



## BHAGWATI AUTOCAST LTD.

July 1, 2019

To,  
Dept. of Corporate Services,  
**BSE Limited**  
25th Floor, Phiroj Jeejibhoy Tower,  
Dalal Street,  
Mumbai-400001

Security Code: **504646**

Dear Sir,

Sub.: **Submission of 37<sup>th</sup> Annual Report for the FY 2018-19**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereof for the time being in force), we hereby enclosed soft copy of 37<sup>th</sup> Annual report for the FY 2018-19, is being sent to the shareholders through permitted mode. The same is also available at the Company's website [www.bhagwati.com](http://www.bhagwati.com).

Please take this for your information & record.

Thanking You.

Yours faithfully,  
**For and on behalf of,**  
**BHAGWATI AUTOCAST LIMITED**

**Mehul Naliyadhara**  
**Company Secretary & Compliance Officer**  
Encl.: A/a.





## BHAGWATI AUTOCAST LIMITED

### 37<sup>th</sup> Annual Report 2018-2019

<b>Board of Directors</b>	:	Dr. Pravin N Bhagwati - Chairman & Managing Director Ms. Reena P Bhagwati - Jt. Managing Director Mr. Padmin H Buch - Director Mr. Rajendraprasad J Shah - Director Mr. Vimal R Ambani - Director
<b>Chief Financial Officer</b>	:	Mr. Dinesh K Sheth
<b>Company Secretary</b>	:	Mr. Mehul C. Naliyadhara
<b>Statutory Auditors</b>	:	M/s. Mahendra N. Shah & Co. Chartered Accountants Ahmedabad
<b>Internal Auditors</b>	:	M/s. Mehta Sheth & Associates Chartered Accountants Ahmedabad
<b>Secretarial Auditors</b>	:	M/s. Chirag Shah & Associates Company Secretaries Ahmedabad
<b>Bankers</b>	:	Kotak Mahindra Bank Ltd. Ahmedabad
<b>Registered Office &amp; Works</b>	:	CIN - L27100GJ1981PLC004718 Survey No. 816, Village : Rajoda Nr. Bavla, Dist. : Ahmedabad-382220 Tel. : +91-2714-232283, 232382, 232066 Website : www.bhagwati.com Email : autocast@bhagwati.com
<b>Registrar &amp; Share Transfer Agents</b>	:	M/s MCS Share Transfer Agent Limited 201, Shatdal Complex, 2nd Floor, Opp. BATA Showroom, Ashram Road, Ahmedabad - 380 009. Tele No. 079 26580461 / 62 / 63

ISIN - INE106G01014

GSTIN - 24AAACB4699K1ZD

**Financial Highlights**

Particulars	[Rs. in Lakhs]											
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	
<b>Production in MT</b>	<b>15932</b>	<b>13163</b>	<b>11093</b>	<b>9392</b>	<b>9306</b>	<b>12189</b>	<b>10064</b>	<b>8711</b>	<b>10586</b>	<b>10343</b>	<b>9729</b>	
Fixed Assets (Gross)	3947.02	3676.10	3584.65	3480.46	3399.60	3290.98	2894.53	2795.13	2504.45	2317.48	1439.75	
Fixed Assets (Net)	1612.89	1449.64	1489.31	1609.60	1768.08	1960.53	1748.09	1747.56	1549.73	1394.99	560.53	
Net Current Assets	1831.46	1596.27	1506.80	931.92	798.07	1125.14	620.57	560.32	867.04	738.80	1077.41	
Misc. Exps./Deferred Revenue Exps.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.49	4.81	
<b>TOTAL ASSETS (NET)</b>	<b>3444.35</b>	<b>3045.91</b>	<b>2996.11</b>	<b>2541.52</b>	<b>2566.15</b>	<b>3085.67</b>	<b>2368.66</b>	<b>2307.88</b>	<b>2416.77</b>	<b>2134.28</b>	<b>1642.75</b>	
Borrowings	853.88	772.33	817.28	486.92	607.02	722.12	450.65	545.16	759.53	711.51	465.13	
Equity Share Capital	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	
Reserves & Surplus	2202.82	1860.80	1751.04	1637.31	1583.16	1869.89	1435.21	1311.97	1250.76	1033.44	843.32	
Deferred Tax	99.58	124.71	139.72	129.22	87.90	205.59	194.73	162.68	118.41	101.26	46.23	
<b>TOTAL CAPITAL EMPLOYED</b>	<b>3444.35</b>	<b>3045.91</b>	<b>2996.11</b>	<b>2541.52</b>	<b>2566.15</b>	<b>3085.67</b>	<b>2368.66</b>	<b>2307.88</b>	<b>2416.77</b>	<b>2134.28</b>	<b>1642.75</b>	
<b>DEBT EQUITY RATIO</b>	<b>0.110:1</b>	<b>0.127:1</b>	<b>0.103:1</b>	<b>0.085:1</b>	<b>0.117:1</b>	<b>0.10:1</b>	<b>0.16:1</b>	<b>0.21:1</b>	<b>0.39:1</b>	<b>0.52:1</b>	<b>0.12:1</b>	
<b>Sales &amp; Other Income</b>	<b>11989.71</b>	<b>9237.14</b>	<b>8051.51</b>	<b>7188.20</b>	<b>7231.59</b>	<b>9325.24</b>	<b>7887.01</b>	<b>6407.74</b>	<b>7205.83</b>	<b>5840.73</b>	<b>6567.31</b>	
Excise Duty & Cess	0.00	284.27	917.62	843.81	930.67	1054.16	864.62	599.93	625.87	443.21	775.70	
Sales Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	141.82	118.10	146.72	
Materials	7440.23	5234.64	3866.40	3489.01	4071.55	5005.20	4387.73	3757.00	3976.01	3151.12	3686.96	
Labour Cost	1937.73	1779.93	1500.28	1367.41	1244.20	1336.90	1196.46	913.07	945.37	789.33	703.53	
Power	1412.29	1182.75	967.65	828.12	840.27	786.52	773.78	665.57	790.10	736.80	671.11	
Operation & Other Exps	363.44	304.30	258.92	173.81	122.12	189.66	162.43	141.05	115.28	107.83	131.80	
Interest	109.79	94.47	72.50	61.58	70.86	94.58	118.26	61.24	116.21	77.73	103.77	
<b>GROSS PROFIT</b>	<b>726.23</b>	<b>356.78</b>	<b>468.14</b>	<b>424.46</b>	<b>(48.08)</b>	<b>858.22</b>	<b>383.73</b>	<b>269.88</b>	<b>495.17</b>	<b>416.61</b>	<b>347.72</b>	
Depreciation	233.20	211.49	224.48	304.64	304.64	184.07	171.85	143.55	125.22	68.83	72.31	
<b>PROFIT BEFORE TAX</b>	<b>493.03</b>	<b>145.29</b>	<b>243.66</b>	<b>119.82</b>	<b>(352.72)</b>	<b>674.15</b>	<b>211.88</b>	<b>126.33</b>	<b>369.95</b>	<b>347.78</b>	<b>275.41</b>	
Provision For Taxation	118.79	19.81	93.55	41.32	(117.69)	218.87	65.05	48.37	119.15	120.29	98.96	
<b>PROFIT AFTER TAX</b>	<b>374.24</b>	<b>125.48</b>	<b>150.11</b>	<b>78.50</b>	<b>(235.03)</b>	<b>455.28</b>	<b>146.83</b>	<b>77.96</b>	<b>250.80</b>	<b>227.49</b>	<b>176.45</b>	
Prior period adjustments	(5.14)	(14.56)	(8.64)	(0.08)	(22.82)	9.74	0.00	0.00	0.00	10.50	0.00	
Other Comprehensive Income	0.71	(1.16)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Dividends	28.80	0.00	23.05	20.16	14.40	25.93	20.16	14.40	28.81	23.04	23.04	
Corporate Tax on Dividend	5.92	0.00	4.69	4.11	2.93	4.40	3.43	2.34	4.67	3.83	3.92	
<b>Retained Earnings</b>	<b>369.81</b>	<b>109.76</b>	<b>141.47</b>	<b>78.42</b>	<b>(257.85)</b>	<b>434.69</b>	<b>123.24</b>	<b>61.22</b>	<b>217.32</b>	<b>190.12</b>	<b>149.49</b>	
<b>Earning per Eq. Share Rs.</b>	<b>12.81</b>	<b>3.85</b>	<b>4.44</b>	<b>2.72</b>	<b>(8.95)</b>	<b>15.80</b>	<b>5.10</b>	<b>2.71</b>	<b>8.71</b>	<b>7.90</b>	<b>6.13</b>	
Dividend per Eq. Share %	10.00	8.00	8.00	7.00	5.00	9.00	7.00	5.00	10.00	8.00	8.00	
<b>Net Worth</b>	<b>2490.89</b>	<b>2148.87</b>	<b>2039.11</b>	<b>1925.38</b>	<b>1871.23</b>	<b>2157.96</b>	<b>1723.28</b>	<b>1600.04</b>	<b>1538.83</b>	<b>1321.02</b>	<b>1126.58</b>	
<b>Book value per Eq. Share Rs.</b>	<b>86.47</b>	<b>74.60</b>	<b>70.79</b>	<b>66.84</b>	<b>64.96</b>	<b>74.91</b>	<b>59.82</b>	<b>56.12</b>	<b>53.42</b>	<b>45.86</b>	<b>39.11</b>	

Above Financial data are compiled & recomputed from annual accounts for better presentation and are not part of annual report.

## BHAGWATI AUTOCAST LIMITED

### NOTICE

**NOTICE** is hereby given to **37TH ANNUAL GENERAL MEETING (AGM)** of the members of **BHAGWATI AUTOCAST LIMITED** will be held at the Registered Office of the Company at Survey No. 816, Village-Rajoda, Near Bavla, Dist. Ahmedabad-382220, Gujarat, India on Wednesday, the 21st day of August, 2019 at 11:00 AM to transact the following business.

#### Ordinary Business :

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and the report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2019.
3. To appoint director in place of Dr. Pravin N. Bhagwati (DIN:00096799), who retires by rotation and being eligible offered himself for re-appointment.

#### Special Business:

4. To re-appoint Mr. Padmin H. Buch (DIN:03411816) as an Independent Director

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

**“RESOLVED THAT** pursuant to provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other laws, rules and regulations as may be applicable in this regard, Mr. Padmin H. Buch (DIN:03411816) who has been appointed as an Independent Director and who holds office of the Independent Director upto September 23, 2019 and being eligible for re-appointment and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years from September 24, 2019 to September 23, 2024 on the Board of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution.”

5. To re-appoint Mr. Rajendraprasad J. Shah (DIN:01982424) as an Independent Director

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

**“RESOLVED THAT** pursuant to provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other laws, rules and regulations as may be applicable in this regard, Mr. Rajendraprasad J. Shah (DIN:01982424) who has been appointed as an Independent Director and who holds office of the Independent Director upto September 23, 2019 and being eligible for re-appointment and

who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years from September 24, 2019 to September 23, 2024 on the Board of the Company.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Mr. Rajendraprasad J. Shah on attaining the age of 75 (seventy five) years on December 16, 2023, during the above term of re-appointment, the continuation of such appointment as an Independent Non-Executive Director of the Company for 5 years upto September 23, 2024 on the same terms and conditions of such re-appointment even after attaining the age of 75 years, will be considered as requisite approval from Members as required in said Amended Regulations, 2018.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution.”

6. To give permission/ power to Board of Directors for related party transaction

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

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), subject to such other approvals, consents, sanctions, and permissions of any other authorities, if required, the Consent of Members of the Company be and is hereby accorded to the Board of directors to enter/ to be entered into various related party transactions for the period of 5 (five) years with effect from 1st April, 2020 to 31st March, 2025 upto maximum amount per annum as prescribe below:

Name of Related Party	Type of Transactions	Maximum Amount per annum
Bhagwati Spherocast Private Limited	- Sale, Purchase or Supply of Capital goods - Sale, Purchase or Supply of Raw Material/ Spares - Availing or rendering of any services	Rs. 500/- lakhs (exclusive of taxes / charges)

**RESOLVED FURTHER THAT** the Board of directors and/or committee thereof be and is hereby authorized to do all such acts, deeds, matters, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To approve and ratify the remuneration of Cost Auditor

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 Section 148 and all other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Consent of the Members of the Company be and is hereby accorded for payment of remuneration of Rs. 75,000/- (Rupees seventy five thousand only) (exclusive of taxes/ charges) plus reimbursement of out of pocket expense incurred on behalf of the Company, if any for the financial year ending on March 31, 2020 to M/s. Kiran J. Mehta & Co., Cost Accountants (FRN: 000025), who are appointed as the Cost Auditors of the Company by the

Board of directors to conduct the audit of cost records of the Company for the financial year ending on March 31, 2020.”

Place : Ahmedabad  
Date : 29/05/2019

By order of the Board of Directors  
**For, Bhagwati Autocast Limited**

Registered Office : **Dr. Pravin N. Bhagwati**  
Survey No. 816, Village Rajoda, Chairman and MD  
Near Bavla, Dist. Ahmedabad – 382 220. DIN : 00096799  
CIN: L27100GJ1981PLC004718  
e-mail: autocast@bhagwati.com  
Website: www.bhagwati.com

**NOTES :**

1. A member entitled to attend and vote at AGMs is entitled to appoint proxy to attend and vote instead of himself/herself and that proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Proxies in order to be effective, should be duly completed, stamped and must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time for commencement of the meeting.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote their behalf at the meeting.
3. In respect of the ordinary business at Item no. 3 and special business at Item No. 4 and 5, a Statement giving additional information on the Directors seeking re-appointment is provided herewith as Annexure-A, under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The relevant Explanatory statements pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item no. 4 to 7 of the Notice are annexed herewith.
5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification for a period of 5 years of appointment of Statutory Auditors, who were appointed in the 34th Annual General Meeting held on September 21, 2016.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 14th August, 2019 to Wednesday, 21st August, 2019 (both days inclusive) for the purpose of payment of dividend.
7. Subject to the provisions of the Act, dividend as recommended by the Board, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as at the end of Tuesday, 13th August, 2019.
8. Members holding shares in physical form are advised to furnish, particular of their PAN and bank account details, if not done or already if it is changed, to the Company to incorporate the same in the dividend warrants/payment instruments. In respect of cases, where the payments to the shareholders holding shares in dematerialized form are made by NECS, NEFT, dividend warrants/ payment instruments, particulars of bank account registered with their depository participants will be considered by the Company for printing the same on the dividend warrants/ payment instruments.

9. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company, in case of such dematerialized of shares, will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, Registrar is obliged to use only the data provided by the Depositories.

10. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 37th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 37th Annual General Meeting (AGM) (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL):
  - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on 17th August, 2019 (09:00 am) and ends on 20th August, 2019 (05:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th August, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - V. The process and manner for remote e-voting are as under:
    - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
      - (i). Open email and open PDF file viz; “BhagwatiAutocast Limited e-Voting.pdf” with your Client ID (in case you are holding shares in Demat Mode) or Folio No. (In Case you are holding shares in Physical Mode) as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.  
  
NOTE: Shareholders already registered with NSDL for e-voting will not receive the pdf file “BhagwatiAutocast Limited e-Voting.pdf”.
      - (ii). Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
      - (iii). Click on Shareholder – Login

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- (iv). Put user ID and password as initial password/PIN noted in step (i) above.
- (v). If you are logging for the first time, the Password change menu appears. Change the password with new password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi). Home page of e-voting opens. Click on “e-Voting: Active Voting Cycles.”
- (vii). Select “EVEN” (E Voting Event Number) of Bhagwati Autocast Limited for casting your vote.
- (viii). 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 you have voted on the resolution, you will not be allowed to modify your vote.
- (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 [chi118\\_min@yahoo.com](mailto:chi118_min@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
- (i). Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
- EVEN(Remote e-voting Event Number) USER ID  
PASSWORD / PIN**
- (ii). Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13th August, 2019.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 13th August, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [cs@bhagwati.com](mailto:cs@bhagwati.com) by mentioning their Folio No./DP Id and Client ID No.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. Chirag Shah, Practicing Company Secretary (Membership No. 5545) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiner, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutiner’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
11. The Members having multiple ledger folios in the same order of names are requested to approach MCS Share Transfer Agent Limited, R&T Agent of the Company for consolidating their entire holding in one folio for mutual convenience.
12. In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as ‘IEPF Rules’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of 7 (seven) years from the date of transfer to the unpaid dividend account is required to be transferred within 30 days of becoming due to IEPF maintained by the Central Government.
- The following are the details of the dividends paid by the Company and respective due dates for claim by the shareholders:
- | Sr. No. | Dividend for the Financial Year | Date of Declaration of Dividend | Last date of Claim |
|---------|---------------------------------|---------------------------------|--------------------|
| 1.      | 2011-2012                       | 20/09/2012                      | 27/10/2019         |
| 2.      | 2012-2013                       | 20/09/2013                      | 27/10/2020         |
| 3.      | 2013-2014                       | 24/09/2014                      | 01/11/2021         |
| 4.      | 2014-2015                       | 23/09/2015                      | 01/11/2022         |
| 5.      | 2015-2016                       | 21/09/2016                      | 28/10/2023         |
| 6.      | 2016-2017                       | 20/09/2017                      | 27/10/2024         |
| 7.      | 2017-2018                       | 12/09/2018                      | 18/10/2025         |

Accordingly, during the financial year 2018-19, the Company has transferred unclaimed final dividend amount for the financial year ended 31st March, 2011 on 29th November, 2018 to IEPF. Further, the Company shall not be in a position to entertain the claims of Shareholders for the unclaimed dividends after the last date as mentioned in the table. In view of the same, the Shareholders are requested to send relevant un-encased dividend warrants pertaining to the above years at registered office of the Company for revalidation or issuance of demand draft in lieu thereof and en-cash them before the due dates for transfer to the IEPF.

In accordance with the Section 124(6) of the Companies Act, 2013 read with IEPF Rules, those Members who have so far not encashed their dividend warrants from the final dividend 2011-12 onwards, may approach the Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, for making their claim without any further delay or all the shares in respect of which dividend has remained unclaimed or unpaid for 7 (seven) consecutive years or more will be transferred to the Investor Education and Protection Fund of the Central Government. With respect to the said Rules, amongst other matters, contain provisions for transfer of such shares in respect of which dividend has not been paid or claimed for seven consecutive years to the IEPF authority. The details of unpaid/ unclaimed dividend and number of shares liable to be transferred are available on our website: [www.bhagwati.com](http://www.bhagwati.com). Pursuant to the said provisions read with IEPF Rules, as amended, the Company shall process to transfer all shares to IEPF authority in respect of which dividends declared for the year 2011-12 has not been claimed by members 7 (seven) consecutive years or more.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact Company or R&T Agent for lodging claim for refund of shares and/ or dividend from the IEPF Authority.

13. Members desiring any information as regards the accounts are requested to write to the Company at least 15 days in advance, so as to enable the Board of Directors to keep the information ready.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company during office hours on all working days except Saturdays and Sundays

between 11:00 a.m. to 01:00 p.m. up to the date of Annual General Meeting.

15. In compliance with the circular of Ministry of Corporate Affairs for "Green Initiative in the Corporate Governance" by allowing/ permitting service of Documents etc in electronic forms, electronic copy of the Annual Report for the year 2018-19 is being sent to all the members whose e-mail ids are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for the year 2018-19 is being sent in the permitted mode.
16. Members are requested to support the Green Initiative by registering/ updating their e-mail address, with the Depository Participant(s) (in case Shares held in dematerialized form) or with M/s MCS Share Transfer Agent Ltd (in case shares held in physical form) to facilitate easy and faster dispatch of Notices, Annual Report and other communications by electronic mode from time to time.
17. Members may also note that the Notice of the 37th AGM and the Annual Report 2018-19 will be available on the Company's website, [www.bhagwati.com](http://www.bhagwati.com).
18. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the shareholders in respect of the shares held by them in physical form. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company. The shareholders holding shares in dematerialized form may approach their respective Depository Participants to avail and/or effect any change to the nomination facility.
19. Members are requested to bring their copies of the annual report at the venue of the 37th AGM. Members / Proxies / authorised representatives are requested to produce at the entrance, the attached Admission Slip for admission to the meeting hall. Duplicate attendance slips will not be provided at the hall.
20. A route map giving directions to reach at the venue of the 37th AGM is given at the end of the Notice.

Place : Ahmedabad  
Date : 29/05/2019

By order of the Board of Directors  
**For, Bhagwati Autocast Limited**

Registered Office :  
Survey No. 816, Village Rajoda,  
Near Bavla, Dist. Ahmedabad – 382 220.  
CIN: L27100GJ1981PLC004718  
e-mail: [autocast@bhagwati.com](mailto:autocast@bhagwati.com)  
Website: [www.bhagwati.com](http://www.bhagwati.com)

**Dr. Pravin N. Bhagwati**  
Chairman and MD  
DIN : 00096799

## BHAGWATI AUTOCAST LIMITED

### ANNEXURE - A

#### Item-3, 4 and 5 of the Notice

#### Details of the directors seeking appointment/ re-appointment at the 37th Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	Dr. Pravin N. Bhagwati	Mr. Padmin H. Buch	Mr. Rajendraprasad J. Shah
DIN	00096799	03411816	01982424
Date of Birth	11/02/1936	03/10/1956	15/12/1949
Date of Appointment/ Re Appointment	01/10/2018	24/09/2014	24/09/2014
Qualifications	B.E. (Mech.) from college of Engineering Pune, Ph.D. in Foundry Engineering from RWTH Aachen, Germany	B. Pharm, MBA from B K School of Business Management, Ahmedabad and Post Graduate Diploma in Patent Law from Nalsar University, Hyderabad	M.E. (Mechanical)
Expertise in Specific Functional Area	He possesses more than fifty two years experiences in foundry and casting industries	Possesses long and varied experience in Management & Project consulting domain, Corporate industry, Entrepreneurship/ start-up and Intellectual Property Rights (IPR)	He possesses long and vast experience in promotion of industries and its development thereof and he was principal chief industrial advisor to government of Gujarat from 1991 to 2009.
Relationship between Directors inter se	He is father of Mr. Reena P. Bhagwati, Jt. Managing Director of the Company	None	None
Shareholding of Non-executive Directors	N.A.	Nil	Nil
Other Directorship in Listed entities	None	None	Directorship: Archit Organosys Ltd.
Membership of Committees (Audit Committee and Stakeholder Relationship Committee in other listed entities)	None	None	Audit Committee-Member : Archit Organosys Ltd.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 4**
**To re-appoint Mr. Padmin H. Buch (DIN:03411816) as an Independent Director**

Mr. Padmin H Buch (DIN: 03411816) is Non-executive (Independent) Director of the Company appointed for the period of five years upto September 23, 2019. In term of Section 149 and any other applicable provisions of the Companies Act, 2013 ("the Act"), Mr. Padmin Buch being eligible and seeking reappointment for further term of five years and is proposed to be appointed as Independent Director for the period of Five Years ending on September 23, 2024.

Mr. Padmin H Buch did his MBA from B K School of Business Management, Ahmedabad and followed it up with and a Post Graduate Diploma in Patent Law from Nalsar University, Hyderabad. His graduation is in Pharmacy (B.Pharm). He also is Certified Management Consultant (CMC) from Institute of Management Consultants of India (IMCI), Mumbai. Mr. Padmin Buch was earlier Managing Director of Gujarat Industrial & Technical Consultancy Organisation (GITCO) Ltd. He possesses long and varied experience in Management & Project consulting domain dealing with diverse industry sectors. He is a visiting faculty at many reputed management and entrepreneurship institutions. Mr. Buch is also member of Governing Council of Ahmedabad Management Association (AMA), Chairman, Foreign Trade Committee of Gujarat Chamber of Commerce & Industry (GCCI) and Member of MSME panel-Confederation of Indian Industry (CII). His technical experience and expertise will help the Company.

The Company has received from Mr. Padmin H Buch (i) Consent to act as a Director (ii) Declaration to the effect that he is not disqualified under section 164 of the Act (iii) Declaration to the effect that he meets the criteria of Independence as provided in Section 149 of the Act.

A copy of draft letter of appointment of Mr. Padmin H Buch setting out terms and conditions is available for inspection without any fees by the members at the registered office of the Company during normal business hours on working days up to the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and its desirable to continue to avail the service of Mr. Padmin H. Buch as an Independent Director.

Except Mr. Padmin H. Buch, to whom the resolution relates, none of the Directors, Key Managerial Personnel or their relative is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 of the Notice for the approval of the members.

Encashment of Leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

**Item No. 5**
**To re-appoint Mr. Rajendraprasad J. Shah (DIN:01982424) as an Independent Director**

Mr. Rajendraprasad J. Shah (DIN: 01982424) is Non-executive (Independent) Director of the Company, appointed for the period of five years upto September 23, 2019. In term of Section 149 and any other applicable provisions of the Companies Act,

2013 ("the Act"), Mr. Rajendraprasad J. Shah being eligible and seeking re-appointment for further term of five years and is proposed to be appointed as Independent Director for the period of Five Years ending on September 23, 2024.

Further, during the second term of five years, Mr. Rajendraprasad J. Shah will attain the age of 75 years and pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the approval from the members with respect to the continuation of such appointment of Mr. Rajendraprasad J. Shah as an Independent Non-Executive Director of the Company for 5 years on the same terms and conditions of such re-appointment even after attaining the age of 75 years, will be considered as requisite approval from Members as required in the Amendment Regulations, 2018.

Mr. Rajendraprasad J. Shah is post-graduate in Mechanical Engineering and having 43 years of experience out of which 35 years in promotion of industries in Gujarat. He was Principal Chief Industrial Advisor to Government of Gujarat from 1991 to 2009. As part of his activities in various capacities, he was associated in preparing Industrial Policy of Gujarat for 1990, 1995, 2000, 2003 and 2009. Five Years Plan Programmes, introduction of specific programmes like monitoring of industrial approvals for implementation of projects; promoting innovations, R & D Projects, and R & D institutions; Cluster Development Programmes for SMEs; promotion of Special Economic Zones and bringing out legislation for SEZs; organizing Vibrant Gujarat-Global Investment Summits-2003, 2005, 2007, 2009, 2011, 2013, 2015, 2017 and promotion of large number of industrial projects in the State. His technical experience and expertise will help the Company.

The Company has received from Mr. Rajendraprasad J. Shah (i) Consent to act as a Director (ii) Declaration to the effect that he is not disqualified under section 164 of the Act (iii) Declaration to the effect that he meets the criteria of Independence as provided in Section 149 of the Act.

A copy of draft letter of appointment of Mr. Rajendraprasad J. Shah setting out terms and conditions is available for inspection without any fees by the members at the registered office of the Company during normal business hours on working days up to the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and its desirable to continue to avail the service of Mr. Rajendraprasad J. Shah as an Independent Director.

Except Mr. Rajendraprasad J. Shah, to whom the resolution relates, none of the Directors, Key Managerial Personnel or their relative is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 5 of the Notice for the approval of the members.

**Item No. 6**
**To give permission/ power to Board of Directors for related party transaction**

According to section 188 and other applicable provision of the Companies Act, 2013 rules made there under, the consent of the members are required by an Ordinary Resolution for entering into various transactions with related party subject to such other conditions prescribed there under.

Bhagwati Spherocast Private Limited is a 'related party' within meaning of Section 2(76) of the Companies Act, 2013,

## BHAGWATI AUTOCAST LIMITED

and hence sought approval of members by ordinary resolution under Section 188 of the Companies Act, 2013.

The particulars of transaction pursuant to rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

1. Name of Related Party: Bhagwati Spherocast Private Limited
2. Name of Director or KMP: Dr. Pravin N. Bhagwati and Ms. Reena P. Bhagwati.
3. Nature of relationship: Dr. Pravin N. Bhagwati and Ms. Reena P. Bhagwati are Common Board member and member of Bhagwati Spherocast Private Limited.
4. Monetary Value: Nature, Monetary Value, Material terms and particular of contract or arrangement:
  - Estimated Consideration up to Rs. 500 Lakh for each year. (Exclusive of Taxes/charges)
  - Contract shall be valid for five years. However if either of party desires to terminate the agreement, it can be terminated by either party by giving 60 days notice to other.
  - No party shall transfer or assigns its rights, obligations or liabilities under this Agreement or any part thereof to any third party.
5. Any other information relevant or important for the members to take a decision on the proposed resolution:
  - As our Company is engaged in production of high duty grey iron and ductile iron castings and for finishing process of casting on some of the components, the Company need to avail or render some of auxiliary or supplementary service of machining, job work or other services, Sale or Purchase or supply of Capital goods, Sale or Purchase or supply of Raw material/spares for proving quality production to customers of our Company at a very low cost of production.

Except Dr. Pravin N. Bhagwati and Ms. Reena P. Bhagwati, to whom the resolution relates, none of the Directors, Key Managerial Personnel or their relative is interested or concerned in the resolution.

### Route Map of the 37th Annual General Meeting:

Prominent location: Nr. Bavla, Dist. Ahmedabad

Full Address : Survey No. 816, Village-Rajoda, Nr. Bavla, Ahmedabad-382220, Gujarat



Interested members would not be eligible to vote on the set out resolution at item no. 6 of the Notice in term of Section 188 of the Companies Act, 2013 and Listing Agreement.

The Board recommends an Ordinary resolution set forth in Item no. 6 of the Notice for the approval of the members.

### Item No. 7

#### To approve and ratify the remuneration of Cost Auditor

The Board of director of the Company has approved appointment and remuneration of M/s. Kiran J. Mehta & Co., as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2020 at a remuneration of Rs. 75,000/- (Exclusive of Taxes/charges) and re-imbursalment of out of pocket expense incurred on behalf of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with rules made there under, the remuneration payable to the Cost auditor has to be determined or ratified by the members of the Company. Accordingly, consent of the members is sought for above purpose by passing an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relative is interested or concerned in the resolution.

The Board recommends the Ordinary resolution set forth in Item no. 7 of the Notice for the approval of the members.

Place : Ahmedabad  
Date : 29/05/2019

By order of the Board of Directors  
**For, Bhagwati Autocast Limited**

Registered Office :  
Survey No. 816, Village Rajoda,  
Near Bavla, Dist. Ahmedabad – 382 220.  
CIN: L27100GJ1981PLC004718  
e-mail: autocast@bhagwati.com  
Website: www.bhagwati.com

**Dr. Pravin N. Bhagwati**  
Chairman and MD  
DIN : 00096799

**DIRECTORS' REPORT**

To the Members,

Your Directors are pleased to present the **37<sup>TH</sup> ANNUAL REPORT** for the financial year ended on March 31, 2019. The financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS'). The performance of the Company is summarized as follows:

**01. FINANCIAL HIGHLIGHTS :**

	(Amount Rs. in Lakhs)	
	For the year Ended <b>31/03/2019</b>	For the year Ended 31/03/2018
Total Income	12000.58	9255.37
Earnings before interest, depreciation and taxation (EBIDTA)	836.02	451.25
Less: Interest & finance charges	109.79	94.47
<b>Profit/(Loss) before depreciation &amp; taxation</b>	<b>726.23</b>	<b>356.78</b>
Less: Depreciation	233.20	211.49
<b>Profit before tax</b>	<b>493.03</b>	<b>145.29</b>
Less: Provision for income tax		
[1] Current Tax	144.18	63.37
[2] Deferred Tax	(25.39)	(14.44)
[3] Short / (Excess) provision for earlier years	5.14	(14.56)
<b>Profit for the Year</b>	<b>369.10</b>	<b>110.92</b>
Add / (Less) : Other Comprehensive income	0.71	(1.16)
<b>Total Comprehensive Income for the year</b>	<b>369.81</b>	<b>109.76</b>
Add : Surplus of last year brought forward	815.86	733.84
Less : Dividend Paid	23.05	23.05
Less : Corporate Tax on Dividend Paid	4.74	4.69
<b>Surplus available for appropriation</b>	<b>1157.88</b>	<b>815.86</b>

**02. REVIEW OF OPERATIONS:**

During the year under review, Your Company's revenue increased by 29.90% and profit before Tax increased by 239%. This is due to good demand from our customers, who are big OEM tractor industries and sales price realization. During the year, your Company's production increased by 21.04% on year to year basis. The Company increased power demand from 2800 KVA to 3100 KVA and added certain balancing equipment to utilize maximum capacity.

**03. DIVIDEND :**

The Board of Directors recommend dividend of Rs. 1 per Equity Share (10% on the face value of Rs. 10/- each) for the year ended on March 31, 2019 (Previous year Rs. 0.80 per equity share, i.e. @ 8%) subject to the approval of shareholders at the ensuing Annual General Meeting.

**04. TRANSFER TO RESERVES :**

Your Company has not transferred any amount to General Reserves. Your Company has retained amount of Rs. 1157.88 Lakhs in the Statement of Profit and Loss.

**05. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND :**

The Company has transferred Rs. 1.08 Lakh to the Investor Education and Protection Fund established by the Central Government during the financial year 2018-19, as unclaimed dividend after expiry of seven years for the year ended March 31, 2011.

**06. PUBLIC DEPOSITS :**

During the financial year 2018-19, your Company has not accepted or renewed any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

As per Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposit) Rules, 2014, the Company has accepted money not considered as deposit from Dr. Pravin N. Bhagwati Rs. 23.70 lakhs and Ms. Reena P. Bhagwati Rs. 50.00 lakhs, Managing Directors of the Company.

**07. SHARE CAPITAL :**

The paid up equity share capital as on March 31, 2019 was Rs. 2.88 Crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. The Company has also not purchased of its own shares by employees or by trustees for the benefit of employees.

**08. LISTING :**

The Equity shares of the Company continue to be listed on BSE Limited (Security Code: 504646) and required Listing fees for the year 2018-19 has been paid.

**09. EXTRACT OF THE ANNUAL RETURN :**

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, the details forming part of the extract of the Annual Return for the financial year ended March 31, 2019 in form MGT-9 is annexed herewith as **(Annexure-1)**.

**10. THE DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :**

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 is annexed herewith as **(Annexure-2)**.

**11. DIRECTORS :**
**A) Changes in Directors and Key Managerial Personnel**

As per provision of the Companies Act, 2013, Dr. Pravin N. Bhagwati retires by rotation in the forthcoming Annual General Meeting and being eligible offered himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Mahadev B. Shinde, has been appointed as Chief Executive Officer (KMP) of the Company in the Board of directors meeting held on November 13, 2018 effective from the said date, he resigned from the Chief Executive Officer (KMP) position, w.e.f. March 8, 2019.

**B) Declaration by an Independent Director(s) and re-appointment, if any**

## BHAGWATI AUTOCAST LIMITED

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013.

Independent directors (IDs) shall hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Directors report. As per the provisions of the Companies Act, 2013, Mr. Padmin H. Buch and Mr. Rajendraprasad J. Shah will retire at the ensuing AGM and being eligible, seek re-appointment. The Board recommends their re-appointment.

The Companies Act, 2013, provides for the appointment of IDs. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that IDs shall hold office for a term of up to five consecutive years on the board of a Company and shall be eligible for re-appointment on passing of a special resolution by the shareholders of the Company. Accordingly, Mr. Padmin H. Buch and Mr. Rajendraprasad J. Shah, IDs were appointed by the shareholders at the general meeting held on 24th September, 2014. Further, sub-section (13) of Section 149, provides that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Companies Act, 2013 shall not apply to such IDs.

### **C) Annual evaluation by the board of its own performance, its committees and individual directors**

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

### **D) Policy on Directors' appointment and remuneration**

(Including criteria for determining qualification, positive attributes, independence of a Director, policy relating to remuneration for Directors, Key Managerial Personnel and other employees)

#### **Policy on Directors' appointment**

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013, the Listing Agreement with Stock Exchanges and good corporate practices. Emphasis is given to persons from diverse fields or professions.

#### **Policy on Remuneration**

Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that –

- Remuneration to unionised workmen is based on the periodical settlement with the workmen union.
- Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen (non Unionised) is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
- For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

### **12. MEETINGS OF THE BOARD OF DIRECTORS:**

Four meetings of the Board of directors of the Company held during the year under review. Your Company has complied with the Secretarial Standard as applicable to the Company pursuant to the provisions of the Companies Act, 2013.

### **13. AUDIT COMMITTEE :**

The Committee comprises Mr. R. J. Shah, Chairman and Ms. R. P. Bhagwati, Mr. P. H. Buch, Mr. V. R. Ambani, Members. In accordance with provisions of Section 177(8) of the Companies Act, 2013 and Listing Regulations, the Board has accepted all the recommendations of the Audit Committee during the financial year 2018-19.

### **14. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES :**

The Company has formulated Vigil Mechanism named Whistle Blower Policy with a view to report concern about unethical behavior, actual or suspected fraud. This policy provides mechanism for employee of the Company of any violation and to approach the chairman of the Audit Committee of the Company who shall investigate into the same and recommend suitable action to the management.

### **15. NOMINATION AND REMUNERATION COMMITTEE :**

The Board has on recommendation of nomination and remuneration committee, framed a policy for selection and appointment of Director, senior management and their remuneration.

### **16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

### **17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC -2 is annexed herewith as (Annexure-3).

### **18. PARTICULAR OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANY :**

The Company does not have any subsidiary, Joint Venture and Associate Company.

### **19. RISK MANAGEMENT :**

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of your Company.

### **20. CORPORATE GOVERNANCE :**

As per the provisions of Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance requirements are not applicable to your Company, as the Company has not attained the prescribed limit as mentioned hereunder:

The Regulations 17 to 27 (including both regulations) and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V shall not be mandatory in respect of the companies having paid-up share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crores as on the last day of the previous financial year.

**21. INFORMATION REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **(Annexure-4)**.

**22. MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to the Regulation 34(2) of the SEBI (LODR) Regulations, 2015, the report relevant to Management discussion and analysis forming part of the Annual report for the year under review is annexed herewith as **(Annexure-5)**.

**23. AUDITORS:**

**1. STATUTORY AUDITORS:**

M/s. Mahendra N. Shah & Co., Chartered Accountants (FRN: 105775W) Ahmedabad were appointed as Statutory Auditor of the Company for a term of 5 (five) consecutive years, at the 34th Annual General Meeting held on September 21, 2016 upto the conclusion of the 39th Annual General Meeting at a remuneration as may be mutually agreed between the Board of directors of the Company and the Auditors.

The Company has received relevant letters/ certificates from them to the effect that they have not been disqualified from continuing as Statutory Auditors of the Company within the prescribed limits under Section 141 of the Companies Act, 2013.

**EXPLANATION OR COMMENTS ON AUDITORS' REPORT :**

The report given by the Auditor is part of the Annual Report. There has been no adverse qualification, observations, adverse remark or disclaimer given by the Auditor in their report.

**2. INTERNAL AUDITORS:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of directors of the Company has appointed M/s. Mehta Sheth & Associates, Chartered Accountants (FRN: 106238W) Ahmedabad as an Internal auditor of the Company for the financial year 2019-20.

**3. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of directors has appointed M/s. Chirag Shah & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Report of the Secretarial Audit Report is annexed herewith as **(Annexure-6)**.

The Board has appointed M/s. Chirag Shah & Associates, Company Secretaries, Ahmedabad as Secretarial auditor of the Company for the financial year 2019-20.

**4. COST AUDITOR :**

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Kiran J. Mehta & Co. (FRN: 000025), Cost Accountants, Ahmedabad as the cost auditor of the Company for the year ending March 31, 2020.

**24. DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 134(3) of the Companies Act, 2013, in relation to the Financial Statements for FY 2018-19, the Board of Directors states that:

- (a) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**25. HUMAN RESOURCES:**

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

**26. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

No change in nature of the business of the Company occurred during the year.

**27. PROHIBITION OF INSIDER TRADING :**

The Company has adopted a Code of Conduct for Prohibition of Insider Trading with regulate trading in securities by the Directors and designated employee of the Company. The Board is responsible for implementation of the Code. The code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the

## BHAGWATI AUTOCAST LIMITED

designated employee while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed. The relevant policy is available on the Company's website.

### 28. DEMATERIALIZATION OF SHARES:

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid.

### 29. THE NUMBER OF COMPLAINTS RELATING TO CHILD LABOUR, FORCED LABOUR, INVOLUNTARY LABOUR, SEXUAL HARASSMENT IN THE LAST FINANCIAL YEAR AND THOSE PENDING AS ON THE END OF THE FINANCIAL YEAR :

Sr. No.	Category	No. of Complaints filed during the financial year	No. of Complainants pending as on end of the financial year
1.	Child labour/forced labour/ Involuntary labour	NIL	NIL
2.	Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.	NIL	NIL

### 30. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No other material changes have taken place after completion of the financial period up to the date of this report which may have substantial effect on business and finances of the company and which are required to be disclosed in this Report.

### 31. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

### 32. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. To maintain its objectives and independence, the internal Audit reports to the chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Control System of the Company, its compliance with operating system, accounting procedures and policy of the Company. Based on the report of internal audit function, process owners undertake corrective action and thereby strengthen the controls. Significant audit observation and corrective actions thereon are presented to the audit committee of the board.

### 33. General:

#### (i). Insurance :

The assets of the company including Plant and Machineries, Factory Building, Stocks, Stores, Vehicles etc. have been adequately insured.

#### (ii). Industrial Relations :

During the year under review, your Company enjoyed cordial relationship with the workers and employees at all the levels.

#### (iii). Acknowledgement :

Your Directors expresses sincere thanks to various Central and State Government Departments, Organizations and Agencies for the continued co-operation and support extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

Place : Ahmedabad  
Date : 29/05/2019

By order of the Board of Directors  
For, Bhagwati Autocast Limited

**Dr. Pravin N. Bhagwati**  
Chairman & Managing Director  
DIN : 00096799

**ANNEXURE "1" TO THE DIRECTORS REPORT  
FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

**I. Registration and Other Details :**

CIN	L27100GJ1981PLC004718
Registration Date	20th October, 1981
Name of the Company	BHAGWATI AUTOCAST LIMITED
Category of Sub Category of the Company	Company Limited by Share
Address of the Registered office and Contact details	Survey No. 816, Village Rajoda, Near Bavla , Ahmedabad- 382 220 Gujarat Tel No. (02714) 232283 / 232983 / 232066
Whether Listed Company	Yes
Name, address and Contact details of Registrar and Transfer Agent , if Any	MCS Share Transfer Agent Limited 201, 2 <sup>nd</sup> Floor, Shatdal Complex, 2nd Floor, Opp Bata Show Room, Ashram Road, Ahmedabad, Gujarat, 380 009 Tel No. 079 26580461/62/63

**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:-

Sr. No.	Name and Description of main products / Services	NIC code of the product/service	% to total turnover of the company
1	Iron casting	24319	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of Shares Held	Applicable Section
----- N.A.-----					

## BHAGWATI AUTOCAST LIMITED

### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PER CENTAGE OF TOTAL EQUITY)

#### i) Category-wise share holding

Category of Share holders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1284727	-	1284727	44.60	1409878	-	1409878	48.94	04.34
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	589315	-	589315	20.46	589315	-	589315	20.46	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>1874042</b>	<b>-</b>	<b>1874042</b>	<b>65.06</b>	<b>1999193</b>	<b>-</b>	<b>1999193</b>	<b>69.40</b>	<b>04.34</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1874042</b>	<b>-</b>	<b>1874042</b>	<b>65.06</b>	<b>1999193</b>	<b>-</b>	<b>1999193</b>	<b>69.40</b>	<b>04.34</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	300	300	0.01	-	300	300	0.01	0.00
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>300</b>	<b>300</b>	<b>0.01</b>	<b>-</b>	<b>300</b>	<b>300</b>	<b>0.01</b>	<b>0.00</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian	64842	3338	68180	02.37	30194	3238	33432	01.16	(01.21)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	566457	136964	703421	24.42	493809	115700	609509	21.16	(03.26)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	90409	-	90409	03.14	95509	-	95509	03.32	0.18
c) Others i) HUFs	26208	-	26208	0.91	23591	-	23591	0.82	(0.09)
ii) NRI	13980	47707	61687	02.14	13838	46192	60030	02.08	(0.06)
iii) IEPF authority MCA	56437	0	56437	01.96	59120	-	59120	02.05	0.09
<b>Sub-total (B)(2):-</b>	<b>818333</b>	<b>188009</b>	<b>1006342</b>	<b>34.93</b>	<b>716061</b>	<b>165130</b>	<b>881191</b>	<b>30.59</b>	<b>(04.34)</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>818333</b>	<b>188309</b>	<b>1006642</b>	<b>34.94</b>	<b>716061</b>	<b>165430</b>	<b>881491</b>	<b>30.60</b>	<b>(04.34)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>2692375</b>	<b>188309</b>	<b>2880684</b>	<b>100</b>	<b>2715254</b>	<b>165430</b>	<b>2880684</b>	<b>100</b>	<b>-</b>



**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018			Share holding at the end of the year 31.03.2019			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	
1	Bhagwati Spherocast Pvt. Ltd.	574746	19.95	0.00	574746	19.95	0.00	-
2	Ms. Reena P. Bhagwati	787104	27.32	0.00	911825	31.65	0.00	4.33
3	Dr. Pravin N. Bhagwati	450432	15.64	0.00	450862	15.65	0.00	0.01
4	Ms. Aanal P. Bhagwati	47191	01.64	0.00	47191	01.64	0.00	0.07
5	Bhagwati Filters Pvt. Ltd.	14569	0.51	0.00	14569	0.51	0.00	-
	<b>Total</b>	<b>1874042</b>	<b>65.06</b>	<b>0.00</b>	<b>1999193</b>	<b>69.40</b>	<b>0.00</b>	<b>04.34</b>

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

Sr. No.	Name of the Promoters/ Promoters Group	Shareholding at the beginning of the year		Increase/ decrease during the year	Date wise increase/ decrease*	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company				No. of Shares	% of Total Shares of the company
1.	Dr. Pravin N. Bhagwati	450432	15.64	430	15.02.2019	Buy	450862	15.65
2.	Ms. Reena P. Bhagwati	787104	27.32	580	06.04.2018	Buy	787684	27.34
				500	13.04.2018	Buy	788184	27.36
				40	20.04.2018	Buy	788224	27.36
				610	27.04.2018	Buy	788834	27.38
				2256	11.05.2018	Buy	791090	27.46
				4268	18.05.2018	Buy	795358	27.61
				2875	01.06.2018	Buy	798233	27.71
				3366	08.06.2018	Buy	801599	27.83
				9741	15.06.2018	Buy	811340	28.16
				1801	22.06.2018	Buy	813141	28.23
				9734	30.06.2018	Buy	822875	28.57
				3139	06.07.2018	Buy	826014	28.67
				4328	13.07.2018	Buy	830342	28.82
				1220	20.07.2018	Buy	831562	28.87
				986	27.07.2018	Buy	832548	28.90
				2404	03.08.2018	Buy	834952	28.98
				9248	24.08.2018	Buy	844200	29.31
				893	31.08.2018	Buy	845093	29.34
				865	07.09.2018	Buy	845958	29.37
				4132	14.09.2018	Buy	850090	29.51
				122	21.09.2018	Buy	850212	29.51
				3778	28.09.2018	Buy	853990	29.65
				2650	05.10.2018	Buy	856640	29.74
				39901	12.10.2018	Buy	896541	31.12
				1307	19.10.2018	Buy	897848	31.17
				897	26.10.2018	Buy	898745	31.20
				1970	02.11.2018	Buy	900715	31.27
				337	09.11.2018	Buy	901052	31.28
				105	14.12.2018	Buy	901157	31.28
				261	21.12.2018	Buy	901418	31.29
				334	28.12.2018	Buy	901752	31.30
				119	31.12.2018	Buy	901871	31.31

## BHAGWATI AUTOCAST LIMITED

Sr. No.	Name of the Promoters/ Promoters Group	Shareholding at the beginning of the year		Increase/ decrease during the year	Date wise increase/ decrease	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company				No. of Shares	% of Total Shares of the company
				12	04.01.2019	Buy	901883	31.31
				4360	15.02.2019	Buy	906243	31.46
				1828	22.02.2019	Buy	908071	31.52
				50	08.03.2019	Buy	908121	31.52
				25	15.03.2019	Buy	908146	31.53
				3679	30.03.2019	Buy	911825	31.65
3.	Ms. Aanal P. Bhagwati	47191	01.64	-	-	-	47191	01.64
4.	Bhagwati Spherocast Pvt. Ltd.	574746	19.95	-	-	-	574746	19.95
5.	Bhagwati Filters Pvt. Ltd.	14569	0.51	-	-	-	14569	0.51

\* Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to the Company.

#### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the company	Increase	Decrease	No. of Shares	% of Total Shares of the company
1.	MahendraGirdharilal	69572	02.42	-	-	69572	02.42
2.	IEPF Authority MCA	56437	01.96	2683	-	59120	02.05
3.	Lincoln P Coelho	0	0.00	25937	-	25937	0.90
4.	ChanchalbenRaojibhai Patel	20424	0.71	-	-	20424	0.71
5.	AtulPrabhulalGhiya	11692	0.41	-	-	11692	0.41
6.	Mili Consultants & Investments Pvt Ltd	10426	0.36	-	-	10426	0.36
7.	Shashi Rani Gupta	10103	0.35	250	-	10353	0.36
8.	Shyamsunder Gupta	7352	0.26	745	-	8097	0.28
9.	YasinLukamanbhaiGadhia	0	0.00	7537	-	7537	0.26
10.	ArunaBhailal Mehta	7492	0.26	-	-	7492	0.26

#### (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)*		Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the company	Increase	Decrease	No. of Shares	% of Total Shares of the company
1.	Dr. Pravin N. Bhagwati	450432	15.64	430	-	450862	15.65
2.	Ms. Reena P. Bhagwati	787104	27.32	124721	-	911825	31.65
3.	Mr. Padmin H. Buch	-	-	-	-	-	-
4.	Mr. Rajendraprasad J. Shah	-	-	-	-	-	-
5.	Mr. Vimal R. Ambani	-	-	-	-	-	-
6.	Mr. M. B. Shinde #	-	-	-	-	-	-
7.	Mr. D. K. Sheth	10	0.003	-	-	10	0.003
8.	Mr. M. C. Naliyadhara	-	-	-	-	-	-

\*Change in shareholding of Dr. Pravin N. Bhagwati and Ms. Reena P. Bhagwati is given in change in Promoter's shareholding Point No. [IV (iii)] above.

# Mr. M. B. Shinde has been appointed as CEO (KMP), w.e.f 13th November, 2018 and he is resigned as CEO (KMP), w.e.f. 8th March, 2019.

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

(Amount Rs. in lakhs)

	Secured Loans excluding deposits ^	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	498.63	273.70	-	772.33
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i + ii + iii)	498.63	273.70	-	772.33
<b>Change in Indebtedness during the financial year</b>				
• Addition	114.72	100.00	-	214.72
• Reduction	9.13	100.00	-	109.13
Net Change	105.59	-	-	105.59
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	603.65	273.70	-	877.35
ii) Interest due but not paid	0.57	-	-	0.57
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>604.22</b>	<b>273.70</b>	<b>-</b>	<b>877.92</b>

^ An amount of working capital facilities was included in secured loans.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount Rs. in lakhs)

Sr. No.	Particulars of remuneration	Name of MD		Total Amount
		Dr. P. N. Bhagwati (MD)	Ms. R. P. Bhagwati (Jt. M.D.)	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64.56	12.00	76.56
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.45	-	0.45
2.	Stock Option	-	-	-
3.	Sweet Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify (Contribution to provident Funds, Contribution to Superannuation Fund and Medical Reimbursement, Reimbursement of Expenses)	06.01	-	06.01
	Total (A)	71.02	12.00	83.02

**Ceiling as per the Act :** The total managerial remuneration payable shall not exceed ten percent of net profit of the Company or if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act, 2013. The remuneration paid to managing directors during the year is within the statutory limit as specified above.

**B. Remuneration to other directors :**

(Amount Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of Directors			Total
		Independent/Non-Executive Directors	Mr. P. H. Buch	Mr. R. J. Shah	
1.	Sitting fees for attending board, committee meetings	0.31	0.31	0.23	0.85
	Total	0.31	0.31	0.23	0.85

## BHAGWATI AUTOCAST LIMITED

### C. Remuneration to key managerial personnel other than MD/Manager/WTD

(Amount Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel's			
		M. B. Shinde (CEO)*	D. K. Sheth (CFO)	M. C. Naliyadhara (CS)	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.11	39.75	4.06	59.92
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.14	-	-	0.14
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify (Provident Fund)	0.70	1.71	0.18	2.59
	<b>Total</b>	<b>16.95</b>	<b>41.46</b>	<b>4.24</b>	<b>62.65</b>

\*Mr. M. B. Shinde was appointed as CEO (KMP), w.e.f 13th November, 2018 and he has resigned on 8th March, 2019.

### 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)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

**By Order of the Board of Director  
For, BHAGWATI AUTOCAST LIMITED**

**Dr. Pravin N. Bhagwati**  
Chairman & Managing Director  
**DIN : 00096799**

Place : Ahmedabad  
Date : 29/05/2019

**ANNEXURE “2” of the Directors Report**
**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**
**a) Measures Taken :**

The Company has taken various measures for conservation of energy for last few years. During the year, the Company has taken following measures: -

- [1] Air Compressor air leakage arrested and practice developed to switch off during recess & Non-production hours from December, 2014.
- [2] Lighting, HPP Fans Cooling towers etc. Practice developed to switch off during recess & Non-production hours. Idle Running is also prevented.
- [3] Optimizing done in Furnaces operation
  1. To operate three Furnaces
  2. Cold start one hour before start of the shift.
  3. Controlling of power to avoid holding of Furnaces at pouring temperature by better synchronizing between melting and holding

**FURTHER STEPS TO BE IMPLEMENTED**

- [1] All mercury lamps will be replaced by metal induction lights & LED, saving potential 100 kwh/day.
- [2] A.C. Drive will be installed in mixture and compressor motors.
- [3] All air compressors will be operated in auto mode to save power consumption when air demand reduces saving potential is 500 kwh/day minimum.
- [4] All new/replacement motors will be of energy efficient type.
- [5] Air Compressors will be shifted near to equipment and all old pipe line with more resistance will be replaced by better quality having minimum resistance. Saving potential is 400 kwh/day minimum.
- [6] Cooling tower saver will be introduced.

**b) Additional Investment and proposals, if any, being implemented for reduction of consumption of energy:**

- [1] Induction motors between 10 to 20 HP will be replaced in phased manner.
- [2] Distribution transformer insulation will be replaced during reconditioning of transformer, which will bring down losses to optimum 6% to 3%.

**c) Impact of the measures taken at (a) &(b) above for reduction of energy consumption:**

Satisfactory impact of measures taken as above has been observed during the current year. However, further improvement may be possible when we reach to higher output.

Maintained the average power factor of whole plant at 0.99.

Total energy consumption and energy consumption per unit of production as per Form A of the ANNEXURE in respect of industries specified in the Schedule thereto.

**FORM - A**

Particulars	2018-19	2017-18
<b>[A] Power &amp; Fuels consumption :</b>		
1. Electricity		
<b>[a] Purchased</b>		
- Units	<b>18612510</b>	16136730
- Total Amount [Rs. Lacs]	<b>1412.29</b>	1182.75
- Rate / Unit [Rs.]	<b>7.59</b>	7.32
<b>[b] Own Generation</b>		
(i) Through Diesel Generator		
- Units	<b>8115</b>	6556
- Units per liter of diesel oil	<b>3.75</b>	3.24
- Cost per unit [Rs.]	<b>19.47</b>	21.61
(ii) Through Steam Turbine Generator		
- Units	<b>Nil</b>	Nil
- Units per liter of Fuel Oil/Gas	<b>Nil</b>	Nil
- Cost per Unit [Rs.]	<b>Nil</b>	Nil
2. Coal	<b>Nil</b>	Nil
3. Furnace Oil	<b>Nil</b>	Nil
4. Others / Internal Generation	<b>Nil</b>	Nil
<b>[B] Consumption per unit of Production</b>	<b>Electricity per MT of Castings</b>	<b>Electricity per MT of Castings</b>
(i) C I Castings	<b>1168</b>	1226
(ii) S G I Castings	<b>1049</b>	1057

**FORM : B**
**A. DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R & D) :**
**TECHNOLOGY ABSORPTION:**

During the year under review, the Company has purchased Solaris CCD plus (5CP) optical Emission Spectrometer with nitrogen channel from GNR S.r.l., Italy amounting to Rs. 14.67 Lakhs for testing of raw materials.

**RESEARCH & DEVELOPMENT :**

- (i) Specific areas in which R & D are carried out by the Company: -
  - [a] Study and improvement in the production process parameters of ductile iron and gray iron castings.
  - [b] After successful recertification of ISO-9001:2000 Evolving System approach to Total Quality Management.
- (ii) Benefits derived as a result of above R & D: -
  - [a] Quality improvement
  - [b] Cost Control
  - [c] Energy saving by controlling grade 500/7 in as cast condition.

**B. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

There is no export of Castings during the year under review.

	2018-19	2017-18
	[Rs in Lakhs]	[Rs in Lakhs]
Total Foreign Exchange used	<b>14.67</b>	Nil
Total Foreign Exchange earned	<b>Nil</b>	Nil

**By Order of the Board of Director  
For, BHAGWATI AUTOCAST LIMITED**

Place : Ahmedabad  
Date : 29/05/ 2019

**Dr. Pravin N. Bhagwati**  
Chairman & Managing Director  
**DIN : 00096799**

## BHAGWATI AUTOCAST LIMITED

### Annexure "3" to the Board Report

**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 arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2019 which were not at arms' length basis.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis-

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Bhagwati Spherocast Pvt. Ltd.-it is a related party within meaning of section 2(76) of the Companies Act, 2013	Job work, supply of goods & availing or rendering of Services.	5 (Five) years with effect from 1 st April, 2015 to 31 st March, 2020.	- Job work, supply of goods & rendering services up to Maximum amount of Rs. 350/-laks for each year. - Contract shall be valid for 5 years however, if either of the party desires to terminate the agreement, it can be terminated by either party by giving 60 days notice. - No party shall transfer or assign its rights, obligations or liabilities under this agreement or any part thereof to any third party.	25.07.2014	Nil
2.	Bhagwati Filters Pvt. Ltd. - it is a related party within meaning of section 2(76) of the Companies Act, 2013.	Purchase of Material	1 (One) year with effect from 1 st April, 2018 to 31 st March, 2019.	All the transactions including purchase of materials are at arms' length basis up to Rs. 2 lakhs.	26.05.2018	Nil

**By Order of the Board of Director  
For, BHAGWATI AUTOCAST LIMITED**

**Dr. Pravin N. Bhagwati**  
Chairman & Managing Director  
**DIN : 00096799**

Place : Ahmedabad  
Date : 29/05/2019

### Annexure "4" to the Board Report

#### INFORMATION REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager, if any during the financial year 2018-19, and ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:

Sr.No.	Name	Designation	Ratio of remuneration of each Director to median remuneration of employees	% Increase in Remuneration in the FY2017-18
1.	Dr. P. N. Bhagwati	Chairman & Managing Director	16.10	-
2.	Ms. R. P. Bhagwati	Jr. Managing Director	02.72	-
3.	Mr. P. H. Buch	Independent Director	0.07	-
4.	Mr. R. J. Shah	Independent Director	0.07	-
5.	Mr. V. R. Ambani	Independent Director	0.05	-
6.	Mr. M. B. Shinde*	Chief Executive Officer	N.A.	0.00%
7.	Mr. D. K. Sheth	Chief Financial Officer	N.A.	11.63%
8.	Mr. M. C. Naliyadhara	Company Secretary	N.A.	34.60%

\*Mr. M. B. Shinde was appointed as CEO (KMP), w.e.f. 13th November, 2018 and he has resigned on 8th March, 2019.

#### Notes :

- The remuneration of Independent Directors includes only sitting fees paid to them for the financial year 2018-19.
  - Median remuneration of the Company for all its employee is Rs. 4,41,102/- for financial year 2018-19.
  - Previous year's figures have been re-grouped/re-arranged/re-caste, wherever necessary, so as to make them comparable with current year's figures.
- B. Percentage increase in the median remuneration of employees in the financial year : 2.47%
- C. Number of permanent employees (Staff) on the rolls of the Company : 76 as on 31st March, 2019
- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

On an average, employees received an annual increase of 10%. The individual increments varied from 7% to 14%, based on individual performance. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

E. Affirmation that the remuneration is as per the Remuneration policy of the Company:

It is affirmed that the remuneration is as per the Remuneration policy of the Company.

**By Order of the Board of Director  
For, BHAGWATI AUTOCAST LIMITED**

Place : Ahmedabad  
Date : 29/05/ 2019

**Dr. Pravin N. Bhagwati**  
Chairman & Managing Director  
**DIN : 00096799**

#### Annexure "5" to the Board Report

#### MANAGEMENT DISCUSSION AND ANALYSIS

(Pursuant to Regulation 34(2) of the SEBI (LODR) Regulation, 2015)

#### COMPANY PROFILE

Bhagwati Autocast Limited (BAL) is manufacturing Cast Iron (CI) & Spheroidal Graphite Iron (SGI) Castings having plant located at near Bavla, Ahmedabad. The Company is ISO 9001: 2015 certified (BUREAU VERITAS).

#### OVERALL REVIEW

The Company's production increased by 21.04% during the year 15932 (MT) as compared to the previous year production of 13163 (MT). In terms of total Revenue generated during the year is highlighted as follows:

(Rs. in Crores)

	2018-19	2017-18
Sale of CI Castings	119.23	90.73
Sale of SGI Castings	0.24	0.61
Sale of Patterns	0.49	0.74
<b>Net Revenue from Sales</b>	<b>119.96</b>	<b>92.08</b>
Other Operating Revenue	-	0.27
Other Income	0.04	0.20
<b>Total Income</b>	<b>120.00</b>	<b>92.55</b>

While detailed financial position and performance are available in the Balance Sheet, Statement of Profit & Loss, along with related notes forming part of the financial statements for the year 2018-19.

#### INDUSTRY STRUCTURE AND DEVELOPMENTS

As the Company's product range can be categorized in implements to various tractor, compressor industry manufacturers. It would be appropriate to take a look at the trends that are prevailing in relevant automobile sectors.

Our Company is dealing with big tractors OEM and tractor industry is witnessing growth for the last 3 years. This resulted in increase in tractor production at our customers end and our demand for castings.

#### OUTLOOK, OPPORTUNITIES AND DEVELOPMENTS

After remaining in de-growth for almost back two years, the domestic tractor industry bounced back to growth track and registered a handsome growth of 20%. The automobile industry also performed well and is sustaining its momentum. It is expected that the tractor and automobile industries will perform good in the near term. Factors like government continuous thrust on strengthening rural sector,

infrastructure development, make in India, skill India, and launch of new models by vehicle manufacturers, changing buying pattern, replacement demand etc. along with another good monsoon forecast and overall improvement in economic fundamentals will be the positive drivers for tractor and automobile industries in the medium to long term. The optimistic outlook of tractor and automobile industries will give boost to the demand for auto components as well and as a component supplier, the prospects of Company's business also looks good.

Under "Make in India" initiative of Indian government, India is poised to become manufacturing hub. The Automobile sector is one of the prominent sectors to contribute to the manufacturing industry in India.

#### THREATS, RISKS & CONCERNS

As your Company supplies components to tractor OE manufacturers, the Company would be directly affected by the factors impacting tractor industry. These would include issues like quantum of rains spread, Government policy on procurement, enforcement of safety / emission regulations, availability of credit, change in interest rates, commodity price trends, increasing intensity of competition etc.

#### INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has established procedures in place for internal control. The policies and procedures have been laid down with an objective to provide reasonable assurance that assets of the Company are safeguarded from risks of unauthorized use / disposition and the transactions are recorded and reported with propriety, accuracy and speed. These aspects are regularly reviewed during internal audit and statutory audit. The Company has also laid down adequate internal financial controls. Internal Audit Reports are reviewed by the Audit Committee of the Board from time to time. During the year, such controls were tested and no material weakness in their operating effectiveness was observed.

#### HUMAN RESOURCES

The Company has a highly committed, loyal and dedicated team. Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement. The Company promotes an atmosphere which encourages learning and informal communication within the organization. Industrial relations were cordial throughout the year under review.

#### CAUTIONARY STATEMENT

*Statement in the Management Discussion and Analysis Report describing company's objectives and expectations may constitute "forward looking statements" based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results might differ materially from those either expressed or implied.*

**By Order of the Board of Director  
For, BHAGWATI AUTOCAST LIMITED**

Place : Ahmedabad  
Date : 29/05/ 2019

**Dr. Pravin N. Bhagwati**  
Chairman & Managing Director  
**DIN : 00096799**

## BHAGWATI AUTOCAST LIMITED

### Annexure "6" to the Board Report

#### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2019

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

To,  
The Members,  
Bhagwati Autocast Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhagwati Autocast 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 (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 31.03.2019, 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 31.03.2019 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;
  - (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 (upto November 10, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 11, 2018); **(Not Applicable during the audit period);**
    - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable 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 during the audit period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto September 10, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 (w.e.f. September 11, 2018); **(Not Applicable during the audit period);**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures and Requirement) Regulation 2015;
  - (j) Other laws specifically applicable to the company, as per the representation made by the company.
    1. Factories Act, 1948
    2. Gujarat Pollution Control Board (Environment Pollution Act)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), - BSE Limited.

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

#### 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 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** during the audit period there were no specific 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.



**We further report that** during the year Company has passed following special resolution in Annual general Meeting held on 12th day of September, 2018.

- To re-appoint Dr. Pravin N. Bhagwati (DIN:00096799) as a Managing Director.

Place: Ahmedabad  
Date: 29/05/2019

**Chirag Shah**  
Partner  
Chirag Shah & Associates  
FCS No. 5545  
C P No.: 3498

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,  
Bhagwati Autocast Limited

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

**Management's Responsibility**

- It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

- Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

- The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: 29/05/2019

**Chirag Shah**  
Partner  
Chirag Shah & Associates  
FCS No. 5545  
C P No.: 3498

**Independent Auditor's Report**

**To  
The Members of  
Bhagwati Autocast Limited  
Report on the Audit of the Standalone Financial Statements  
Opinion**

We have audited the accompanying standalone financial statements of **Bhagwati Autocast Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Key Audit Matter</b>	<b>Response to Key Audit Matter</b>
<p><b>Fair Value Assessment of Trade Receivables</b> The company has trade receivables amounting to Rs. 2962.55 Lakhs (i.e. 55.74% of total assets) at the Balance Sheet Date 31/3/2019.</p> <p>The increasing challenges over the economy and operating environment in the auto industry during the year have increased the risks of default on receivables from the company's customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Based on historical default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on 31st March, 2019.</p>	<p>We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> <li>❖ Tested the accuracy of aging of trade receivables at year end on a sample basis;</li> <li>❖ Obtained a list of outstanding receivables and assessed the recoverability of the unsettled receivables on a sample basis through our valuation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers</li> <li>❖ Tested subsequent settlement of trade receivables after the balance sheet date on sample basis.</li> </ul> <p>We found the key judgements and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.</p>

## BHAGWATI AUTOCAST LIMITED

### **Information other than Financial Statements & Auditors Report thereon.**

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Directors' Report including Annexures thereto and Management Discussion and Analysis (but does not include the standalone financial statements and our auditor's reports thereon).

Our opinion on the standalone financial statements does not cover the Other Information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. 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 judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are

therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report 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 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements (Refer Note 35) to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**Mahendra N. Shah & Co.**  
Chartered Accountants  
Firm's registration No. : 105775W

**CA Chirag M. Shah**  
Partner  
Membership No. : 45706

Place : Ahmedabad  
Date : 29/05/2019

## BHAGWATI AUTOCAST LIMITED

### Annexure “A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2019)

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of five years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are in the name of the Company.

2. In respect of Inventories:

According to information and explanation given to us, physical verification of inventories has been conducted in reasonable interval by the management and no material discrepancies were noticed on physical verification during the year.

- 3. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.
- 4. In our opinion and according to the information and explanations given to us, the Company has not granted loan or made investment or given guarantee or provided security as provided in the Section 185 and 186 of the Companies Act, 2013.
- 5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6. The Central Government has prescribed maintenance of Cost Records under section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- 7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of accounts and records of the Company,

- (a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, Service Tax, Goods & Service Tax and Customs Duty which have not been deposited with the appropriate authorities on account of any dispute, except demand for excise duty as mentioned below:

Name of the Statute	Nature of dues	Amount Rs in (lakhs)	Period to which the amount relates	Forum where the dispute is pending
Excise	Demand	3.92	F.Y. 02-03	CESTAT
Excise	Demand	3.39	F.Y. 03-04	CESTAT
Excise	Demand	2.35	F.Y. 04-05	CESTAT
Excise	Demand	1.87	F.Y. 05-06	CESTAT

- 8. In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- 9. According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year. The term loans taken by the Company have been applied for the purpose for which they were raised.
- 10. According to the information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
- 12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- 13. In our opinion and according to information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- 14. According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly,

the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.

15. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion and according to information and explanations given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

Date : 29/05/2019  
Place : Ahmedabad

**Mahendra N. Shah & Co.**  
Chartered Accountants  
Firm's registration No. : 105775W

**CA Chirag M. Shah**  
Partner  
Membership No. : 045706

**Annexure 'B' to the  
Independent Auditors report****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 Bhagwati Autocast Limited ("the Company") as of March 31, 2019 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 Act.

**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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both 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 was 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 systems 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 purpose 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 control system over financial reporting and such internal financial controls over financial reporting was operating effectively as on March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

**Mahendra N. Shah & Co.**Chartered Accountants  
Firm's registration No. : 105775W**CA Chirag M. Shah**Partner  
Membership No. : 045706

Date : 29/05/2019

Place : Ahmedabad

**BALANCE SHEET AS AT 31ST MARCH, 2019**

		(Rs. in Lakhs)	
	Note Nos.	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>I ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Property, Plant and Equipment	3	<b>1,527.45</b>	1,437.72
(b) Capital work-in-progress		<b>82.71</b>	1.62
(c) Intangible assets	4	<b>2.73</b>	10.30
(d) Financial Assets			
(i) Loans	5	<b>0.30</b>	47.64
(e) Other non-current assets	6	<b>65.48</b>	23.38
<b>Total Non-current Assets</b>		<b>1,678.67</b>	1,520.66
<b>2) Current assets</b>			
(a) Inventories	7	<b>594.75</b>	651.92
(b) Financial Assets			
(i) Trade receivables	8	<b>2,962.55</b>	2,933.39
(ii) Cash and cash equivalents	9	<b>5.57</b>	55.83
(iii) Bank balances other than (ii) above	10	<b>28.66</b>	22.84
(iv) Loans	11	<b>0.57</b>	0.00
(v) Other Financial Assets	12	<b>0.00</b>	0.16
(c) Current Tax Assets (Net)	13	<b>0.00</b>	8.29
(d) Other current assets	14	<b>43.98</b>	46.13
<b>Total Current Assets</b>		<b>3,636.08</b>	3,718.56
<b>TOTAL ASSETS</b>		<b>5,314.75</b>	5,239.22
<b>II EQUITY AND LIABILITIES</b>			
<b>1) Equity</b>			
(a) Equity Share capital	15	<b>288.07</b>	288.07
(b) Other Equity	16	<b>2,202.82</b>	1,860.80
<b>Total Equity</b>		<b>2,490.89</b>	2,148.87
<b>2) LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	<b>42.40</b>	0.00
(b) Provisions	18	<b>40.60</b>	33.02
(c) Deferred tax liabilities (Net)	19	<b>99.58</b>	124.71
<b>Total Non-current Liabilities</b>		<b>182.58</b>	157.73
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	<b>811.48</b>	772.32
(ii) Trade payables	21		
- Total outstanding dues of micro and small enterprise		<b>192.35</b>	0.00
- Total outstanding dues of creditors other than micro and small enterprises		<b>1,386.68</b>	1,930.70
(iii) Other financial liabilities	22	<b>146.41</b>	126.38
(b) Other current liabilities	23	<b>48.46</b>	63.84
(c) Provisions	24	<b>52.04</b>	39.38
(d) Current Tax Liabilities (Net)	25	<b>3.86</b>	0.00
<b>Total Current Liabilities</b>		<b>2,641.28</b>	2,932.62
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,314.75</b>	5,239.22
<b>Significant Accounting Policies and Notes to the Financial Statements</b>	1-45		

As per our report of even date attached

**For Mahendra N. Shah & Co.**

Chartered Accountants  
Firm Regn. No. 105775W

**Chirag M. Shah**

Partner  
Membership No. 045706

**Dr. P. N. Bhagwati**

Chairman & Managing Director  
(DIN : 00096799)

**Reena P. Bhagwati**

Jt. Managing Director  
(DIN : 00096280)

**D. K. Sheth**

Chief Financial Officer

**Mehul Naliyadhara**

Company Secretary

**P. H. Buch**

Director  
(DIN : 03411816)

**R. J. Shah**

Director  
(DIN : 01982424)

**V R Ambani**

Director  
(DIN : 00351512)

Place : Ahmedabad  
Date : 29-05-2019

Place : Ahmedabad  
Date : 29-5-2019

## BHAGWATI AUTOCAST LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Note No.	<u>2018-19</u>	<u>2017-18</u>
<b>(Rs. in Lakhs)</b>			
<b>I INCOME</b>			
Revenue from operations	26	<b>11,996.24</b>	9,235.07
<b>II Other Income</b>	27	<b>4.34</b>	20.30
<b>III TOTAL REVENUE (I+II)</b>		<b>12,000.58</b>	9,255.37
<b>IV EXPENSES</b>			
Cost of materials consumed	28	<b>5,823.70</b>	3,860.17
Excise Duty on Sales		<b>0.00</b>	284.27
Purchases of Stock-in-Trade		<b>68.15</b>	66.43
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	29	<b>10.87</b>	18.23
Employee benefits expense	30	<b>1,243.30</b>	1,120.62
Finance costs	31	<b>109.79</b>	94.47
Depreciation and amortization expense	32	<b>233.20</b>	211.49
Other expenses	33	<b>4,018.54</b>	3,454.40
<b>Total Expenses (IV)</b>		<b>11,507.55</b>	9,110.08
<b>V Profit before exceptional items and tax</b>		<b>493.03</b>	145.29
<b>VI Exceptional Items</b>		<b>0.00</b>	0.00
<b>VII Profit before tax (V - VI)</b>		<b>493.03</b>	145.29
<b>VIII Tax Expense</b>			
(1) Current Tax		<b>144.18</b>	63.37
(2) Deferred Tax Provision / (Reversal)		<b>(25.39)</b>	(14.44)
(3) Short/(Excess) Provision of tax for earlier years		<b>5.14</b>	(14.56)
<b>Total Tax Expenses</b>		<b>123.93</b>	34.37
<b>IX Profit for the year (VII - VIII)</b>		<b>369.10</b>	110.92
<b>X Other Comprehensive Income</b>			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plans		<b>0.98</b>	(1.74)
(ii) Tax impact on above items		<b>(0.27)</b>	0.58
<b>Total Comprehensive Income/(Loss) for the year (net of tax)</b>		<b>0.71</b>	(1.16)
<b>XI Total Comprehensive Income for the Year (IX + X)</b>		<b>369.81</b>	109.76
<b>XII Earning per Equity Shares of Rs. 10 each</b>			
(1) Basic	34	<b>12.81</b>	3.85
(2) Diluted	34	<b>12.81</b>	3.85
<b>Significant Accounting Policies and Notes to the Financial Statements</b>	1 - 45		

As per our report of even date attached

**For Mahendra N. Shah & Co.**  
Chartered Accountants  
Firm Regn. No. 105775W

**Chirag M. Shah**  
Partner  
Membership No. 045706

Place : Ahmedabad  
Date : 29-05-2019

**Dr. P. N. Bhagwati**  
Chairman & Managing Director  
(DIN : 00096799)

**Reena P. Bhagwati**  
Jt. Managing Director  
(DIN : 00096280)

**D. K. Sheth**  
Chief Financial Officer

**Mehul Naliyadhara**  
Company Secretary

**P. H. Buch**  
Director  
(DIN : 03411816)

**R. J. Shah**  
Director  
(DIN : 01982424)

**V R Ambani**  
Director  
(DIN : 00351512)

Place : Ahmedabad  
Date : 29-5-2019



**CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

Particulars	(Rs. in Lakhs)	
	<u>2018-19</u>	<u>2017-18</u>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Statement of Profit & Loss	<b>493.03</b>	145.29
Adjustments for :		
Depreciation and Amortization	<b>233.20</b>	211.49
Interest Income	<b>(2.21)</b>	(4.13)
Actuarial gains/ (losses) on post employment defined benefit plans	<b>0.98</b>	(1.74)
Loss/(Profit) on Sale / Discard of Fixed Assets	<b>(1.84)</b>	4.14
Finance Costs	<b>109.79</b>	94.47
Sundry Balance written off/(Written back)	<b>(0.23)</b>	(16.13)
Operating Profit before working capital	<b>327.51</b>	288.10
Adjusted for :		
i) Trade & other Receivables	<b>(28.06)</b>	(883.15)
ii) Inventories	<b>57.17</b>	(117.67)
iii) Trade Payable & other liabilities	<b>(356.62)</b>	1,005.59
	<b>(327.51)</b>	4.77
Cash generated from operations	<b>505.21</b>	438.16
Direct Tax Paid	<b>(137.17)</b>	(47.35)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>368.04</b>	390.81
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	<b>(398.79)</b>	(175.96)
Interest Income	<b>2.21</b>	9.85
Sale of Fixed Assets	<b>4.18</b>	0.00
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(392.40)</b>	(166.11)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings (Net of repayment)	<b>65.87</b>	(98.09)
Increase/(Decrease) in short term borrowings	<b>39.16</b>	(0.14)
Interest Paid	<b>(103.83)</b>	(94.47)
Dividend and Dividend Distribution Tax	<b>(27.08)</b>	(27.39)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(25.88)</b>	(220.09)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(50.26)</b>	4.61
Opening Balance of Cash and Cash Equivalents	<b>55.83</b>	51.22
Closing Balance of Cash and Cash Equivalents	<b>5.57</b>	55.83
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(50.26)</b>	4.61

As per our report of even date attached

**For Mahendra N. Shah & Co.**  
Chartered Accountants  
Firm Regn. No. 105775W

**Chirag M. Shah**  
Partner  
Membership No. 045706

**Dr. P. N. Bhagwati**  
Chairman & Managing Director  
(DIN : 00096799)

**Reena P. Bhagwati**  
Jt. Managing Director  
(DIN : 00096280)

**D. K. Sheth**  
Chief Financial Officer

**Mehul Naliyadhara**  
Company Secretary

**P. H. Buch**  
Director  
(DIN : 03411816)

**R. J. Shah**  
Director  
(DIN : 01982424)

**V R Ambani**  
Director  
(DIN : 00351512)

Place : Ahmedabad  
Date : 29-5-2019

**BHAGWATI AUTOCAST LIMITED**

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019**

<b>A. Equity Share Capital</b>	<b>As at 31/03/2019</b>		<b>(Rs. in Lakhs)</b>	
	<b>Nos.</b>	<b>Rs. in Lakhs</b>	<b>Nos.</b>	<b>Rs. in Lakhs</b>
<b>Equity shares of Rs. 10 each</b>				
Fully Paid up	<b>2,880,684</b>	<b>288.07</b>	2,880,684	288.07
	<b>2,880,684</b>	<b>288.07</b>	2,880,684	288.07
<b>B. Other Equity</b>	<b>Reserve and Surplus</b>			
	<b>Securities Premium Reserve</b>	<b>General Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance as at 1st April, 2017</b>	249.71	795.25	733.84	1,778.80
Profit for the year	0.00	0.00	110.92	110.92
Other Comprehensive Income for the year	0.00	0.00	(1.16)	(1.16)
<b>Total Comprehensive income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>109.76</b>	<b>109.76</b>
Dividend	0.00	0.00	(23.05)	(23.05)
Corporate Tax on Dividend	0.00	0.00	(4.69)	(4.69)
<b>Balance as at 31st March, 2018</b>	<b>249.71</b>	<b>795.25</b>	<b>815.86</b>	<b>1,860.80</b>
<b>Balance as at 1st April, 2018</b>	<b>249.71</b>	<b>795.25</b>	<b>815.86</b>	<b>1,860.80</b>
Profit for the year	<b>0.00</b>	<b>0.00</b>	<b>369.10</b>	<b>369.10</b>
Other Comprehensive Income for the Year	<b>0.00</b>	<b>0.00</b>	<b>0.71</b>	<b>0.71</b>
<b>Total Comprehensive income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>369.81</b>	<b>369.81</b>
Dividend	<b>0.00</b>	<b>0.00</b>	<b>(23.05)</b>	<b>(23.05)</b>
Corporate Tax on Dividend	<b>0.00</b>	<b>0.00</b>	<b>(4.74)</b>	<b>(4.74)</b>
<b>Balance as at 31st March, 2019</b>	<b>249.71</b>	<b>795.25</b>	<b>1,157.88</b>	<b>2,202.82</b>

As per our report of even date attached  
**For Mahendra N. Shah & Co.**  
 Chartered Accountants  
 Firm Regn. No. 105775W

**Chirag M. Shah**  
 Partner  
 Membership No. 045706

Place : Ahmedabad  
 Date : 29-05-2019

**Dr. P. N. Bhagwati**  
 Chairman & Managing Director  
 (DIN : 00096799)

**Reena P. Bhagwati**  
 Jt. Managing Director  
 (DIN : 00096280)

**D. K. Sheth**  
 Chief Financial Officer

**Mehul Naliyadhara**  
 Company Secretary

**P. H. Buch**  
 Director  
 (DIN : 03411816)

**R. J. Shah**  
 Director  
 (DIN : 01982424)

**V R Ambani**  
 Director  
 (DIN : 00351512)

Place : Ahmedabad  
 Date : 29-5-2019

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED ON 31ST MARCH  
2019**

**NOTE NO. 1 - Corporate Information:**

Bhagwati Autocast Limited ("The Company") is a leading producer of CI & SGI Castings in Gujarat having a plant at Bavla, Ahmedabad. We are an ISO 9002 unit, having manufacturing capacity of 18000 MT p.a. of highly specialized Cast Iron(SI) & Spheroidal Graphite Iron (SGI) Castings. The wide range of castings is from 40 kg. to 140 kg. for the automobile and tractor OEM in the country.

The Company is a public company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE). The registered office of the company is located at Bavla, Ahmedabad. At present, the Company caters to domestic market only.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 29, 2019.

**NOTE NO. 2 – Significant Accounting Policies**

**2.1 Basis of Preparation:**

**Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

**Historical cost convention**

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. The accounting policies are applied consistently to all the periods presented in the financial statements.

**Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

**Functional currency:**

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

**Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

**2.2 Key accounting estimates & Judgments:**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**2.3 Property, Plant & Equipment:**

Property, plant and equipment are stated at cost, net of recoverable taxes, less depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and other cost directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value**

Depreciation is provided on a Straight Line Method over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

**2.4 Intangible Assets**

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

**Amortisation method and useful life**

The Company amortizes computer software using the straight-line method over the period of 6 years.

**2.5 Inventories:**

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material, etc. are valued at lower of cost or net realizable value except waste which is valued at estimated net realizable value. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

**2.6 Financial Instruments**

**i. Recognition and initial measurement**

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**ii. Classification and subsequent measurement**

**Financial assets**

On initial recognition, a financial asset is classified as measured at

## BHAGWATI AUTOCAST LIMITED

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

### De-recognition

#### Financial assets

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based

on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

### Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### 2.7 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from Contracts with Customers", which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 "Revenue". The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is measured at the value of the consideration received or receivable, after deduction of any trade discount, volume rebates and any taxes or duties collected on behalf of Government such as Goods and Services Tax, etc.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

#### Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

#### Other revenue:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Revenue in respect of insurance/other claims etc, is recognized only when it is reasonably certain that the ultimate collection will be made.

### 2.8 Income tax

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

#### (a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

#### (b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities 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 balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**(c) Minimum Alternate Tax (MAT):**

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

**2.09 Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are

disclosed in the financial statements where an inflow of economic benefit is possible.

**2.10 Employee benefits**

**Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

**Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Gratuity liability of employees is funded with the approved gratuity trusts.

**Defined Contribution Plans**

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred.

**2.11 Borrowing costs**

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

**2.12 Earnings Per Share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- average number of equity shares outstanding during the

financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**2.13 Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount.

**2.14 Cash Flow Statements**

The Cash Flow statement is prepared by the "Indirect method" set out in Ind AS-7 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash Equivalent presented in the cash flow statement consist of cash on hand and demand deposits with banks.

**2.15 Foreign currency transactions:**

Foreign currency transactions are translated into the functional currency using exchange rate at the date of the transaction. Foreign exchange gains and losses from the settlement of these transactions are recognized in the statement of profit and loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at the exchange rates in effect at the balance sheet date, the gain or loss arising on such translations are recognized in the statement of profit and loss.

**2.16 Exceptional items**

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. These are material items of income or expense that have to be shown separately due to their nature or incidence.

**2.17 Events occurring after the balance sheet date**

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**
**Note No. 3 Property, Plant and equipment**

Particulars	(Rs in Lakhs)										Total	
	Freehold Land	Building	Plant and Equipment	Electric Installation	Furniture and fixtures	Vehicle	Office equipment	Computer				
<b>Gross Carrying Value</b>												
Balance as at 1st April, 2017	16.54	558.16	2,688.33	107.33	84.95	34.95	24.37	36.41				3,551.04
Additions	0.00	7.82	126.11	34.81	2.28	0.00	0.64	1.60				173.26
Disposals/Adjustments	0.00	0.00	82.88	0.00	0.00	0.00	0.00	0.00				82.88
<b>Balance as at 31st March, 2018</b>	<b>16.54</b>	<b>565.98</b>	<b>2,731.56</b>	<b>142.14</b>	<b>87.23</b>	<b>34.95</b>	<b>25.01</b>	<b>38.01</b>				<b>3,641.42</b>
Additions	0.00	14.54	257.28	15.67	1.03	25.59	3.01	0.58				317.70
Disposals/Adjustment	0.00	0.00	38.24	0.00	0.00	8.54	0.00	0.00				46.78
<b>Balance as at 31st March, 2019</b>	<b>16.54</b>	<b>580.52</b>	<b>2,950.60</b>	<b>157.81</b>	<b>88.26</b>	<b>52.00</b>	<b>28.02</b>	<b>38.59</b>				<b>3,912.34</b>
<b>Accumulated Depreciation</b>												
Balance as at 1st April, 2017	0.00	202.14	1,704.16	55.92	41.51	20.16	19.80	32.00				2,075.69
Deduction & Adjustment	0.00	0.00	78.74	0.00	0.00	0.00	0.00	0.00				78.74
Depreciation for the year	0.00	15.26	167.03	9.29	7.05	3.07	1.33	3.74				206.77
<b>Balance as at 31st March, 2018</b>	<b>0.00</b>	<b>217.40</b>	<b>1,792.45</b>	<b>65.21</b>	<b>48.56</b>	<b>23.23</b>	<b>21.13</b>	<b>35.74</b>				<b>2,203.72</b>
Deduction & Adjustment	0.00	0.00	36.33	0.00	0.00	8.11	0.00	3.34				47.78
Depreciation for the year	0.00	24.49	175.65	13.02	7.15	4.30	1.29	3.06				228.96
<b>Balance as at 31st March, 2019</b>	<b>0.00</b>	<b>241.89</b>	<b>1,931.77</b>	<b>78.23</b>	<b>55.71</b>	<b>19.42</b>	<b>22.42</b>	<b>35.46</b>				<b>2,384.90</b>
<b>Net Carrying amount</b>												
Balance as at 31st March, 2018	16.54	348.58	939.11	76.93	38.67	11.72	3.88	2.27				1,437.72
<b>Balance as at 31st March, 2019</b>	<b>16.54</b>	<b>338.63</b>	<b>1,018.83</b>	<b>79.58</b>	<b>32.55</b>	<b>32.58</b>	<b>5.60</b>	<b>3.13</b>				<b>1,527.45</b>

**Note No. 4 - Intangible Assets - Computer Software**

Particulars	Gross Amount		Amortization		Net Carrying amount	
	18-19	17-18	18-19	17-18		
<b>Opening Balance</b>	<b>34.69</b>	<b>33.61</b>	<b>24.38</b>	<b>19.66</b>	Balance as at 31/03/18	
Additions	0.00	1.08	4.24	4.72	Balance as at 31/03/19	
Deduction & Adjustment	0.00	0.00	(3.34)	0.00		
<b>Closing Balance</b>	<b>34.69</b>	<b>34.69</b>	<b>31.96</b>	<b>24.38</b>		

**BHAGWATI AUTOCAST LIMITED**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**

	<b>As at</b>	<b>(Rs. in Lakhs)</b>
	<b>31/03/2019</b>	<b>As at 31/03/2018</b>
<b>NOTE NO. 5</b>		
<b>Loans (Non Current)</b>		
Security Deposits (Unsecured)		
Considered good	<b>0.30</b>	47.64
<b>TOTAL ...</b>	<b>0.30</b>	47.64
<b>NOTE NO. 6</b>		
<b>Other Non Current Assets</b>		
Capital Advances (unsecured, considered good)	<b>46.21</b>	4.11
Balance with Govt. Authorities	<b>19.27</b>	19.27
<b>TOTAL ...</b>	<b>65.48</b>	23.38
<b>NOTE NO. 7</b>		
<b>Inventories</b>		
Raw Materials	<b>79.74</b>	161.79
Work-in-Process	<b>64.60</b>	106.48
Finished Goods	<b>120.65</b>	115.87
Stock-in-trade	<b>46.84</b>	20.61
Stores & Spares	<b>282.92</b>	247.17
<b>TOTAL ...</b>	<b>594.75</b>	651.92
<b>NOTE NO. 8</b>		
<b>Trade receivables (current)</b>		
<b>Unsecured</b>		
Considered good	<b>2,962.55</b>	2,933.39
Doubtful	<b>0.00</b>	0.00
<b>TOTAL ...</b>	<b>2,962.55</b>	2,933.39
<b>NOTE NO. 9</b>		
<b>Cash and cash equivalents</b>		
Balance with banks - In Current Accounts	<b>4.30</b>	54.37
Cash on hand	<b>1.27</b>	1.46
<b>TOTAL ...</b>	<b>5.57</b>	55.83
<b>NOTE NO. 10</b>		
<b>Bank balances other than mentioned in cash and cash equivalents</b>		
<b>Other Balance with Banks</b>		
In Dividend Accounts	<b>6.74</b>	6.05
Fixed Deposits with Banks (under lien against bank guarantees / LC)	<b>21.92</b>	16.79
<b>TOTAL ...</b>	<b>28.66</b>	22.84
<b>NOTE NO. 11</b>		
<b>Loans (Current)</b>		
Unsecured, Considered Good		
Loans & Advance to Employee	<b>0.57</b>	0.00
<b>TOTAL ...</b>	<b>0.57</b>	0.00
<b>NOTE NO. 12</b>		
<b>Other financial assets (Current)</b>		
Interest receivable	<b>0.00</b>	0.16
<b>TOTAL ...</b>	<b>0.00</b>	0.16



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**

	As at <u>31/03/2019</u>	(Rs. in Lakhs) As at <u>31/03/2018</u>
<b>NOTE NO. 13</b>		
<b>Current tax assets</b>		
Advance Tax (net of provision)	0.00	8.29
<b>TOTAL ...</b>	<b>0.00</b>	<b>8.29</b>
<b>NOTE NO. 14</b>		
<b>Other Current Assets</b>		
Advance to suppliers (other than capital advances)	6.52	13.95
Balance with Govt. Authorities	20.19	16.23
Prepaid Expenses	13.25	11.93
Other Receivable	4.02	4.02
<b>TOTAL ...</b>	<b>43.98</b>	<b>46.13</b>
<b>NOTE NO. 15</b>		
<b>Share Capital</b>		
<b>Authorised Share Capital :</b>		
Equity Shares of Rs. 10 each - Nos.	3,000,000	3,000,000
Equity Shares of Rs. 10 each - Rupees in lakhs	300.00	300.00
<b>Issued :</b>		
Equity Shares of Rs. 10 each - Nos.	2,933,637	2,933,637
Equity Shares of Rs. 10 each - Rupees in lakhs	293.36	293.36
<b>Subscribed &amp; Paid Up :</b>		
Fully paid up - Nos.	2,880,684	2,880,684
Fully paid up - Rupees in lakhs	288.07	288.07
<b>TOTAL ...</b>	<b>288.07</b>	<b>288.07</b>
<b>NOTE NO. 15.1</b>		
<b>The reconciliation of the no. of shares outstanding is set out below :</b>		
<b>Equity shares</b>		
	Nos.	Nos.
At the beginning of the year	2,880,684	2,880,684
Add : Issued during the year	0	0
Less : Bought back during the year	0	0
<b>TOTAL ...</b>	<b>2,880,684</b>	<b>2,880,684</b>
<b>NOTE NO. 15.2</b>		
<b>Details of shareholders holding more than 5% shares</b>		
<b>Ms. Reena P. Bhagwati</b>		
- in Nos.	911,825	787,104
- in Percentage	31.65%	27.32%
<b>Ms. Pravin N. Bhagwati</b>		
- in Nos.	450,862	450,432
- in Percentage	15.65%	15.64%
<b>M/s. Bhagwati Spherocast Pvt. Ltd.</b>		
- in Nos.	574,746	574,746
- in Percentage	19.95%	19.95%

**Note No. 15.3**

The Company has only one class of shares i.e. equity shares. All equity shares carry equal rights with respect to voting and dividend.

**Note No. 15.4**

In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

## BHAGWATI AUTOCAST LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

**Note No. 15.5**

Subsequent to Balance Sheet date, the Board of Director has recommended a dividend of Rs. 1 per share to be paid on fully paid equity shares in respect of the Financial year ended on March 31, 2019. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 28.81 Lakhs and the dividend distribution tax thereon amounts to Rs. 5.92 Lakhs.

	<b>As at</b>	<b>(Rs. in Lakhs)</b>
	<b>31/03/2019</b>	As at <b>31/03/2018</b>
<b>NOTE NO. 16</b>		
<b>Other Equity</b>		
Share Premium	249.71	249.71
General Reserve	795.25	795.25
<b>Surplus in statement of Profit and Loss</b>		
Balance at the beginning of the year	815.86	733.84
Add : Total comprehensive income for the Year	<u>369.81</u>	<u>109.76</u>
Amount available for Appropriation	<b>1,185.67</b>	843.60
<u>Less : Appropriations</u>		
Dividend	23.05	23.05
Dividend Distribution Tax	<u>4.74</u>	<u>4.69</u>
Total Appropriation	<b>27.79</b>	27.74
Balance at the end of the Year	<u><b>1,157.88</b></u>	<u>815.86</u>
<b>T O T A L . . .</b>	<u><b>2,202.82</b></u>	<u>1,860.80</u>

**NOTE NO. 17**

**Borrowings (Non Current)**

Secured

Term Loan from Bank

**T O T A L . . .**

	<b>42.40</b>	0.00
<b>T O T A L . . .</b>	<u><b>42.40</b></u>	<u>0.00</u>

**NOTE NO. 17.1**

**Details of Security and Repayment Terms**

**Nature of Security**

Term loan from Kotak Mahindra Bank Ltd. having outstanding balance as on 31st March 2019 amounting to Rs. 65.87 Lakhs (31st March 2018 - Rs. Nil) was secured by first and exclusive charge on all existing and future current and movable fixed assets and equitable mortgage of land at survey no. 259 (old survey no. 816) and construction thereon.

**Terms of Repayment**

Repayable in 36 monthly installments  
starting from November 2018

Rate of interest - MCLR (3 Months)  
plus 1.50%

**NOTE NO. 18**

**Provisions (Non Current)**

Accrued Leave Salary

**T O T A L . . .**

	<b>40.60</b>	33.02
<b>T O T A L . . .</b>	<u><b>40.60</b></u>	<u>33.02</u>

**NOTE NO. 19**

**Deferred Tax Liabilities (Net)**

Liability Relating to earlier years

Add/(Less): Liability/(Assets) for the year

- Charged/(Credited) to P & L

- Charged/(Credited) to OCI

**T O T A L . . .**

	<b>124.71</b>	139.72
<b>T O T A L . . .</b>	<u><b>99.58</b></u>	<u>124.71</u>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**

	(Rs. in Lakhs)	
	As at	As at
	31/03/2019	31/03/2018
<b>NOTE NO. 19.1</b>		
<b>Component of Deferred Tax Liabilities (Net)</b>		
Depreciation	125.60	150.93
Employee Benefits	(26.02)	(26.22)
<b>TOTAL . . .</b>	<b>99.58</b>	<b>124.71</b>

**NOTE NO. 20**
**Borrowings (Current)**

Secured		
-Working capital facilities from banks	537.78	498.62
Unsecured (Fixed deposits)		
- From Directors	73.70	73.70
- From Companies	200.00	200.00
<b>TOTAL . . .</b>	<b>811.48</b>	<b>772.32</b>

**NOTE NO. 20.1**
**Details of Security and Interest of working capital facilities from banks**
**Nature of Security**

Working capital facilities from Kotak Mahindra Bank Ltd. having outstanding balance as on 31st March 2019 amounting to Rs. 537.78 Lakhs (31st March 2018 - Rs. 498.62 Lakhs) is secured by first and exclusive charge on all existing and future current and movable fixed assets and equitable mortgage of land at survey no. 259 (old survey no. 816) and construction thereon.

**Terms of Repayment & Interest**

Rate of interest - MCLR (6 months)  
plus 0.70%

**NOTE NO. 20.2**

Rate of interest for deposits from directors and companies - 13.50% p.a.

**NOTE NO. 21**
**Trade Payables (Current)**

Due to Micro & Small Enterprise	192.35	0.00
Others	1,386.68	1,930.70
<b>TOTAL . . .</b>	<b>1,579.03</b>	<b>1,930.70</b>

**NOTE NO. 21.1 Details as required under MSMED Act are given below :**

Particulars	As at 31/03/2019	As at 31/03/2018
Principal amount remaining unpaid to any supplier as at the end of accounting year	192.35	0.00
Interest due remaining unpaid to any supplier as at the end of accounting year	5.39	0.00
Amount of interest paid by the Company in terms of section 16 of the MSMED Act	0.00	0.00
The amount of the payment made to the supplier beyond the appointed day during the accounting year	182.30	0.00
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act	5.08	0.00
Amount of interest accrued and remaining unpaid at the end of the accounting year	0.31	0.00
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	0.00	0.00

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

**NOTE NO. 22**
**Other Financial Liabilities (Current)**

Current maturities of long-term debt	23.47	0.00
Interest accrued	0.57	0.00
Unpaid dividends	6.73	6.03
For Payable - Capital Goods	29.23	42.62
Dues to Employees and others	86.41	77.73
<b>TOTAL . . .</b>	<b>146.41</b>	<b>126.38</b>

**BHAGWATI AUTOCAST LIMITED**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**

	<b>As at</b>	<b>(Rs. in Lakhs)</b>
	<b>As at</b>	<b>As at</b>
	<b>31/03/2019</b>	<b>31/03/2018</b>
<b>NOTE 23</b>		
<b>Other Current Liabilities</b>		
Credit balance of Customers	<b>8.56</b>	0.00
Statutory Dues	<b>35.19</b>	60.84
Contractor's Retention Money	<b>4.71</b>	3.00
<b>TOTAL . . .</b>	<b>48.46</b>	63.84
<b>NOTE NO. 24</b>		
<b>Provisions (Current)</b>		
<b>Employee Benefits</b>		
- Accrued Leave Salary	<b>3.74</b>	7.06
- Bonus	<b>28.69</b>	29.02
- Gratuity Contribution	<b>14.22</b>	3.30
<b>Others</b>		
- Interest under MSMED Act	<b>5.39</b>	0.00
<b>TOTAL . . .</b>	<b>52.04</b>	39.38
<b>NOTE NO. 25</b>		
<b>Current Tax Liabilities</b>		
Provision for Taxation (Net of Advance Tax)	<b>3.86</b>	0.00
<b>TOTAL . . .</b>	<b>3.86</b>	0.00
<b>NOTE NO. 26</b>	<b>2018-19</b>	<b>2017-18</b>
<b>Revenue from operations</b>		
Sale of products (including excise duty)	<b>11,996.24</b>	9,208.42
Other Operating Revenue	<b>0.00</b>	26.65
<b>TOTAL . . .</b>	<b>11,996.24</b>	9,235.07
<b>NOTE NO. 26.1</b>		
<b>Sale of Products</b>		
Name of Products		
C I Castings	<b>11,922.98</b>	9,073.47
S GI Castings	<b>23.96</b>	61.39
Patterns	<b>49.30</b>	73.56
<b>TOTAL . . .</b>	<b>11,996.24</b>	9,208.42
<b>NOTE NO. 27</b>		
<b>Other income</b>		
Interest income	<b>2.21</b>	4.13
Profit on Sale of Fixed Assets (Net)	<b>1.84</b>	0.00
Sundry balances written back	<b>0.29</b>	16.17
<b>TOTAL . . .</b>	<b>4.34</b>	20.30
<b>NOTE NO. 28</b>		
<b>Cost of materials consumed</b>		
Opening Stock	<b>161.79</b>	52.89
Add : Purchases	<b>5,741.65</b>	3,969.07
Less : Closing Stock	<b>79.74</b>	161.79
<b>TOTAL . . .</b>	<b>5,823.70</b>	3,860.17

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**

	<u>2018-19</u>	<u>(Rs. in Lakhs)</u> <u>2017-18</u>
<b>NOTE NO. 29</b>		
<b>Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-Progress</b>		
<b>Closing Stock</b>		
Finished Goods	120.65	115.87
Work in Progress	64.60	106.48
Stock-in-trade	46.84	20.61
<b>Sub Total</b>	<b>232.09</b>	<b>242.96</b>
<b>Opening Stock</b>		
Finished Goods	115.87	209.36
Work in Progress	106.48	21.30
Stock-in-trade	20.61	30.53
<b>Sub Total</b>	<b>242.96</b>	<b>261.19</b>
<b>Total (Increase) / Decrease In Stock</b>	<b>10.87</b>	<b>18.23</b>
<b>NOTE NO. 30</b>		
<b>Employee benefit expense</b>		
Salaries and wages	1,087.88	965.96
Contribution to provident and other funds	38.90	38.48
Gratuity	15.20	15.76
Managerial Remuneration		
- Salary, Allowances & Perks	77.25	77.26
- Provident Fund	5.76	5.76
Staff welfare expenses	18.31	17.40
<b>TOTAL . . .</b>	<b>1,243.30</b>	<b>1,120.62</b>
<b>NOTE NO. 31</b>		
<b>Finance Costs</b>		
Interest Expenses	88.03	78.20
Other Borrowing Costs	21.76	16.27
<b>TOTAL . . .</b>	<b>109.79</b>	<b>94.47</b>
<b>NOTE NO. 32</b>		
<b>Depreciation and Amortisation expense</b>		
Depreciation on Tangible Assets	228.96	206.77
Amortization of Intangible Assets	4.24	4.72
<b>TOTAL . . .</b>	<b>233.20</b>	<b>211.49</b>
<b>NOTE NO. 33</b>		
<b>Other expenses</b>		
Consumption of stores and spares	1,616.53	1,374.47
Power and fuel	1,412.29	1,182.75
Processing Charges	694.43	659.31
Repairs to Buildings	7.80	20.49
Repairs to Machinery	23.96	9.70
Other Repair & Maintenance	54.13	38.17
Legal & Professional Fees	60.16	47.08
Sales and Distribution Expenses	78.61	57.10
Travelling and conveyance	13.41	8.22
Directors' Sitting Fees	0.85	0.67
Auditors' Remuneration	1.95	1.48
Loss on Sale / Discard of Fixed Assets (Net)	0.00	4.14
Sundry Balances Written off	0.06	0.04
Miscellaneous Expenses	54.36	50.78
<b>TOTAL . . .</b>	<b>4,018.54</b>	<b>3,454.40</b>

## BHAGWATI AUTOCAST LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

(Rs. in Lakhs)

<b>NOTE NO. 33.1</b>	<b>2018-19</b>	<b>2017-18</b>
<b>Auditor's Remuneration</b>		
Audit fees*	1.50	1.23
Tax audit fees*	0.30	0.17
Reimbursement of expenses	0.15	0.08
<b>T O T A L . . .</b>	<b>1.95</b>	<b>1.48</b>

\*Net of GST

#### **NOTE NO. 34 - Earning per Share**

Earning Per share is calculated by dividing the Profit / (Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below:

<b>Particulars</b>		
Profit for the year	<b>369.10</b>	110.92
Net Profit attributable to Equity Shareholders	<b>369.10</b>	110.92
Number of Equity Shares for Basic EPS	<b>2,880,684</b>	2,880,684
Add : Diluted Potential Equity Shares	<b>0.00</b>	24.53
Number of Equity Shares for Diluted EPS	<b>2,880,684</b>	2,880,684
Basic Earning Per Share in Rupees	<b>12.81</b>	3.85
Diluted Earning Per Share in Rupees	<b>12.81</b>	3.85
Nominal Value Per Share in Rupees	<b>10.00</b>	10.00

#### **NOTE NO. 35**

##### **Contingent Liabilities and Commitments**

##### **Contingent Liabilities**

Demands for excise duty in respect of different years against which company has preferred appeals before appropriate authorities [Refer Note No. 35.1]	<b>11.53</b>	11.53
Show cause notice for reversal of CENVAT credit for service tax	<b>24.53</b>	0.00
Bonus for employees for the year 2014-15 in accordance with notification by the Central Government (matter pending before Supreme Court)	<b>13.96</b>	13.96
Outstanding bank guarantees & letter of credit	<b>192.42</b>	167.71

##### **Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<b>58.49</b>	50.04
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#### **NOTE NO. 35.1**

The Company has received demand for excise duty on sale of patterns & moulding boxes for financial years 2001-02, 2002-03, 2003-04, 2004-05 & 2005-06 against which the Company has preferred appeals before Commissioner of excise as well as CESTAT and also paid Rs. 11.53 lakhs under protest which has been shown as balance with excise department in the accounts.

#### **NOTE NO. 36 - Segment Information**

The company manufactures and deals in single product, i.e. manufacturing of casting and therefore, no separate disclosure as per IND AS 108 "Operating Segments" is given.

#### **NOTE NO. 37**

##### **Reconciliation of income tax expense for the year with accounting profit**

Profit before tax	<b>493.03</b>	145.29
Enacted income tax rate in India applicable to the company	<b>27.82</b>	33.063
<b>Adjustments for :</b>		
Current tax expenses on profit before tax expenses at the enacted income tax rate in india	<b>137.16</b>	48.04
Permanent disallowances	<b>1.59</b>	0.00
Short/(Excess) provision for current tax of earlier years	<b>5.14</b>	(14.56)
Effect of change in tax rate	<b>(19.78)</b>	0.00
Others	<b>(0.18)</b>	0.89
<b>Total Income Tax Expenses</b>	<b>123.93</b>	<b>34.37</b>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**

	<u>2018-19</u>	<u>(Rs. in Lakhs)</u> <u>2017-18</u>
<b>NOTE NO. 38 - DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 "EMPLOYEE BENEFITS"</b>		
<b>(a) Defined contribution plans</b>		
Contribution to defined contribution plans, recognised as expense for the year is as under :		
<b>Particulars</b>		
Employe's contribution to Provident Fund	<b>44.66</b>	44.24
<b>(b) Defined benefit plan</b>		
<b>Details of defined benefit obligation and plan assets in respect of retiring gratuity are given below :</b>		
<b>i) Reconciliation of opening and closing balances of defined benefit obligation</b>		
<b>Particulars</b>		
Present value of obligation as at the beginning of the year	<b>344.17</b>	348.87
Interest Cost	<b>24.09</b>	24.42
Current Service Cost	<b>14.83</b>	13.30
Benefits Paid	<b>(6.95)</b>	(30.09)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	<b>4.71</b>	0.00
Actuarial (Gain)/Loss on arising from Experience Adjustment	<b>(7.02)</b>	(12.33)
Present value of obligation as at the end of the year	<b>373.83</b>	344.17
<b>ii) Reconciliation of opening and closing balances of fair value of plan assets</b>		
<b>Particulars</b>		
Fair Value of plan assets at the beginning of the year	<b>340.86</b>	355.05
Interest Income	<b>23.73</b>	21.97
Contributions by the employer	<b>3.30</b>	8.00
Benefits paid	<b>(6.95)</b>	(30.09)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	<b>0.00</b>	2.04
Return on plan assets excluding amount included in net interest on the net defined benefit liability/(assets)	<b>(1.33)</b>	(16.11)
Fair Value of plan assets at the end of the year	<b>359.61</b>	340.86
<b>iii) Reconciliation of fair value of assets and obligations</b>		
<b>Particulars</b>		
Fair Value of plan assets	<b>359.61</b>	340.86
Present value of obligation	<b>373.83</b>	344.17
Amount recognised in Balance Sheet [Surplus/(Deficit)]	<b>(14.22)</b>	3.31
<b>iv) Expenses recognised during the year</b>		
<b>Particulars</b>		
<b>(A) In the Statement of Profit &amp; Loss</b>		
Current Service Cost	<b>14.83</b>	13.30
Net interest on the net defined benefit liability/(assets)	<b>0.36</b>	2.45
Net Cost	<b>15.19</b>	15.75
<b>(B) In Other Comprehensive Income</b>		
Actuarial (Gain)/Loss	<b>(7.02)</b>	(12.33)
Return on plan assets excluding amount included in net interest on the net defined benefit liability/(assets)	<b>1.33</b>	16.11
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	<b>4.71</b>	(2.04)
Net Expense/(Income) recognized in Other Comprehensive Income	<b>(0.98)</b>	1.74
<b>v) Investment Details :</b>		
<b>Particulars</b>		
GOI Securities	<b>51%</b>	54%
Bank Balance & Fixed Deposits	<b>43%</b>	42%
Others	<b>6%</b>	4%

## BHAGWATI AUTOCAST LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

	(Rs. in Lakhs)	
	2018-19	2017-18
<b>vi) Actuarial Assumptions</b>		
<b>Particulars</b>		
Mortality Table	IALM 2012-14 Ult.	IALM 2006-08 Ult.
Discount Rate	6.70%	7.00%
Expected rate of return on plan assets	7.00%	7.00%
Withdrawal Rate	1.00%	1.00%
Rate of escalation in salary	6.00%	6.00%

**vii) Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis on defined benefit obligation is given below:

<b>Particulars</b>		
<b>Sensitivity Level - Discount Rate</b>		
1% Increase	(15.39)	(17.30)
1% Decrease	16.82	18.90
<b>Sensitivity Level - Salary Escalation</b>		
1% Increase	16.77	18.90
1% Decrease	(15.63)	(17.62)
<b>Sensitivity Level - Employee Turnover</b>		
1% Increase	0.31	0.62
1% Decrease	(0.34)	(0.67)

viii) Expected contribution to the defined benefit plan for the next reporting period - Rs. 15 Lakhs.

**NOTE NO. 39 - Related Party Disclosures as per Indian Accounting Standard-24**

**(a) Related Parties**

Entities controlled by Directors or their relatives	Bhagwati Spherocast Pvt. Ltd. Bhagwati Filters Pvt. Ltd.
Key Management Personnel	Dr. P. N. Bhagwati (Managing Director) Ms. Reena P. Bhagwati (Jt. Managing Director) Mr. M. B. Shinde (Chief Executive Officer) (13/11/18 to 8/3/19) Mr. D. K. Sheth (Chief Financial Officer) Mr. Mehul Naliyadhara (Company Secretary)

**(b) Transactions with related parties :**

Sr. Particulars No.	Key Management Personnel and their relatives		Entities Controlled by Directors or their relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	<b>A Transactions during the year</b>					
<b>i. Purchase of services (net of service tax/GST credit)</b>						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	203.05	222.03	203.05	222.03
<b>ii. Purchase of material / capital goods (net of GST)</b>						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	3.75	8.01	3.75	8.01
-Bhagwati Filters Pvt. Ltd.	0.00	0.00	1.19	0.00	1.19	0.00
<b>iii. Interest on Fixed Deposits</b>						
-Bhagwati Spherocast Pvt. Ltd.	0.00	0.00	28.02	25.43	28.02	25.43
-Bhagwati Filters Pvt. Ltd.	0.00	0.00	0.00	3.98	0.00	3.98
-Dr. Pravin N Bhagwati	3.20	3.20	0.00	0.00	3.20	3.20
-Ms. Reena P Bhagwati	6.75	6.00	0.00	0.00	6.75	6.00
<b>iv. Managerial Remuneration (MD &amp; Jt. MD)</b>						
-Dr. Pravin N Bhagwati	71.02	71.02	0.00	0.00	71.02	71.02
-Ms. Reena P Bhagwati	12.00	12.00	0.00	0.00	12.00	12.00
<b>v. Remuneration to KMP (other than MD &amp; Jt. MD)</b>						
-Mr. M. B. Shinde	16.95	0.00	0.00	0.00	16.95	0.00



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**

(Rs. in Lakhs)

-Mr. D. K. Sheth	<b>41.46</b>	37.14	<b>0.00</b>	0.00	<b>41.46</b>	37.14
-Mr. Mehul Naliyadhara	<b>4.24</b>	3.15	<b>0.00</b>	0.00	<b>4.24</b>	3.15
<b>vi. Fixed Deposits received/renewed</b>						
-Bhagwati Filters Pvt. Ltd.	<b>0.00</b>	0.00	<b>300.00</b>	200.00	<b>300.00</b>	200.00
-Dr. Pravin N. Bhagwati	<b>23.70</b>	23.70	<b>0.00</b>	0.00	<b>23.70</b>	23.70
-Ms. Reena P. Bhagwati	<b>50.00</b>	50.00	<b>0.00</b>	0.00	<b>50.00</b>	50.00
<b>vii. Fixed Deposits repaid</b>						
-Bhagwati Filters Pvt. Ltd.	<b>0.00</b>	0.00	<b>0.00</b>	29.50	<b>0.00</b>	29.50
-Bhagwati Spherocast Pvt. Ltd.	<b>0.00</b>	0.00	<b>100.00</b>	0.00	<b>100.00</b>	0.00
<b>B Outstanding balance</b>						
<b>i. Payable</b>						
-Bhagwati Spherocast Pvt. Ltd.	<b>0.00</b>	0.00	<b>77.14</b>	176.42	<b>77.14</b>	176.42
-Bhagwati Filters Pvt. Ltd.	<b>0.00</b>	0.00	<b>0.09</b>	0.00	<b>0.09</b>	0.00
-Dr. Pravin N Bhagwati	<b>3.24</b>	3.35	<b>0.00</b>	0.00	<b>3.24</b>	3.35
-Ms. Reena P Bhagwati	<b>0.68</b>	0.69	<b>0.00</b>	0.00	<b>0.68</b>	0.69
-Mr. M. B. Shinde	<b>0.27</b>	0.00	<b>0.00</b>	0.00	<b>0.27</b>	0.00
-Mr. D K Sheth	<b>2.78</b>	1.66	<b>0.00</b>	0.00	<b>2.78</b>	1.66
-Mr. Mehul Naliyadhara	<b>0.31</b>	0.24	<b>0.00</b>	0.00	<b>0.31</b>	0.24
<b>ii. Fixed Deposits</b>						
-Bhagwati Spherocast Pvt. Ltd.	<b>0.00</b>	0.00	<b>200.00</b>	200.00	<b>200.00</b>	200.00
-Dr. Pravin N Bhagwati	<b>23.70</b>	23.70	<b>0.00</b>	0.00	<b>23.70</b>	23.70
-Ms. Reena P Bhagwati	<b>50.00</b>	50.00	<b>0.00</b>	0.00	<b>50.00</b>	50.00

The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.

**Note No. 40 - Financial Instruments - Fair Values & Risk Management**
**Note No. 40.1 - Accounting Classifications & Fair Value Measurements**

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**I Figures as at March 31, 2018**

	Carrying Amount	Fair value	
		Level 1	Level 2
<b>Financial assets at amortised cost:</b>			
Trade Receivables	2,933.39	0.00	2,933.39
Cash and Cash Equivalents	55.83	0.00	55.83
Bank Balances Other than Cash and Cash Equivalents	22.84	0.00	22.84
Other Current & Non Current Financial Assets	47.80	0.00	47.80
<b>Sub-total</b>	<b>3,059.86</b>	<b>0.00</b>	<b>3,059.86</b>
<b>Financial assets at fair value through profit or loss</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial assets at fair value through OCI</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>3,059.86</b>	<b>0.00</b>	<b>3,059.86</b>

## BHAGWATI AUTOCAST LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

(Rs. in Lakhs)

**Financial liabilities at amortised cost:**

Borrowings (Non-Current)	0.00	0.00	0.00
Borrowings (Current)	772.32	0.00	772.32
Trade Payables	1,930.70	0.00	1,930.70
Other financial liabilities	126.38	0.00	126.38
<b>Sub-total</b>	2,829.40	0.00	2,829.40
<b>Financial liabilities at fair value through profit or loss</b>	0.00	0.00	0.00
<b>Financial liabilities at fair value through OCI</b>	0.00	0.00	0.00
<b>Total</b>	2,829.40	0.00	2,829.40

**II Figures as at March 31, 2019**

	Carrying Amount	Fair value	
		Level 1	Level 2
<b>Financial assets at amortised cost:</b>			
Trade Receivables	2,962.55	0.00	2,962.55
Cash and Cash Equivalents	5.57	0.00	5.57
Bank Balances Other than Cash and Cash Equivalents	28.66	0.00	28.66
Other Current & Non Current Financial Assets	0.87	0.00	0.87
<b>Sub-total</b>	2,997.65	0.00	2,997.65
Financial assets at fair value through profit or loss	0.00	0.00	0.00
<b>Financial assets at fair value through OCI</b>	0.00	0.00	0.00
<b>Total</b>	2,997.65	0.00	2,997.65
<b>Financial liabilities at amortised cost:</b>			
Borrowings (Non-Current)	42.40	0.00	42.40
Borrowings (Current)	811.48	0.00	811.48
Trade Payables	1,579.03	0.00	1,579.03
Other financial liabilities	146.41	0.00	146.41
<b>Sub-total</b>	2,579.32	0.00	2,579.32
<b>Financial liabilities at fair value through profit or loss</b>	0.00	0.00	0.00
<b>Financial liabilities at fair value through OCI</b>	0.00	0.00	0.00
<b>Total</b>	2,579.32	0.00	2,579.32

**Note No. 40.2 - Financial Risk Management**

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

**Note No. 40.2.1 - Credit Risk Management**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. The aging analysis and break-up thereto is prepared, which is subject to pending settlement of claims and reconciliation of accounts.

(a) The ageing analysis of trade receivables from the date the invoice falls due is given below :

<b>Particulars</b>	<u>As at 31-03-2019</u>	<u>As at 31-03-2018</u>
Up to 3 months	2,406.77	2,571.36
3 to 6 months	408.11	119.07
6 to 12 months	105.84	101.75
Beyond 12 months	41.83	141.21
<b>Total</b>	2,962.55	2,933.39

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019**
**(Rs. in Lakhs)**

(b) Details of single customer accounted for more than 10% of the accounts receivable as at 31st March 2019 and 31st March 2018 :

<b>Name of Customer</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Swaraj Engines Ltd.	<b>816.98</b>	598.50
Escorts Ltd.	<b>1519.75</b>	1,670.75
Mita India Pvt. Ltd.	<b>326.88</b>	510.40

(c) Details of single customer accounted for more than 10% of revenue for the year ended at 31st March 2019 and 31st March 2018 :

<b>Name of Customer</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Escorts Ltd.	<b>5,007.01</b>	4,098.41
Swaraj Engines Ltd.	<b>4,396.15</b>	3,035.11
Mahindra & Mahindra Ltd.	<b>1,272.36</b>	415.24
Mita India Pvt. Ltd.	<b>1,732.80</b>	1,647.72

(d) Based on historic default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on 31st March, 2019.

**Note No. 40.2.2 - Liquidity Risk**

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

**Maturity profile of financial liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

<b>Particulars</b>	<b>Borrowings including interest obligations</b>	<b>Trade Payables</b>	<b>Other Financial Liabilities</b>	<b>Total</b>
<b>As at 31-03-2019</b>				
Less than 1 year	<b>835.52</b>	<b>1,579.03</b>	<b>122.37</b>	<b>2,536.92</b>
1 to 5 years	<b>42.40</b>	<b>0.00</b>	<b>0.00</b>	<b>42.40</b>
<b>Total</b>	<b>877.92</b>	<b>1,579.03</b>	<b>122.37</b>	<b>2,579.32</b>
<b>As at 31-03-2018</b>				
Less than 1 year	772.32	1,930.70	126.38	2,829.40
1 to 5 years	0.00	0.00	0.00	0.00
<b>Total</b>	<b>772.32</b>	<b>1,930.70</b>	<b>126.38</b>	<b>2,829.40</b>

**Note No. 40.2.3 - Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

## BHAGWATI AUTOCAST LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

(Rs. in Lakhs)

**a) Interest rate risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

Nature of Borrowing	Change in basis points	Impact on PAT	
		As at <u>31-03-2019</u>	As at <u>31-03-2018</u>
Working capital Facilities from Bank	(0.50)	<b>2.18</b>	1.67
	0.50	<b>(2.18)</b>	(1.67)

**b) Foreign currency risk**

The company does not operate internationally and hence not exposed to currency risk on account of its receivables or payables in foreign currency.

**c) Commodity Price Risk**

Principal Raw Material for company's products is scrap and pig iron. Company sources its raw material requirements from domestic markets. Domestic market price generally remains in line with international market prices. Volatility in metal prices, currency fluctuation of rupee vis a vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price of scrap and pig iron. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

**Sensitivity Analysis**

The table below summarises the impact of increase/decrease in prices of scrap and pig iron by Rs. 0.50 per kg on profit for the period.

Particulars	Impact on PAT	
	<u>2018-19</u>	<u>2017-18</u>
Rs. 0.50 increase in price of scrap	<b>(48.77)</b>	(35.31)
Rs. 0.50 decrease in price of scrap	<b>48.77</b>	35.31
Rs. 0.50 increase in price of pig iron	<b>(7.39)</b>	(7.97)
Rs. 0.50 decrease in price of pig iron	<b>7.39</b>	7.97

**Note No. 41 - Capital management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

Particulars	<u>As at 31-03-2019</u>	<u>As at 31-03-2018</u>
Borrowings	<b>877.35</b>	772.32
Less : Cash & Cash Equivalents	<b>5.57</b>	55.83
Net Debt (A)	<b>871.78</b>	716.49
Total Equity	<b>2,490.89</b>	2,148.87
Equity and Net Debt (B)	<b>3,362.67</b>	2,885.36
Gearing Ratio (A/B)	<b>0.26</b>	0.25

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019****(Rs. in Lakhs)****Note No. 42**

Balances of trade receivables, creditors, advances, etc. are subject to confirmation / reconciliation and adjustments in this respect are carried out as and when amounts thereof are ascertained.

**Note No. 43**

In terms of Ind AS 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

**Note No. 44**

In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.

**Note No. 45**

Previous year's figures have been re-grouped/re-arranged/re-casted, wherever necessary, so as to make them comparable with current year's figures.

As per our report of even date attached

**For Mahendra N. Shah & Co.**

Chartered Accountants  
Firm Regn. No. 105775W

**Chirag M. Shah**

Partner  
Membership No. 045706

**Dr. P. N. Bhagwati**

Chairman & Managing Director  
(DIN : 00096799)

**Reena P. Bhagwati**

Jt. Managing Director  
(DIN : 00096280)

**D. K. Sheth**

Chief Financial Officer

**Mehul Naliyadhara**

Company Secretary

**P. H. Buch**

Director  
(DIN : 03411816)

**R. J. Shah**

Director  
(DIN : 01982424)

**V R Ambani**

Director  
(DIN : 00351512)

Place : Ahmedabad  
Date : 29-05-2019

Place : Ahmedabad  
Date : 29-5-2019





## BHAGWATI AUTOCAST LIMITED



### BHAGWATI AUTOCAST LIMITED

CIN: L27100GJ1981PLC004718  
Registered Office: Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad-382220  
E-mail: autocast@bhagwati.com, Website: www.bhagwati.com  
Phone: +91 2714 232283/232983/232066

### PROXY FORM

**Form No. MGT-11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) : \_\_\_\_\_  
Registered Address : \_\_\_\_\_  
E-Mail Id : \_\_\_\_\_  
Folio No/Client Id : \_\_\_\_\_  
DP ID : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ equity shares of Bhagwati Autocast Limited, hereby appoint:

1) Name: \_\_\_\_\_ Address: \_\_\_\_\_ e-Mail ID: \_\_\_\_\_  
or failing him

2) Name: \_\_\_\_\_ Address: \_\_\_\_\_ e-Mail ID: \_\_\_\_\_  
or failing him

3) Name: \_\_\_\_\_ Address: \_\_\_\_\_ e-Mail ID: \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on Wednesday, 21st August, 2019 at 11:00 a.m. at Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad - 382220 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt Audited Financial Statement, Report of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. To appoint director in place of Dr. Pravin N. Bhagwati (DIN:00096799), who retires by rotation and being eligible offered himself for re-appointment		
4. To re-appoint Mr. Padmin H. Buch (DIN:03411816) as an Independent Director		
5. To re-appoint Mr. Rajendraprasad J. Shah (DIN:01982424) as an Independent Director		
6. To give permission/ power to Board of Directors for related party transaction		
7. To approve remuneration of Cost Auditor		

Signed this..... day of.....2019.

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

Affix  
requisite  
Revenue  
Stamp

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- For resolutions, relevant information and notes, please refer to the Notice of 37th Annual general Meeting.



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## Bhagwati Autocast Limited

CIN: L27100GJ1981PLC004718

Reg. Off.: Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad- 382220.

Phone: +91-2714-232283

Website: www.bhagwati.com E-mail: cs@bhagwati.com

### ATTENDANCE SLIP

Name and Registered Address of Shareholder:

Registered Folio No./DP ID No./ Client ID No. :

No. of shares held:

I hereby record my presence at the 37th Annual General Meeting of the Company held on Wednesday, 21st August, 2019 at 11:00 a.m. at Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad- 382220.

\_\_\_\_\_  
Name of Member / Proxy

\_\_\_\_\_  
Signature of Member / Proxy

**Note:**

1. Please complete the attendance slip and hand it over at the entrance of the meeting hall. Only Members/Representative of the corporate Members or Proxies are allowed to attend the meeting.
2. Bodies Corporate, whether a company or not, who are members, may attend through their authorised representative appointed under section 113 of the Companies Act, 2013. A copy of authorization should be deposited with the Company.

### ELECTRONIC VOTING PARTICULARS

EVEN (E-voting event number)	User ID	Password / PIN

**Note:**

1. The e-voting will commence on Saturday, 17th August, 2019 from 09:00 A.M. and close on Tuesday, 20th August, 2019 at 05:00 P.M. The voting module shall be disabled after closure time by NSDL.
2. These details and instructions form are internal part of the Notice for the 37th Annual General Meeting to be held on August 21, 2019.