFITS

Retirement benefits are provided in the accounts on accrual basis.

Annual contribution towards Gratuity liability is funded with Life Insurance Corporation of India in accordance with the Gratuity scheme of LIC.

Short term employee benefits are recognized as expense as per company's scheme.

28.7 TAXATION

Provision is made for Income Tax liability, which is likely to arise on the results of the year at the current rate of tax in accordance with the provisions of the Income Tax Act, 1961

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014

PARTICULARS	(Figures in INR)	
	As at 31st March 2014	As at 31st March 2013
A. Cash flow from operating activities:		
Net Profit before Tax and extraordinary item	5,537,484	13,585,182
Add: Depreciation	4,201,897	4,991,762
Interest charged	86,049	1,182,980
Bad & Doudtful Debt Written Off	163,205	703,792
Hire Charge	26,512	26,512
Less: Interest/Dividend Income	(3,594,940)	(2,780,432)
Liabilities written-off	(36,533)	(29,807)
Profit on sale of fixed assets	-	-
Provision for diminution in market value	765,000	-
Profit on Sale of Tata Floater Fund-Growth	(81,244)	-
Operating Profit before working capital changes	7,067,430	17,679,989
Adjustments for :		
Inventories	10,238,158	(5,127,305)
Trade & other Receivables	95,459	9,106,076
Trade Payables & other Liabilities	64,027	603,665
Cash generated from operations	17,465,074	22,262,425
Tax paid & adjusted	(4,009,739)	(1,772,527)
Cash-Flow before Extra Ordinary Items	13,455,335	20,489,898
Extra Ordinary Items	-	-
Net cash from operating Activities (A)	13,455,335	20,489,898
B. Cash Flow from Investing Activities:		
Capital WIP	-	-
Purchase of Fixed Assets	(50,028)	(18,500)
Mutual Fund	-	2,844,442
Sale of fixed assets	-	-
Other Investment made	(4,365,033)	(13,873,402)
Interest/ Dividend received	3,594,940	2,780,432
Net cash used in Investing Activities (B)	(820,121)	(8,267,028)
C. Cash Flow from Financing Activities:		
Borrowings from Bank	-	-
Borrowings from Bank repaid	(1,634,630)	(5,505,895)
Hire Charge Paid	(26,512)	(26,512)
Earmest Money Deposit	(62,025)	(76,776)
Interest paid	(86,049)	(1,182,980)
Net cash used in Financing Activities (C)	(1,809,216)	(6,792,163)
Net (Decrease)/Increase in Cash & Cash equivalents (A+B+C)	10,825,998	5,430,707
Cash & Cash equivalents at start of the year	27,818,731	22,388,024
Cash & Cash equivalents at close of the year	38,644,729	27,818,731
As per our report of even date attached		

For Chaturvedi and Company

Chartered Accountants

Firm Regn. No. 302137E

S C Chaturvedi

Partner

(Membership No. - 12705)

Place : Kolkata

Date : 30th May, 2014

For and on behalf of the Board of Directors

Suresh Kr Sharma
ChairmanHimanshu Sharma
Mg Director

BHAGAWATI OXYGEN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

		(Figures in INR)	
PARTICULARS	As at 31st March 2014	As at 31st March 2013	
1. SHARE CAPITAL			
1.1 AUTHORISED			
40,00,000 (P.Y 40,00,000) Equity Shares of Rs.10/- each	40,000,000	40,000,000	
	<u>40,000,000</u>	<u>40,000,000</u>	
1.2 ISSUED SUBSCRIBED AND FULLY PAID UP			
23,12,969 (P.Y 23,12,969) Equity Shares of Rs.10/- each	23,129,690	23,129,690	
	<u>23,129,690</u>	<u>23,129,690</u>	
1.3 Reconciliation of Number of Shares			
Shares outstanding as at the beginning of the year	23,129,690	23,129,690	
Add. Shares issued / bought back			
Shares outstanding as at the end of the year	23,129,690	23,129,690	
1.4 List of shareholders holding more than 5% of the total number of shares issued by the Company :			
Name of share holder			
Bihar State Industrial Development	300,000 (12.97%)	300,000 (12.97%)	
Rakesh Samrat Bhardwaj	208,550 (9.02%)	208,550 (9.02%)	
Bhagawati Gases Ltd	190,000 (8.21%)	190,000 (8.21%)	
Suresh Kumar Sharma jtly Himanshu Sharma	173,255 (7.49%)	173,255 (7.49%)	
1.5 Rights, Preferences and Restrictions attached to Equity Shares			
The Company has issued only one class of equity shares having a par value of Rs.10/- per share. Each holder of Equity Share is entitled to one vote per share. In the event the Board of Directors of the Company proposes any dividend, it will be subject to the approval of the shareholders at the Annual General Meeting.			
In the event of liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of Equity Shares held by the shareholders.			
2 RESERVE AND SURPLUS			
2.1 Capital Reserves (A)	1,500,000	1,500,000	
2.2 Revaluation Reserve (B)			
Opening Balance	32,873	40,730	
Less : Adjusted against depreciation	7,071	7,857	
Closing Balance	<u>25,802</u>	<u>32,873</u>	
2.3 Investment Allowance Reserve (C)	59,929	59,929	
2.4 Surplus in Statement of Profit and Loss (D)			
Opening Balance at the beginning of the year	70,983,884	59,985,144	
Add : Profit for the year	5,047,073	10,998,740	
Closing Balance	<u>76,030,957</u>	<u>70,983,884</u>	
Total (A + B + C + D)	<u>77,616,688</u>	<u>72,576,686</u>	
3 LONG TERM BORROWINGS			
3.1 Secured term loan from ICICI Bank*	-	1,330,000	
Others (Car loan)	-	304,630	
Total	<u>-</u>	<u>1,634,630</u>	

*Term loan and cash credit from ICICI Bank is secured by hypothecation of all current assets both present and future, wind mill at Tirunelveli Dist of Tamil Nadu, equitable mortgage of land & building property situated at project site and exclusive lien on fixed deposit of Rs.5.0 mn and guaranteed by personal guarantee of two directors.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Figures in INR)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
4 DEFERRED TAX LIABILITIES (NET)		
Deferred tax liability (net) included in the balance sheet comprises of the difference between book & tax depreciation :		
Opening Balance	5,758,420	6,916,764
Difference between book and tax depreciation current year	(972,994)	(1,158,344)
Closing Balance Net Deferred Tax Liabilities	<u>4,785,426</u>	<u>5,758,420</u>
5 OTHER LONG TERM LIABILITIES		
Others (Auto loan)	-	-
Total	<u>-</u>	<u>-</u>
6 LONG TERM PROVISIONS		
Provision of gratuity for employee benefits	100,000	100,000
Total	<u>100,000</u>	<u>100,000</u>
7 SHORT TERM BORROWINGS		
Secured Cash credit facilities from banks	-	-
Total	<u>-</u>	<u>-</u>
8 TRADE PAYABLES		
Sundry Creditors		
(i) Due to others*	10,962,715	11,783,811
Total	<u>10,962,715</u>	<u>11,783,811</u>
*Sundry Creditors includes Rs. Nil (P.Y. Nil) pertaining to parties covered under Micro, Small & Medium Enterprises Development (MSMED Act, 2006)		
9 OTHER CURRENT LIABILITIES		
Current Maturity of long term debts (Auto loan)	119,830	-
Other payables	4,283,589	3,607,910
Total	<u>4,403,419</u>	<u>3,607,910</u>
Other Payables pertains to :		
(i) Statutory liabilities	348,988	334,340
(ii) Others	3,934,601	3,273,570
10 SHORT TERM PROVISIONS		
Provision for employee benefits		
(i) Salary	193,261	171,939
(ii) Leave Encashment	170,072	131,145
(iii) Medical Allowance	192,592	171,142
(iv) Provident Fund	62,735	54,820
Provision for taxation (Income Tax)	11,476,157	12,941,199
Total	<u>12,094,817</u>	<u>13,470,245</u>

BHAGAWATI OXYGEN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

11 FIXED ASSETS - TANGIBLE ASSETS

Figures in INR

ITEM	GROSSBLOCK				DEPRECIATION				NETBLOCK	
	As at 01-04-13	Additions	Dedn/Adj.	As at 31-3-14	As at 01-04-13	For the year	Sale/Adj	Total	As at 31-3-14	As at 31-3-13
Land & Site Development	202,240	-	-	202,240	-	-	-	-	202,240	202,240
Non-Factory Building	1,129,069	-	-	1,129,069	684,827	22,212	-	707,039	422,030	444,242
Factory Building	4,922,049	-	-	4,922,049	4,236,971	68,508	-	4,305,479	616,570	685,078
Plant & Machinery	79,530,410	-	-	79,530,410	75,301,449	648,300	-	75,949,749	3,580,661	4,228,961
Wind Mill	39,083,390	-	-	39,083,390	23,390,246	2,405,759	-	25,796,005	13,287,385	15,693,144
Furniture & Fixture	497,007	-	-	497,007	451,319	7,752	-	459,071	37,936	45,688
Office Equipments	624,062	-	-	624,062	390,139	32,357	-	422,496	201,566	233,923
Computer	882,978	50,028	-	933,006	764,729	56,912	-	821,641	111,365	118,249
Vehicle	1,670,857	-	-	1,670,857	1,021,768	167,603	-	1,189,371	481,486	649,089
Cylinder	775,610	-	-	775,610	734,184	14,570	-	748,754	26,856	41,426
Truck & Tanker	1,929,182	-	-	1,929,182	1,917,420	-	-	1,917,420	11,762	11,762
VEs & associated LOX process equipment	9,433,729	-	-	9,433,729	4,313,082	784,995	-	5,098,077	4,335,652	5,120,647
	140,680,583	50,028	-	140,730,611	113,206,134	4,208,968	-	117,415,102	23,315,509	27,474,449
Previous Year	140,662,083	18,500	-	140,680,583	108,206,515	4,999,619	-	113,206,134	27,474,449	32,455,568

Note : Depreciation Rs. 4,208,968/- for the year includes Rs.7,071/- on increment of cost of assets of Ballabgarh unit which is adjusted against revaluation reserve and balance Rs.4,201,897/- is charged to Profit & Loss Account.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Figures in INR)

PARTICULARS	As at 31st March 2014	As at 31st March 2013
12 NON-CURRENT INVESTMENTS (VALUED AT COST)		
12.1 Non-Trade Investments		
<u>Investment in Equity Instruments (Quoted)</u>		
90,000 Equity Shares of Rs.10.00 (P.Y. 90000 equity of Rs. 10.00 each of Bhagawati Gases Ltd	900,000	900,000
Less : Provision for diminution in market value	(765,000)	-
	135,000	900,000
925 (P.Y. 925) Units of Rs. 3004.26 each of Goldman Sachs GOLD BEES	2,778,938	2,778,938
400 (P.Y. 400) Units of Rs. 3096.83 each of SBI GOLD GETS	1,238,732	1,238,732
<u>Investment in Mutual Funds (Quoted)</u>		
90641.830 units of Rs. 21.34 each (P.Y. 81658.902 units of Rs. 20.62 each) DSP Blackrock Balanced Fund-Dividend	1,934,614	1,683,505
86950.327 units of Rs. 26.85 each (P.Y. 76904.073 units of Rs. 27.37 each) HDFC Prudence Fund-Dividend	2,335,411	2,104,699
50563.808 units Rs. 42.29 each (P.Y. 45803.069 units of Rs. 42.69 each) HDFC Top 200 Fund-Dividend	2,138,358	1,955,146
104680.139 units of Rs. 13.79 each (P.Y. 104680.139 units of Rs. 13.79 each) Reliance Gold Savings Fund-Growth	1,443,979	1,443,979
1978.479 units of Rs. 1911.19 each (P.Y. Nil units of Rs. 0.00 each) Tata Floater Fund-Growth	3,781,244	-
<u>Investment in Partnership Firm (unquoted)</u>		
<u>Anchor Enterprise</u>	8,000,000	8,000,000
Total	23,786,276	20,104,999
Aggregate cost of quoted investments - equity	4,152,670	4,917,670
Aggregate market value of quoted investments - equity	3,790,375	3,963,164
Aggregate cost of quoted investments - mutual fund	11,633,606	7,187,329
Net Asset Value	11,357,795	6,782,140
Aggregate cost of unquoted investment	8,000,000	8,000,000
13 LONG TERM LOANS AND ADVANCES (Unsecured, considered good)		
Earnest Money Deposit	389,328	327,303
Security Deposit with related parties (Refer Note No. 28.10)	1,040,000	1,040,000
Security Deposit with others	926,532	926,532
Others	2,000,000	2,000,000
Total	4,355,860	4,293,835

BHAGAWATI OXYGEN LIMITED**NOTES FORMING PART OF FINANCIAL STATEMENTS***(Figures in INR)*

PARTICULARS	As at 31st March 2014	As at 31st March 2013
14 OTHER NON CURRENT ASSETS		
Unexpired hire charges - auto loan	24,307	50,819
Total	24,307	50,819
15 INVENTORIES (at lower of cost or market value) (as valued & certified by the management)		
Finished Goods	3,045,442	13,283,600
Total	3,045,442	13,283,600
16 TRADE RECEIVABLES		
Unsecured, considered good *	24,520,691	25,408,351
Total	24,520,691	25,408,351
Outstanding for a period exceeding six months from the date they are due for payment	1,426,726	4,730,349
Others	23,093,965	20,678,002
17 CASH AND CASH EQUIVALENTS		
Cash in hand	119,743	123,651
Balance with banks		
(i) Current accounts	1,880,913	978,421
(ii) Fixed deposit accounts *	36,644,073	26,716,659
Total	38,644,729	27,818,731
*Includes fixed deposit Rs. 4,32,284 (P.Y Rs. 312933) with maturity more than 12 months		
Fixed Deposits includes Rs. 1,98,67,386 are held as margin money against various borrowings and guarantees given by banks		
18 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Others		
(i) Advances recoverable in cash or in kind or for value to be received **	4,773,400	4,074,950
(ii) Balance with Central Excise Authorities	1,111,078	1,017,327
(iii) Advance Income Tax and Tax Deducted at Source	9,515,463	8,534,331
Total	15,399,941	13,626,608
Amount due from **Related Parties	559,121	327,644
Amount due from Others	4,214,279	3,747,306

BHAGAWATI OXYGEN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Figures in INR)

PARTICULARS	For the year ended 31st March 2014	For the year ended 31st March 2013
19 REVENUE FROM OPERATIONS		
Manufactured goods		
Industrial Gases - oxygen	87,063,829	98,063,272
Power - wind	3,435,756	4,398,257
Total - Sale of manufactured goods	90,499,585	102,461,529
Traded goods		
Industrial Gases - oxygen	5,315,647	8,897,573
Specialty Gases & Cylinders	36,795,648	27,031,628
Total - Sale of traded goods	42,111,295	35,929,201
Total	132,610,880	138,390,730
20 OTHER INCOME		
Interest Income from fixed deposits with banks (ITDS Rs. 292690/-, P.Y. Rs. 236477/-)	2,929,906	2,313,293
Interest Received on Others	-	55,387
Miscellaneous Income	1,173,181	4,222,491
Dividend	665,034	411,752
Cylinder Hire Charges	37,800	37,800
Income from Job Work	891,414	-
Profit on sale of Tata Floater Fund-Growth	81,244	-
Liabilities no longer required written back	36,533	29,807
Total	5,815,112	7,070,530
21 COST OF MATERIALS CONSUMED		
Industrial Gases - oxygen	49,137,684	53,940,919
Total	49,137,684	53,940,919
22 PURCHASE OF TRADED GOODS		
Industrial Gases - oxygen	5,196,433	8,765,716
Specialty Gases & Cylinders	22,681,827	27,770,369
Total	27,878,260	36,536,085
23 CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE		
Opening Stock		
Finished goods	13,283,601	8,156,296
	13,283,601	8,156,296
Closing Stock		
Finished goods	3,045,443	13,283,601
	3,045,443	13,283,601
(Increase) / Decrease in inventories of finished goods and work in progress and stock in trade	Total	(5,127,305)
	10,238,158	

BHAGAWATI OXYGEN LIMITED**NOTES FORMING PART OF FINANCIAL STATEMENTS***(Figures in INR)*

PARTICULARS	For the year ended 31st March 2014	For the year ended 31st March 2013
24 MANUFACTURING AND OPERATING EXPENSES		
Stores & Spares consumed	2,806,174	3,307,192
Power & Fuel	7,241,559	7,595,092
Repair & Maintenance to :		
Buildings	441,652	248,389
Plant and Machinery	4,227,553	2,683,733
Others	171,148	138,240
Total	14,888,086	13,972,646
25 EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages and Bonus	3,338,344	3,015,491
Contribution to Provident and other Funds*	187,633	151,618
Workman and staff welfare expenses	991,518	1,006,639
Total	4,517,495	4,173,748
* This includes Rs. 224542/- paid to LIC in accordance with the Gratuallly Scheme of LIC as per the requirement of Accounting Standard (AS-15) "Employee Benefits"		
26 FINANCE COST		
Interest paid on others	40,800	575,266
Interest on term loan	45,249	607,714
Total	86,049	1,182,980
27 OTHER AND ADMINISTRATIVE EXPENSES		
Rent	1,525,604	1,473,428
Rates, Taxes & Licence Fee	74,029	114,312
Bank charges and commission	141,205	106,635
Travelling and Conveyance	1,075,005	674,661
Directors' Remuneration	1,980,000	1,980,000
Directors' Sitting Fee	25,281	7,242
Auditors' Remuneration		
(i) Statutory Audit	38,000	35,000
(ii) Limited Review Report	10,000	10,000
(iii) Certification	6,000	3,000
(iv) Tax Audit	12,500	12,500
Expenses Related to Job work	740,465	-
Miscellaneous Expenses	2,797,435	2,704,090
Telephone and Postage Expenses	282,386	270,553
Legal and Professional Expenses	932,272	377,189
Advertisement Expenses	203,759	171,788

BHAGAWATI OXYGEN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

The difference that result between the profit offered for income taxes and the profit as per the financial statements are identified and thereafter a deferred tax asset or a deferred tax liability is recorded for timing difference namely that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing difference at the end of the accounting period based on the prevailing enacted or subsequently enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying value at each balance sheet date.

28.8 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the company.

28.9 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are neither recognized nor disclosed in the financial statements.

28.10 RELATED PARTY DISCLOSURES - AS IDENTIFIED BY THE MANAGEMENT AND RELIED UPON BY THE AUDITORS

a) List of Related Parties and description of relationship						
(i) Key Management Personnel		Mr S K Sharma				
Relatives of Key Management Personnel		Mr Himanshu Sharma				
		Mrs Tara Devi Sharma				
		Mrs Deepthi Sharma				
(ii) Parties under Common Control		Bhagawati Steel (P) Ltd				
		Dindayal Ramrup				
b) Transactions with related parties :						
		Parties under Common Control			(Amount / Rs.)	
Name of Transactions	Bhagawati Steel (P) Ltd		Dindayal Ramrup		KMP & Relatives	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-12
Rent	408,000	408,000	96,000	96,000		
Reimbursement of Salaries etc.	320,491	243,309				
Security Deposit	500,000	500,000				
S K Sharma						
Directors' Remuneration					840,000	840,000
Himanshu Sharma						
Directors' Remuneration					1,140,000	1,140,000
Tara Devi Sharma						
Rent					409,860	390,348
Security Deposit					240,000	240,000
Deepthi Sharma						
Rent					364,644	347,280
Security Depsosit					300,000	300,000

NOTES FORMING PART OF FINANCIAL STATEMENTS

28.11 Excise Duty

Excise Duty on sales for the year has been disclosed as reduction from the turnover

28.12 Contingent liabilities in respect of

Description	(Amount/ Rs.)	
	31-Mar-14	31-Mar-13
(a) Bank Guarantees given by the Company to its customers [Margin Money Rs. 4362367 (P.Y Rs. 4626614)]	4,229,679	4,419,596
(b) Sales tax and Income tax demands against which the Company has filed appeals for which no provision is considered required as the Company is hopeful of successful outcome in the appeals	341,275	575,328

28.13 Capital Commitments : There are no contracts remaining pending to be executed as on 31-03-2014 (P.Y. Nil)

28.14 Consumption of Stores and spares including consumption for Repair and Maintenance

Description	(Amount / Rs.)			
	31-Mar-14		31-Mar-13	
	Value	%	Value	%
Indigenous	6,550,562	86	6,227,234	98
Imported	1,095,965	14	150,320	2
Total	7,646,527	100	6,377,554	100

28.15 CIF Value of Imported Goods

Description	(Amount / Rs.)	
	31-Mar-14	31-Mar-13
Stores & Spares	1,095,965	150,320
Traded Goods	11,015,386	14,937,819
Total	12,111,351	15,088,139

28.16 Earning & Expenditure in foreign currency

Description	(Amount / Rs.)	
	31-Mar-14	31-Mar-13
Earning in foreign currency	-	-
Expenditure in foreign currency	49,115	-

BHAGAWATI OXYGEN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

28.17 Disclosure Requirement of AS-17 (Segment Reporting)

(Amount/ Rs.)

	31-Mar-14	31-Mar-13		31-Mar-14	31-Mar-13
Segment Revenue			Segment Assets		
Gases	115,174,744	135,402,986	Gases	117,761,339	110,589,389
Power	3,435,756	4,398,256	Power	14,499,063	20,425,054
Total (a)	118,610,500	139,801,242	Others	832,353	1,046,949
Unallocable revenue (b)	-	-	Total	133,092,755	132,061,392
Total (a + b)	118,610,500	139,801,242			
Segment Results			Segment Liabilities		
Gases	5,656,128	14,771,995	Gases	27,441,121	15,991,797
Power	(32,595)	(3,833)	Power	-	1,358,370
Other unallocable expenses (net of unallocable income)	-	-	Others	4,905,256	19,004,249
			Capital & Reserves	100,746,378	95,706,976
Total	5,623,533	14,768,162	Total	133,092,755	132,061,392
Interest & other charge	86,049	1,182,980			
Total Profit before tax	5,537,484	13,585,182			
Provision for tax	(490,410)	(2,586,442)			
Total Profit after tax	5,047,074	10,998,740			
Exceptional items	-	-			
Net Profit after exceptional items	5,047,074	10,998,740			

28.18 Earning per Share

	(Amount/Rs.)	
	31-Mar-14	31-Mar-13
Face Value per Share	10	10
Net Profit after Tax	5,047,074	10,999,340
No. of Ordinary Equity Shares	2,312,969	2,312,969
Basic and Diluted Earnings per Share	2.18	4.76

NOTES FORMING PART OF FINANCIAL STATEMENTS

28.19 Quantitative Details

(i) Capacity, Production		31-Mar-14			31-Mar-13		
Particulars	Unit	Licenced Installed	Installed Capacity	Production	Licenced Capacity	Installed Capacity	Production
Oxygen Gas & Conversion of LOX to GOX	NM3	NA	14040000	9985888	NA	14040000	11172938
Dissolved Aceetylene	NM3	NA	0	0	NA	0	0
Nitrogen Gas	NM3	NA	0	0	NA	0	0
Power-Wind	KWH	NA	6570000	1191132	NA	6570000	1522109

(ii) Production, Purchases, Sales, Stock		31-Mar-14		31-Mar-13	
Particulars	Unit	Quantity	Value (Rs)	Quantity	Value (Rs)
Opening Stock					
Oxygen Gas & Conversion of LOX to GOX	NM3	0	0	40302	336117
Power-Wind	KWH	0	0	0	0
Purchases					
Liquid Oxygen	SM3	6824479	49137684	7542381	53940919
Power-Wind	KWH	0	0	0	0
Production					
Oxygen Gas & Conversion of LOX to GOX	NM3	9985888	0	11172938	0
Power-Wind	KWH	1191132	0	1522109	0
Sales					
Oxygen Gas & Conversion of LOX to GOX	NM3	9985888	87063829	11172938	98063272
Power-Wind	KWH	1191132	3435756	1522109	4398256
Closing Stock					
Oxygen Gas & Conversion of LOX to GOX	NM3	0	0	0	0
Power-Wind	KWH	0	0	0	0

(iii) Trading		31-Mar-14		31-Mar-13	
Particulars	Unit	Quantity	Value (Rs)	Quantity	Value (Rs)
Opening Stock					
Oxygen Gas & Liquid	SM3	0	0	0	0
Other Gases	****	****	13283601	****	7820178
Purchases					
Oxygen Gas & Liquid	SM3	598690	5196433	1014496	8765716
Other Gases	****	****	22681827	****	27770369
Sales					
Oxygen Gas & Liquid	SM3	598690	5315647	1014496	8897573
Other Gases	****	****	36795648	****	27031628
Closing Stock					
Oxygen Gas & Liquid	SM3	0	0	0	0
Other Gases	****	****	3045443	****	13283601

**** The quantitative details are not given as the company deals in a large number of items of different measurement units and therefore it is not practical to give quantitative details in respect thereof

BHAGAWATI OXYGEN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

- 28.20** The Company has revalued its Buildings, Plant & Machinery and Gas Cylinders at Ballabgargh unit as on 31st August 1985 by Government approved valuer. The net increase of Rs. 78,15,528/- was transferred to Revaluation of Fixed Assets Reserves.
- 28.21** Sundry Debtors and Creditors as appearing in the Balance Sheet are subject to confirmation.
- 28.22** Figures for the previous year have been re-arranged and/ or re-grouped wherever considered necessary.

As per our report of even date attached

For **Chaturvedi and Company**
Chartered Accountants
Firm Regn. No. 302137E
S C Chaturvedi
Partner
(Membership No. - 12705)
Place : Kolkata
Date : 30th May, 2014

For and on behalf of the Board of Directors

Suresh Kr Sharma
Chairman

Himanshu Sharma
Mg Director

Information pursuant to Part IV of Schedule VI to the Companies Act, 1956

a) Registration Details

CIN No.	L74899HR1972PLC006203
Balance Sheet Date	31 March 2014
State Code	55

b) Capital raised during the period

Public Issue	Nil
Bonus Issue	Nil
Rights Issue	Nil
Private Placement	Nil

c) Position of Mobilization and Deployment of Funds

Total Liabilities	13,30,92,755
Sources of Funds	
Paid up Capital	23,129,690
Reserves and Surplus	7,76,16,688
Secured Loans	Nil
Unsecured Loans	Nil
Deferred Tax Liability (Net)	47,85,426
Total Assets	13,30,92,755
Application of Funds	
Net Fixed Assets	2,33,15,509
Investments	2,37,86,276
Net Current Assets	58,430,019

d) Performance of Company

Turnover	12,88,48,658
Total Expenditure	12,33,11,174
Profit/ (Loss) Before Tax	55,37,484
Profit/ (Loss) After Tax	50,47,074
Earning per Share (in Rs.)	2.18
Dividend Rate (%)	Nil

e) Generic Names of three Principal Products/ Services of the Company

Item Code No. (ITC Code)	Product Description
2804	Oxygen

Place : Kolkata

Date : 30th May 2014

Suresh Kr. Sharma
ChairmanHimanshu Sharma
Mg. Director