

Our New Email-Id:
bolkol@globalbol.com

ॐ श्री माँ
जय श्री माँ

Phone : +91-33-2229-5472 / 8005 / 6257
Fax : +91-33-2217-2990
E-mail :

BHAGAWATI OXYGEN LIMITED
67, PARK STREET, KOLKATA - 700 016 (INDIA)

To
The Manager
Listing Compliance
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001

DATE: 04/12/2020

Scrip code: 509449

Dear Sir/Madam,

Sub: Compliance of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation.

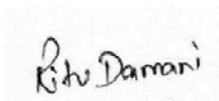
We are hereby submitting the copy of Annual Report of the Company for the Financial year 2019 -20 along with the Notice of the Forty Eighth Annual General Meeting of the company to be held on Wednesday, 30th December, 2020.

The Annual Report for the Financial Year 2019 -20 is uploaded on the website of the Company (www. <http://www.globalbol.com/>)

Thanking you,

Yours faithfully,

For **Bhagawati Oxygen Ltd.**



Ritu Damani
(Company Secretary)
Encl: As above.

48th Annual Report

For the year ended 31st March 2020

BHAGAWATI OXYGEN LIMITED

Corporate Information

CIN: L74899HR1972PLC006203

Board of Directors:

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

Banks:

Allahabad Bank
ICICI Bank Ltd
State Bank of India

Auditors:

Chetan & Company
Chartered Accountants,
Kolkata

Listed at:

BSE Ltd
Phiroz Jeejeebhoy Tower,
Dalal Street, Kala Ghoda, Fort,
Mumbai-400 001

Registrars & Share Transfer Agent:

Skyline Financial Services (P) Ltd
D-153A, 1st Floor, Okhla Industrial Area, Phase-1
New Delhi - 110 020
Ph : +91-11-40450193 to 97
Email : admin@skylinerta.com

Offices:

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

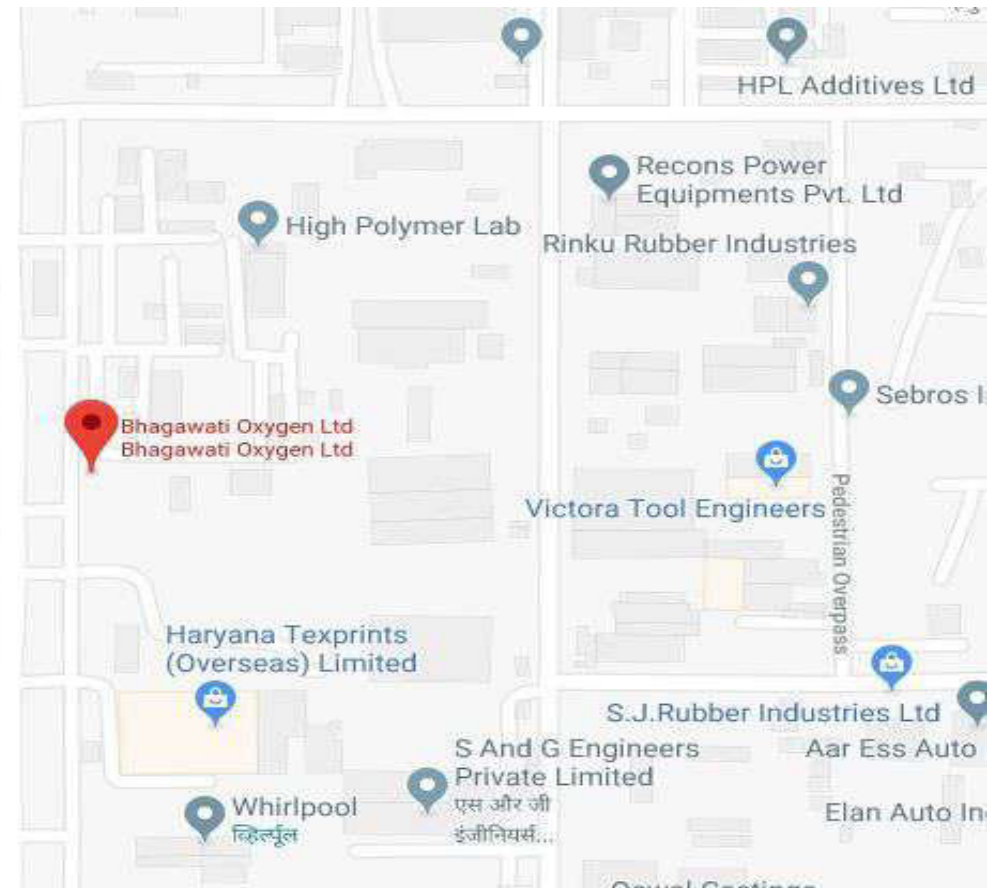
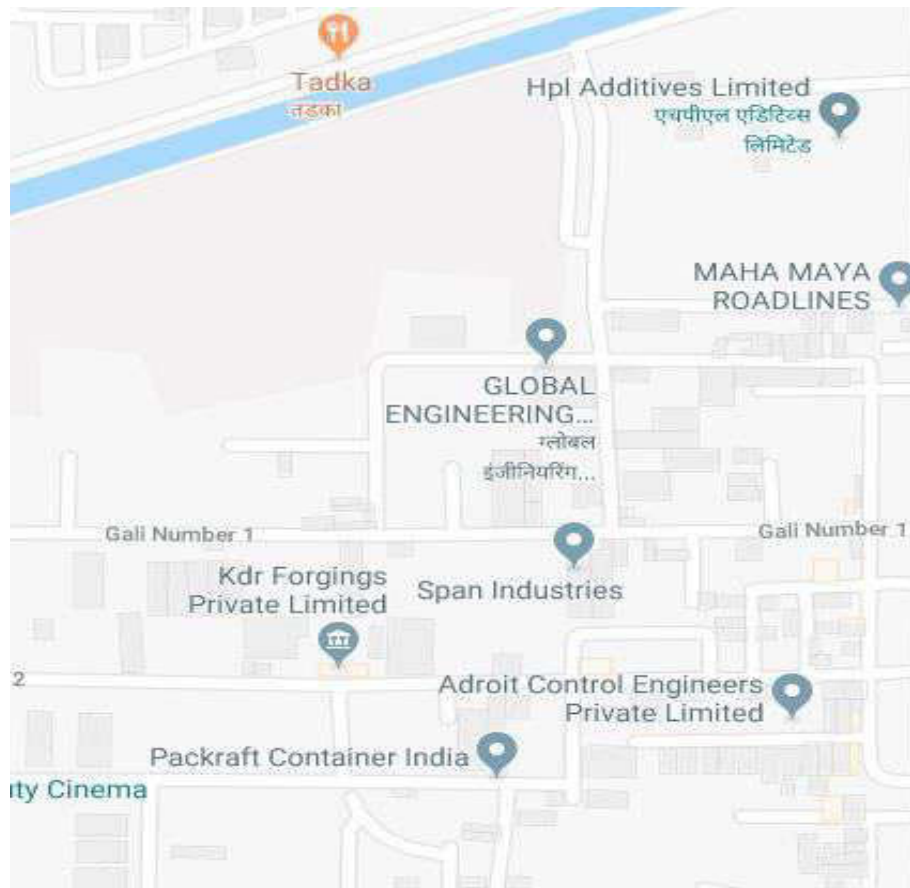
BHAGAWATI OXYGEN LIMITED

'S'-492A, GREATER KAILASH
NEWDELHI

Bhaskar

A handwritten signature in cursive script, reading "Bhaskar", is written in black ink. Below the signature is a large, sweeping flourish consisting of two parallel curved lines that extend downwards and to the right.

ROUTE MAP TO THE VENUE OF 48TH ANNUAL GENERAL MEETING OF BHAGAWATI OXYGEN LIMITED



NOTICE

TO THE MEMBERS

Notice is hereby given that the 48th Annual General Meeting of BHAGAWATI OXYGEN LIMITED will be held on Wednesday, 30th December, 2020 at 03:00 PM at the Registered Office of the Company at Plot No. 5, Sector - 25, Ballabhgarh, Haryana-121004 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Directors and Auditors thereon.
2. To re-appoint a Director in place of Ms Jaya Sharma (DIN 07135989) who retire by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.

Registered Office:
Plot No-5, Sector-25
Ballabhgarh ,
Haryana-121004

Date:12/11/2020
Place:Kolkata

By the Order of the Board
BHAGAWATI OXYGEN LIMITED

RITU DAMANI
COMPANY SECRETARY
ACS: 35435

Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him/ her and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.

A person can act a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. 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 of appointment of Auditors, who were appointed in the Annual General Meeting held on September 25, 2017.
4. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
5. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
6. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. As Amended by SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated June 08, 2018 members holding shares in physical form are mandatorily required to dematerialize their holding in order to eliminate all risks associated with physical shares. Members can contact the Skyline Financial Services Pvt. Ltd for further assistance
8. Members who hold shares in the dematerialized form are requested to bring their Depository ID Number and Client ID numbers to facilitate easier identification of attendance at the Annual General Meeting.
9. Members are informed that the scrip of the Company are activated both on CDSL and NSDL and may be dematerialized under the ISIN No. INE026101010.
10. Messrs Skyline Financial Services Pvt. Ltd has been appointed as Registrars and Share Transfer Agents for both physical and dematerialized shares of the Company.

11. The Register of Members and Share Transfer Books of the Company will be closed from Thursday, December 24, 2020 to Wednesday, December 30, 2020 (both days inclusive) for the purpose of Annual General Meeting.
12. The instrument of transfer completed in all respect together with requisite enclosure, should be sent to the Company well in advance so as to reach the Company prior to closure of Register of Members.
13. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (“DPs”) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company / Company’s Registrar and Transfer Agents, i.e. Skyline Financial Services Pvt. Ltd.
14. For any further information regarding accounts intimation may be given to the Company in writing at least 10 days in advance from the date of the aforesaid meeting so as to enable the management to keep the information ready.
15. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them. The prescribed form can be obtained/ submitted to Registrar & Share Transfer Agents of the Company.
16. In the light of the recent green initiative of the Government of India, those members who have not yet registered their email id’s are requested to register their email id’s with their depository participants in case of shares held in dematerialised form and those members holding shares in physical form to register their email id’s with the R & T agent for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. We urge upon you to register the email id on priority and help the Company to support the nation in the green initiative.
17. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies Rules, 2012, the Company has NIL amount unpaid and unclaimed with the Company as on 20th September 2019 (date of last Annual General Meeting) and the company has declared the same with the Ministry of Corporate Affairs website.
18. The Annual Report 2019-20, the notice of the 48th Annual General Meeting (AGM) and instruction for e-voting along with proxy form and attendance slip are being sent by electronic mode to the members whose email-id is registered with the Company/ Depository Participant unless a member has requested for a physical copy of the document. However, the members who have not registered their email address shall be furnished with physical copy of the same in the permitted mode
19. Members may also note that the notice of the 48th AGM and Annual Report 2019-20 will be available on the Company’s Website <https://www.globalbol.com/>
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company’s Registrar and Share Transfer Agents
21. Additional Information, Pursuant to Regulation 36 of the listing Regulation, in respect of the Director seeking appointment/re-appointment at the AGM, forms part of the Notice.
22. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by Members at the Registered Office of the Company during business hours on all working days, up to the date of the Meeting.
23. In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of Securities & Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolution proposed to be considered at the 48th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. Necessary arrangements have been made by the Company with National Securities Depository (India) Limited (NSDL) to facilitate remote e-voting. E voting is optional and members shall have the option to vote either through remote e-voting or in person at the general meeting.-

The instructions for members for remote e-voting are as under:-

A. The way to vote electronically on NSDL e-voting System Consists of “Two steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system

Step 2 : Cast your vote electronically on NSDL e-voting system

Details on step 1 are mentioned below:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> on a personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

Manner of holding shares i.e Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL:	8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
For Members who hold shares in demat account with CDSL:	16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
For Members holding shares in Physical Form:	EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c. How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii. If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
 - b. “[Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Detail on Step 2 or given below.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. General Guidelines for shareholders:

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shawmanoj2003@gmail.com or shawmanoj2003@yahoo.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

OTHER INSTRUCTIONS:

4. The remote e-voting period commences on Sunday, 27th December, 2020 (10.00 a.m. IST) and ends on Tuesday, 29th December, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Thursday, 24th December, 2020, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
5. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Thursday, 24th December, 2020.
6. Mr. Manoj Prasad Shaw, Practicing Company Secretary (Membership No. FCS 5517), has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
7. Facility for voting through polling paper shall be made available at the 48th Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their rights at the concerned meeting.
8. The Scrutinizer shall, after conclusion of voting at the general meeting, first count the votes at the meeting, thereafter unblock the votes cast through remote e-voting within stipulated time from the conclusion of the remote e-voting period, in the presence of at least two witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the chairman of the meeting who will counter sign the same and declare the results of voting forthwith.
9. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
10. Members of the Company holding shares either in physical form or in dematerialized form, as on Thursday, 24th December, 2020, may opt for remote e-voting or voting at the AGM through polling paper.
11. The result declared along with the **Scrutinizer's Report** shall be placed on the Company's website www.globalbol.com and on the website of NSDL www.evoting.nsdl.com immediately on declaration of result by the chairman and communicate to Bombay Stock Exchange (BSE) where the shares of the Company are listed.

Registered Office:
Plot No-5, Sector-25
Ballabgarh,
Haryana-121004

Date : 12/11/2020
Place : Kolkata

By the Order of the Board
BHAGAWATI OXYGEN LIMITED

RITU DAMANI
COMPANY SECRETARY
ACS: 35435

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015:

Name of the Director	Ms Jaya Sharma
Date of Birth	21/03/1974
Date of First Appointment	31/03/2015
Qualifications	BCOM(HONS)
Professional Membership	NIL
Nature of his/her expertise in specific functional areas	Five year of experience in general administration
Names of the listed entities in which he also holds Directorship of Boards	NIL
Name of the listed entities in which he also holds Membership of Committees of Boards	NIL
No of Shares held in the Company	90500

Note: Disclosure of relationship between Directors inter-se as required under Sub-regulation 3 of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

DIRECTORS' REPORT

Dear Shareholders,

The Directors' have pleasure in presenting the 48th Annual Report and the Audited Accounts of the Company for the financial year ended March 31, 2020.

1. SUMMARY OF FINANCIAL RESULTS: (Rs)

<u>Particulars</u>	<u>2019-20</u>	<u>2018-19</u>
Total income	5,93,12,148	8,29,38,689
PBDIT	2,29,02,158	1,68,20,899
Finance cost	59,55,529	82,46,586
Depreciation & amortization	1,85,35,120	1,85,69,858
PBT	(15,88,491)	(99,95,545)
Tax expense	(9,64,502)	(3,73,777)
PAT	(6,23,989)	(96,21,768)
Surplus- opening balance	9,69,97,067	10,66,18,835
Surplus- closing balance	9,63,73,078	9,69,97,067

2. COVID-19

With the global outbreak of COVID-19, the Government had to impose frequent lock downs all over the country because of which manufacturing plant of the Company had to be shut down temporarily in compliance with the directives of the Central Government and State Government. The registered office along with the regional offices were also closed as per directives applicable to them. The Company had to adopt Work from Home policy for all its office employees and other staff to minimize the risk and contain spread of COVID-19. However, with the implementation of gradual relaxations, the Company is resumed its operations.

3. OPERATION:

During the year under review the sales and other income of the Company amounted to Rs 5,93,12,148 compared to Rs. 8,29,38,689 in the previous year. After providing for financial charges, depreciation, current and deferred taxation and other adjustments, the Company reported loss after tax and extraordinary item of Rs. (6,23,989).

4. DIVIDEND:

The Board considered it to be prudent to conserve the resources for the Company's growth and expansion and accordingly does not recommend payment of any dividend on the equity shares for the financial year under review.

5. TRANSFER TO RESERVES:

The Directors do not propose to transfer any amount to the general reserves, during the year.

6. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable or material weakness in the design or operation was observed.

7. MANAGEMENT DISCUSSION & ANALYSIS:

Industry Structure and Development:

Your industry is primarily a “gas manufacturing industry” supplying oxygen gas on exclusive supply scheme basis. The Company is also making wind power and supplying to TNEB, Tamil Nadu.

Opportunities & Threats, Trends & Strategies:

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

Outlook:

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

Internal Control System :

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

Risks & Concerns:

The Company’s operations are subject to risks which can impact business performance essentially with regard to demand from customers and prices of basic materials. The management assesses such risks and takes measures to address the same. The Company is committed to adhere to all applicable environment regulations and improve upon the environmental performance on a continued basis.

Human Resources Development:

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

Cautionary Statement :

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

8. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the annual listing fees for the year 2019-2020 to BSE where the Company's shares are listed.

9. DEMATERIALIZATION OF SHARES:

49% of the Company's paid up Equity Shares Capital is in dematerialization form as on 31st March, 2020 and balance 51% is in physical form. The Company's Registrar's and Share Transfer Agents are M/s Skyline Financial Services Pvt Ltd having their office at D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi-110020.

10. NUMBER OF MEETINGS OF THE BOARD:

During the financial year 2019-20, 4 (four) meetings of the Board of Directors of the Company were held on 30th May 2019, 12th August 2019, 14th November 2019 and 08th February 2020.

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act and the Articles of Association of the Company, Ms Jaya Sharma (DIN: 07135989) director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

Declaration under section 149 of the Companies Act, 2013:

The Independent Directors of the Company have given the Declaration of Independence to the Company stating that they meet the criteria of Independence as mentioned under Section 149(6) of the Companies Act, 2013.

12. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act 2013, the directors confirm that:

- a. In the preparation of the annual accounts for the financial year ended 31 March 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. The Directors had 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 as at 31 March, 2020 and of the loss of the Company for period from 1 April 2019 to 31 March 2020;
- c. The Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- d. The Directors had prepared the annual accounts for the financial year ended 31 March 2020 on a going concern basis;
- e. The Director had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

13. NOMINATION AND REMUNERATION POLICY:

Pursuant to Section 178(3) and other applicable provisions of the Companies Act, 2013 of the Act the Company has put in place a Nomination and Remuneration Policy framed by the Nomination and Remuneration Committee of the Board for determining the qualifications, positive attributes and independence of the Directors, besides recommending a policy on remuneration of the Directors and Key managerial personnel. The details of Nomination and Remuneration Policy of the Company are disclosed in **Annexure A** of the Report.

14. AUDIT COMMITTEE:

The Audit Committee of the Board are comprised of Mr. Himanshu Sharma, Mr. Bipin Bihari Lal and Mr. Jagdish Chandra Kaushik, with Mr Himanshu Sharma as a Executive Director/Managing Director and Mr. Bipin Bihari Lal and Mr. Jagdish Chandra Kaushik as Independent Directors. All the recommendations made by the Audit Committee were accepted by the Board.

During the Financial Year 2019-20, 4 (four) meetings of the Audit Committee of the Board of Directors were held 30th May 2019, 12th August 2019, 14th November 2019 and 08th February 2020.

15. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Board are comprised of Mrs. Jaya Sharma, Mr. Bipin Bihari Lal and Mr. Jagdish Chandra Kaushik. Mrs Jaya Sharma being a non-executive Director and Mr. Bipin Bihari Lal and Mr. Jagdish Chandra Kaushik being Independent Directors.

During the Financial Year 2019-20, 1 (One) meetings of the Nomination and Remuneration Committee of the Board of Directors were held on 30th May 2019.

16. STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee of the Board are comprised of Mrs. Jaya Sharma, Mr. Bipin Bihari Lal and Mr. Jagdish Chandra Kaushik. Mrs Jaya Sharma being a non-executive Director and Mr. Bipin Bihari Lal and Mr. Jagdish Chandra Kaushik being Independent Directors.

During the Financial Year 2019-20, 1 (One) meeting of the Stakeholder Relationship Committee of the Board of Directors were held on 30th May 2019.

17. AUDITORS AND AUDITORS REPORT:

At the Forty Fifth AGM held on 25TH September 2017 the Members approved appointment of Chetan & Co, Chartered Accountants (Firm Registration No. 321151E) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Annual General Meeting of your Company to be held in year 2022, subject to ratification of their appointment by members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

The Notes on Financial Statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer. Further, the Statutory Auditors have not reported any incident of fraud during the year under review to the Audit Committee of your Company.

18. SECRETARIAL AUDITOR:

The Board has appointed Mr. Manoj Prasad Shaw, Practising Company Secretary (FCS 4194), to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as Annexure –B to this Report.

The Secretarial Audit Report has pointed out an observation regarding 100% dematerialization of shares of the Listed Entities as per Regulation 31(2) of Listing Regulations. The Company is under the process of updation of dematerialization of all the shares as per the requirement of SEBI.

19. MATERIAL CHANGES OCCURRED AFTER END OF FINANCIAL YEAR:

No material changes and commitment which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

20. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under section 134 of the Companies Act, 2013, is provided in 'Annexure C' to this Report.

21. VIGIL MECHANISM:

In pursuant to Section 177(9) of the Act, 2013 and Rules made there under, the Company has in place a policy on vigil mechanism for enabling the directors and employees of the Company to report their genuine concerns, if any and also provides for adequate safeguards against victimization of persons using the mechanism.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

23. RISK MANAGEMENT POLICY:

With reference to the provisions of Section 134(3)(n) of the Companies Act, 2013, the Board of Directors has developed a risk management plan of the Company and had identified the key risk areas where the Company's business is vulnerable.

The key risk areas are further categorized in the following:-

- (a) Strategic Risks,
- (b) Operational Risks and
- (c) Financial and Compliance related Risks.

All the strategic, operational and financial risks are duly analyzed and taken care of.

The Directors are aware of the requirement of the risk mitigation plan and are continuously making the necessary efforts to redress the impact of the adversities.

24. STATEMENT ON FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES:

Pursuant to the provisions of the Companies Act, 2013 ("the Act"), the Board carried out the performance evaluation of its own and that of its Individual Directors through the Nomination and Remuneration Committee of the Board ("the Committee"), duly constituted by the Board for the above purpose, amongst others, in terms of the Act.

During the year under review, the Committee made the performance evaluation as above, based on the following criterions, in line with the Nomination and Remuneration Policy:

- Attendance and participation in the meetings;
- Preparedness for the meetings;
- Understanding of the Company and the external environment in which it operates and
- Constructive contribution to issues and active participation at meetings

The Committee found the Directors to be fulfilling the above criterions.

The Board also conducted the performance evaluation of its various Committees, based on references made to the Committees, in terms of the Act and found the performance to be satisfactory.

25. CONTRACT AND ARRANGEMENT WITH RELATED PARTIES:

The Audit Committee reviews all the Related Party Transactions, to ensure that the same are in line with the provisions of law and policy. The committee approves the Related Party Transactions, none of the transactions approved in the financial year breached arm's length and ordinary course criteria.

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to Note No. 38 to the financial statement which sets out related party disclosures.

26. EXTRACT OF ANNUAL RETURN:

An extract of Annual Return as on the financial year ended on March 31, 2020 in Form No. MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out as an **Annexure-D** to the Directors' Report.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements

28. SHARE CAPITAL:

During the year under review, there was no change in share capital of the Company.

29. PARTICULARS OF EMPLOYEES:

The disclosure as required under Rule 5(1) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is enclosed with this report as **Annexure E**. The Company has not paid any remuneration attracting the provisions of Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Hence, no information is required to be appended to this report in this regard.

30. CORPORATE WEBSITE:

The Company maintains a website www.globalbol.com where detailed information of the Company and its product are provided.

31. DISCLOSURES UNDER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES, 2014:

- a) **Financial summary or highlights:** As detailed under the heading 'Summary of Financial Results'
- b) **Change in the nature of business, if any:** None
- c) **Details of Directors or Key Managerial Personnel, who were appointed or resigned during the year:**

Directors/KMP Appointed : NIL

Directors/KMP resigned : NIL

d) **Names of Companies which have become or ceased to be Subsidiaries, Joint Venture Companies or Associate Companies during the year-** NIL

e) **Details relating to deposits:** There were no fixed deposits from the public outstanding of the Company at the end of the financial year. No fixed deposit has been accepted during the year and as such, there is no default in repayment of the said deposits. There has not been any deposit, which is not in compliance with the requirements of Chapter V of the Companies Act, 2013.

f) **Details of Significant and Material Orders passed by the regulators / Courts / Tribunals impacting the going concern status and your Company's operations in future:**

No significant and material orders have been passed by any regulator(s) or Court(s) or Tribunal(s) impacting the going concern's status and Company's operations in future.

g) **Adequacy of Internal Financial Control:** The Company has an adequate system of internal control procedure as commensurate with the size and nature of business, which ensures that all assets are safeguarded and protected against loss and all transactions are recorded and reported correctly. The internal control system of the Company is monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are placed before the Board for reference.

The scope of internal audit includes audit of purchase facilities, sales promotion expenditure and incentive scheme, debtors and creditors policy, inventory policy, vat, cenvat and gst matters and others, which are also considered by the Statutory Auditors while conducting audit of the annual financial statements.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Directors are pleased to report that, during the year under review, neither any complaints of sexual harassment were received by it, nor were there any complaints relating thereto which required any disposal thereof.

33. ACKNOWLEDGEMENT:

The Board would like to express its sincere appreciation for the valuable support and co-operation received from various Central and State Government Authorities, Stock Exchanges, Financial Institutions and Banks during the year. They also gratefully acknowledge the support extended by the customers and shareholders and contribution made by the employees at all level.

For and on behalf of the Board of Directors

Place : Kolkata
Date : 30/06/2020

S K SHARMA
Chairman
(DIN: 00041150)

ANNEXURE-A

NOMINATION AND REMUNERATION POLICY

Introduction:

This policy on nomination and remuneration of Directors and Key Managerial Personnel (KMP) has been formulated by the Nomination and Remuneration Committee in pursuance of the Company's policy to consider human resources as its invaluable assets, to harmonize the aspirations of human resources consistent with the goals of the Company, such policy is in terms of the provisions of the Companies Act, 2013.

Definitions

'Act' means Companies Act, 2013 and rules thereunder.

'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board

'Company' means Bhagawati Oxygen Limited.

'Directors' means Directors of the Company.

Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013.

'Key Managerial Personnel' (KMP) means:

- a. Manager appointed under the Companies Act, 2013.
- b. Chief Financial Officer appointed under the Companies Act, 2013.
- c. Company Secretary appointed under the Companies Act, 2013.

'Ministry' means the Ministry of Corporate Affairs, Government of India.

Objectives of the policy

The policy is framed with the objectives of facilitating the following:

- To guide the Board in relation to appointment and removal of Directors and Key Managerial .
- To determine remuneration based on the Company's size and financial position and prevalent trends and practices on remuneration in the industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial .
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.
- Policy for Appointment And Removal of Director and KMP
- Appointment Criteria and Qualifications
- The Committee shall identify and ascertain the qualification, expertise and experience of a person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

- A person should possess adequate qualification, expertise and experience for the position he / she is being considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not ordinarily appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. However, the term of a person holding this position may be extended beyond the age of seventy years in such suitable cases as may be determined by the Committee.

Term / Tenure

Managing Director/Whole Time Director/Manager

The Company shall appoint or re-appoint any person as its Managing Director or Whole Time Director or Manager for a term not exceeding five years at a time. Also, where the re-appointment of the Managing Director or Whole Time Director or Manager is deemed to be fit by the Nomination and Remuneration Committee, such re-appointment shall not be made earlier than one year before the expiry of his term.

Independent Director :

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment if a special resolution is passed by the Company and such appointment is disclosed in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years from ceasing to be an Independent Director.

An Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Evaluation

The Committee shall carry out evaluation of performance of every Director and KMP at regular intervals.

Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Director and KMP shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director and KMP in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION OF DIRECTOR,AND KMP

Remuneration of the Managing Director/ Whole Time Director/ Manager

The remuneration paid to the Managing Director/ Whole Time Director/ Manager is recommended by the Committee and approved by the Board in the Board meeting, subject to the subsequent approval by the shareholders at a general meeting and such other authorities, as the case may be.

At the Board meeting, only the Non-Executive and Independent Directors participate in approving the remuneration paid to any Managing Director. The remuneration is arrived after considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the company.

Remuneration of Non-Executive & Independent Directors

The Non-Executive Directors and Independent Directors of the Company would be paid sitting fees for attending meeting of the Board and they would not be paid any sitting fees for any Committees.

The Non-Executive and Independent Directors may also be entitled to remuneration by way of such commission on profits pursuant to the provisions of the Act for a financial year as may be decided by the Board and approved by the shareholders of the Company from time to time in addition to the sitting fees for attending the meetings of the Board.

The Non-Executive and Independent Directors are also entitled to reimbursement of travel, hotel and other incidental expenses incurred by them in the performance of their role and duties.

An Independent Director shall not be entitled to any stock option if announced by the Company.

Remuneration for Key Managerial Personnel

The Remuneration to be paid to KMPs shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any, prescribed under the Act and rules made thereunder or any other enactment for the time being in force.

This remuneration policy shall apply to all future/ continuing employment with the company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes. The Board reserves its right to amend or modify this policy in whole or in the part, at any time without assigning any reason whatsoever

Amendments to the Policy

The Board on its own and / or as per the recommendations of the Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

ANNEXURE-B

**MR-3
FORM NO. MR-3**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,

The Members

M/s BHAGAWATI OXYGEN LIMITED

Sector 25, Plot No. 5,

Ballabgarh, Haryana- 121004

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2020 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 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 (till November 09, 2018);
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 10, 2018);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period).
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company are as follows :-
- I. Gas Cylinders Rule,2004
 - II. Static and Mobile Pressure Vessels(unfired) Rules,1981

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

- (i) The Company has complied with the applicable Clauses of SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India.
- (ii) The Company has complied with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the stock exchanges, subject to observations made hereunder.

The Company has not complied with the Regulation 31(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which mandates the Listed Entities to ensure that 100% of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by Securities and Exchange Board of India (SEBI).

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

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. No changes took place in the composition of the Board of Directors during the period under review.

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 the Company has accorded the consent of members to the Board of Directors for the following specific events/actions having a major bearing on the Company's affairs :-

-Approval for reappointment of Shri Jagdish Chandra Kaushik (DIN 01045425), as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 01st April, 2019, pursuant to sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time.

-Approval for reappointment of Shri BipinBihariLal (DIN 01045250), as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 01st April, 2019, pursuant to sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time.

Place: Kolkata
Date: 30.06.2020

For M/s Manoj Shaw & Co.
(Company Secretaries)
Manoj Prasad Shaw
(Proprietor)
FCS No. 5517; C P No.: 4194
UDIN: F005517B000400307

The 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

M/s BHAGAWATI OXYGEN LIMITED

Sector 25, Plot No. 5,
Ballabhgarh, Haryana- 121004

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

Management's Responsibility:

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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: Kolkata
Date: 30.06.2020

For M/s Manoj Shaw & Co.
(Company Secretaries)
Manoj Prasad Shaw
(Proprietor)
FCS No. 5517; C P No.: 4194

ANNEXURE- C

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy**(a) Energy conservation steps taken:**

- +Energy conservation continues to receive priority attention at all levels.
- +Factories have implemented measures to maintain power factor above 0.98 to reduce reactive power loss.
- +Gradual replacement of high energy illumination by lower power consuming illumination in working area.
- +Replacement of opaque sheets with translucent corrugated sheets to allow more natural light.
- +Continuous effort to reuse/recycle ground water.

(b) Additional investment proposals, if any, being implemented for reduction of consumption of energy:**(c) Impact of measures of (a) & (b) for reduction of energy consumption and consequent impact on cost of production of goods:**

- +Reduction in specific power usage per unit of output to be realized in coming years.

(d) Energy conservation in respect of specified industries: NA**(B) Technology Absorption****Research & Development (R&D)****1. Efforts and areas in which R&D carried out:**

- +The Company is successfully doing improvement of product characteristics.
- +Developing processes to improve product cost structure.

2. Benefits derived as a result of the above efforts:

- +Improved manufacturing efficiency with reduced losses & costs.
- +Improved quality and production meeting customer requirement.

3. Future Plan of Action:

- +Increased focus on customized product deliverables aligning in line with strategic business partners.
- +Improved process operation with reduced process wastage, debottlenecking of processes, equipment and quality issues.

4. Expenditure on R&D: charged under primary heads of accounts.

(C) Foreign Exchange Earnings and Outgo: (Amount in Rs.)	<u>FY 2019-20</u>	<u>FY 2018-19</u>
Foreign exchange outgo	-	8,19,87,760
Foreign exchange earning	-	-

ANNEXURE- D

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2020

[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:

i) CIN:	L74899HR1972PLC006203
ii) Registration Date:	10th July, 1972
iii) Name of the Company:	BHAGAWATI OXYGEN LIMITED
iv) Category / Sub-Category of the Company:	Listed Public Company Limited by Share Capital
v) Address of the Registered office and contact details :	Sector 25, Plot No.5, Ballabgarh, Haryana – 121004
vi) Whether listed company :	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	Skyline Financial Services (P) Ltd D-153A, 1st Floor, Okhla Industrial Area, Phase-1 New Delhi - 110 020 Ph : +91-11-40450193 to 97 Email : admin@skylinerta.com

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	INDUSTRIAL GASES- OXYGEN	2804	86.69%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

BHAGAWATI OXYGEN LIMITED

	Any Other									
i)	Foreign	-	-	-	-	-	-	-	-	-
j)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total									
	(B)(1)	-	300375	300375	12.99	-	300375	300375	12.99	-
2	Non-									
	Institutions									
	Bodies									
a)	Corporate									
1)	Indian	96297	3476	99773	4.31	95080	3476	98556	4.26	-0.05
2)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
	Individual									
	shares									
	holders									
	having									
	nominal									
	share capital									
	upto Rs.									
1)	1,00,000	229440	446030	675470	29.20	212599	437475	650074	28.11	-1.09
	Individual									
	shares									
	holders									
	having									
	nominal									
	share capital									
	Excess of Rs.									
2)	1,00,000	21636	208550	230186	9.95	48884	208550	257434	11.13	1.18
c)	Others									
a)	HUF	4215	-	4215	0.18	3539	-	3539	0.15	-0.03
	Non Resident									
b)	Indian	1365	-	1365	0.06	1290	-	1290	0.06	-
	Foreign									
c)	National	-	-	-	-	-	-	-	-	-
	Clearing									
d)	Members	9	-	9	-	125	-	125	0.01	0.01
e)	Trust	100	-	100	-	100	-	100	-	-
	Foreing									
f)	Bodies-DR	-	-	-	-	-	-	-	-	-
	NBFC									
	Registered									
g)	With RBI	-	-	-	-	-	-	-	-	-
	Sub-Total									
	(B)(2)	353062	658056	1011118	43.72	361617	649501	1011118	43.72	-
	Total Public									
	Shareholding									
	(B)	353062	958431	1311493	56.70	361617	949876	1311493	56.70	-
	Shares Held									
	By Custodian									
	for GDRs &									
C)	ADRs	-	-	-	-	-	-	-	-	-
D)	IEPF	-	-	-	-	-	-	-	-	-
	Grand Total	1120328	1192641	2312969	100.00	1128883	1184086	2312969	100.00	-

(ii) Shareholding of Promoters.

Sl	Shareholder's Name	Shareholding at the beginning of the			Shareholding at the end of the year			% change in shareholding
		No. of Shares	%of total Shares of	%of Shares Pledged/	No. of Shares	%of total Shares of the	%of Shares Pledged/	
1	Balwan Singh	75	-	-	75	-	-	-
2	Hari Prasad Purba	75	-	-	75	-	-	-
3	Shyam Mohan	75	-	-	75	-	-	-
4	Shachi Bhardwaj	150	0.01	-	150	0.01	-	-
5	Ashok Kumar Garg	1075	0.05	-	1075	0.05	-	-
6	B K Ratna Karan Karup &	1150	0.05	-	1150	0.05	-	-
7	Mahesh Mittal	150	0.01	-	150	0.01	-	-
8	Kamakshi Bhardwaj	2000	0.09	-	2000	0.09	-	-
9	Padmaja Bhardwaj	2000	0.09	-	2000	0.09	-	-
10	Suresh Kumar Sharma	85445	3.69	-	85445	3.69	-	-
11	Chetan Kumar Chaturvedi	125	0.01	-	125	0.01	-	-
12	Rakesh Samrat Bhardwaj	7740	0.33	-	7740	0.33	-	-
13	Suresh Kumar Sharma and Tara Devi Sharma	8951	0.39	-	8951	0.39	-	-
14	Himanshu Sharma and Jaya Sharma	10000	0.43	-	10000	0.43	-	-
15	Tara Devi Sharma And Suresh Kumar Sharma	10000	0.43	-	10000	0.43	-	-
16	Kanta Devi Bhardwaj	14485	0.63	-	14485	0.63	-	-
17	Suresh Kumar Sharma and Sons HUF	109000	4.71	-	109000	4.71	-	-
18	Vivek Sharma	41500	1.79	-	41500	1.79	-	-
19	Himanshu Sharma	62800	2.72	-	62800	2.72	-	-
20	Deepthi Sharma	78900	3.41	-	78900	3.41	-	-
21	Ramrup Sharma And Sons HUF	64000	2.77	-	64000	2.77	-	-
22	Jaya Sharma	90500	3.91	-	90500	3.91	-	-
23	Tara Devi Sharma	127700	5.52	-	127700	5.52	-	-
24	Suresh Kumar Sharma & Himanshu Sharma	173255	7.49	-	173255	7.49	-	-
25	Bhagawati Steel Private Limited	100325	4.34	-	100325	4.34	-	-
26	Bhagwati Gases Ltd	10000	0.43	-	10000	0.43	-	-

(iii)Change in Promoters' Shareholding

NIL CHANGES DURING THE YEAR.

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

Sl. No.		Shareholding at the beginning/end of the year		Date	Increase/ decrease shareholding.	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	Bihar State Industrial Development	300000	12.97	01.04.2019		-	300000	12.97
					0	Nil Movement During The Year		
		300000	12.97	31.03.2020		-	300000	12.97
2	S.K. Steel Pvt. Ltd.	90345	3.91	01.04.2019		-	90345	3.91
						Nil Movement During The Year		
		90345	3.91	31.03.2020		-	90345	3.91
3	Bhaskar Sharma	41710	1.8	01.04.2019	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2020	0	-	41710	1.8
4	Garima Sharma	41710	1.8	01.04.2019	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2020	0	-	41710	1.8
5	Rajeev Sharma	41710	1.8	01.04.2019	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2020	0	-	41710	1.8
6	Suman Sharma	41710	1.8	01.04.2019	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2020	0	-	41710	1.8

BHAGAWATI OXYGEN LIMITED

7	Neha Sharma	41710	1.8	01.04.2019	0	-	41710	1.8	
							Nil Movement During The Year		
		41710	1.8	31.03.2020	0	-	41710	1.8	
8	Mahendra Girdharilal	21636	0.94	01.04.2019	0	-	21636	0.94	
				2019-2020	7248	Purchase			
		28884	1.25	31.03.2020	0	-	28884	1.25	
9	Pratik Rajendra Gandhi	10000	0.43	01.04.2019	0	-	10000	0.43	
				16.08.2019	10000	Purchase			
		20000	0.86	31.03.2020	0	-	20000	0.86	
10	Madhuben Dhirajlal Gandhi	10000	0.43	01.04.2019	0	-	10000	0.43	
							Nil Movement During The Year		
		10000	0.43	31.03.2020	0	-	10000	0.43	

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning /end of the year					Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	Date	Increase/ decrease shareholding	Reason	No. of shares	% of total shares of the company	
A	Directors								
1	Suresh Kumar Sharma	85445	3.69	01.04.2019			85445	3.69	
							Nil Movement During The Year		
		85445	3.69	31.03.2020	-		85445	3.69	
2	Himanshu Sharma	62800	2.72	01.04.2019			62800	2.72	
							Nil Movement During The Year		
		62800	2.72	31.03.2020	-		62800	2.72	
3	Jaya Sharma	90500	3.91	01.04.2019			90500	3.91	
							Nil Movement During The Year		
		90500	3.91	31.03.2020	-		90500	3.91	

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4	Bipin Bihari Lal	-	-	01.04.2019	-	-	-	-
		-	-	31.03.2020	-	-	-	-
5	Jagdish Chandra Kaushik	-	-	01.04.2019	-	-	-	-
		-	-	31.03.2020	-	-	-	-
B	Key Managerial Personnel							
1	Sukanta Bhattacharjee	-	-	01.04.2019	-	-	-	-
		-	-	31.03.2020	-	-	-	-
2	Ritu Damani	-	-	01.04.2019	-	-	-	-
		-	-	31.03.2020	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	7,54,69,828	-	-	7,54,69,828
ii) Interest due but not paid	0	-	-	0
iii) Interest accrued but not due	6,06,074	-	-	6,06,074
Total(i+ii+iii)	7,60,75,902	-	-	7,60,75,902
Change in Indebtedness during the financial				
· Addition	46,12,896	-	-	46,12,896
· Reduction	3,89,10,487	-	-	3,89,10,487
Net Change	(3,42,97,591)	-	-	(3,42,97,591)
Indebtedness at the end of the financial year:				
i) Principal Amount	4,13,62,102	-	-	4,13,62,102
ii) Interest due but not paid	0	-	-	0
iii) Interest accrued but not due	4,16,209	-	-	4,16,209
Total (i+ii+iii)	4,17,78,311	-	-	4,17,78,311

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		Mr Himanshu Sharma, MD	Mr Suresh Kumar Sharma, WTD	
1.	Gross salary (Rs):			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,00,000	8,40,000	44,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,73,600	3,53,913	10,27,513
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission:			
	- as % of profit			
	- others, specify			
5	Others (LTA and Retirement benefits)			
	Total (A)	42,73,600	11,93,913	54,67,513
	Ceiling as per the Act	The remuneration is within limit prescribed under the Companies Act 2013		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Mrs Jaya Sharma	Mr. Jagdish Chandra Kaushik	Mr Bipin Bihari Lal	
1	Independent Directors				
	· Fee for attending board committee meetings		10000	10000	20000
	· Commission				
	· Others, please specify				

BHAGAWATI OXYGEN LIMITED

	Total (1)				
2	Other Non-Executive Directors				
	· Fee for attending board committee meetings	10000			10000
	· Commission				
	· Others, please specify				
	Total (2)				
	Total (B)=(1+2)				30000
	Ceiling as per the Act	The remuneration is within limit prescribed under the Companies Act 2013			

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

Sl. no.	Particulars of Remuneration	(Key Managerial Personnel)			
		CEO	CFO	Company Secretary	Total
	Name		Mr Sukanta Bhattarcharjee	Ms Ritu Damani	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	NOT APPLICABLE	3,89,047	3,00,000	6,89,047
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961		-	-	-
	(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		-	-	-
	Total		3,89,047	3,00,000	6,89,047

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE E

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 are as under:

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2019-20 (Rs.)	% increase in Remuneration in the Financial Year 2019-20	Ratio of remuneration of each Director/KMP to median remuneration of employees
1.	Mr. Himanshu Sharma, MD	42,73,600	18.68	30.39
2.	Mr.Suresh Kumar Sharma, WTD	11,93,913	(2.45)	8.49
3.	Mr. Sukanta Bhattacharjee, CFO	3,89,047	4.99	2.77
4.	Ms. Ritu Damani, CS	3,00,000	-	2.13

Note: No other Director other than the Managing Director and Whole Time Director received any remuneration other than sitting fees during the financial year 2019-20.

ii) In the financial year, there was an increase of 5% in the median remuneration of employees.

iii) There were 29 permanent employees on the rolls of Company as on March 31, 2020.

iv) The Average percentage decrease made in the salaries of employees other than the managerial personnel in the financial year 2019-20 was (6.17%) whereas there was a decrease in the managerial remuneration for the same financial year was (8.54)%.

v) It is hereby affirmed that the remuneration paid during the Financial Year ended 31st March, 2020 is as per the Remuneration Policy of the Company.

INDEPENDENT AUDITORS' REPORT

To
The Members of
Bhagawati Oxygen Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Bhagawati Oxygen Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 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, 2020, and its profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS 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 Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Responsibility of Management and Those Charged with Governance for the Financial Statements

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

In preparing the Ind AS financial statements, the Board of Directors 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 the Board of Directors 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 Ind AS 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 a 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 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 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 financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

1) 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 purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representation received from the directors as on 31st March, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B";and
- g) With respect to the other matters to be included in the Auditors' 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 its financial position in its Ind AS financial statements.—[Refer Note No.35 to the accompanying Ind AS 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chetan& CO
Chartered Accounts
Firm Registration NO – 321151E

Malaya Ray Chaudhuri
Partner
Membership No- 053201
Place- Kolkata
Date- 30th June 2020

“Annexure-A” to the Independent Auditors’ Report

[Referred to in Paragraph 1 of “Report on Other Legal and Regulatory Requirements” section of our Independent Auditors’ Report]

- (i) In respect of Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the company.
- (ii) In respect of Inventories as explained to us, the physical verification of Inventories has been conducted by the the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the company and nature of its business. The company has maintained proper records of inventory. As explained to us. there was no materrial discrepancies noticed or such physical verification of inventories.
- (iii) According to the 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 Companies Act, 2013 as such provisions of paragraph 3(iii) of the said order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not .accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal on the company in respect of the aforesaid deposits.
- (vi) Based on the information available and explanations given to us, the maintenance of Cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for any of the products manufactured by the company.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is generally regular in depositing the undisputed statutory dues including Provident fund, Income Tax, Goods and Service Tax, Cess and any other Statutory dues as applicable with the appropriate authorities. There were no on-disputed statutory dues as at the end of the year outstanding for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and as per the records of the Company examined by us, the particulars of dues of Sale tax, Income tax and Central excise, which have not been deposited on account of any dispute as at 31" March 2020 are given below:

Serial No	Name of the statute	Nature of dues	Amount (in INR)	Period to which the amount relates	Forum where pending
1	Central Excise Act	Central Excise	79,716,430	2010-2011 to 2017-18	CESTAT, Kolkata

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or banks. The company has not issued any debentures during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for any managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as such provisions of paragraph 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, all transaction with the related parties are in accordance with Section 177 and Section 188 of the Act where applicable and details of such transaction have been disclosed in financial statement as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them as such provisions of paragraph 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Chetan & CO
Chartered Accounts
Firm Registration NO – 321151E

Malaya Ray Chaudhuri
Partner
Membership No- 053201
Place- Kolkata

“Annexure B to the Independent Auditor Report”

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

We have audited the internal financial controls over financial reporting of Bhagawati Oxygen Limited (hereinafter referred as “the Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company 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 (‘ICAI’). 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of 31st March 2020, 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 Reporting" issued by the Institute of Chartered Accountants of India.

For Chetan& CO
Chartered Accounts
Firm Registration NO – 321151E

Malaya Ray Chaudhuri
Partner
Membership No- 053201
Place- Kolkata
Date- 30th June 2020

Bhagawati Oxygen Limited**Balance Sheet as at 31st March, 2020**

Particulars	Note No	Amount in Rs	
		As at March 31,2020	As at March 31,2019
Assets			
Non-Current Assets			
a) Property, Plant and Equipment	3	10,68,02,432	12,53,37,552
b) Financial Assets			
i) Investments	4	1,92,80,277	1,99,02,034
ii) Loans	5	74,26,876	72,32,241
iii) Other Financial Assets	6	38,000	13,56,370
c) Other Non-Current Assets	7	20,07,332	20,54,379
		13,55,54,917	15,58,82,576
Current Assets			
a) Inventories	8	7,79,517	15,82,397
b) Financial Assets			
i) Trade Receivables	9	3,04,42,374	1,28,35,261
ii) Cash and Cash Equivalents	10	2,06,944	8,42,417
iii) Other Bank Balances	11	2,08,52,973	4,00,38,070
iv) Loans	12	6,03,534	5,34,852
v) Other Financial Assets	13	7,02,532	15,25,502
c) Other Current Assets	14	98,77,463	1,29,09,733
		6,34,65,337	7,02,68,232
Total Assets		19,90,20,254	22,61,50,808
Equity and Liabilities			
Equity			
a) Equity Share Capital	15	2,31,29,690	2,31,29,690
b) Other Equity	16	10,13,07,368	9,78,28,420
		12,44,37,058	12,09,58,110
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	4,11,02,490	5,55,10,356
ii) Other Financial Liabilities	18	4,16,209	6,06,074
b) Deferred Tax Liabilities (Net)	19	54,63,611	64,28,113
		4,69,82,310	6,25,44,543
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	20	1,81,91,360	3,36,32,579
ii) Trade Payables	21	32,86,784	30,70,536
iii) Other Financial Liabilities	22	11,59,216	10,71,218
b) Other Current Liabilities	23	49,63,526	48,73,822
		2,76,00,886	4,26,48,155
Total Equity and Liabilities		19,90,20,254	22,61,50,808
Company Overview	1		
Significant Accounting Policies & Notes on Accounts	2-40		

The accompanying notes form an integral part of the Financial Statements

As per our report attached of even date.

For Chetan & Co

Chartered Accountants

Firm Regn No.: 321151E

For and on behalf of the Board of Directors

Malaya Ray Chaudhari

Partner

Membership No.: 053201

Suresh Kr Sharma

Chairman

(DIN : 00041150)

Himanshu Sharma

Managing Director

(DIN : 00041181)

Place: Kolkata

Date : 30th June 2020

Sukanta Bhattacharjee

Chief Finance Officer

Ritu Damani

Company Secretary

Bhagawati Oxygen Limited**Statement of Profit & Loss for the year ended 31st March, 2020**

Particulars	Note No	Amount in Rs	
		For the Year ended March 31, 2020	For the Year ended March 31, 2019
I. Income			
Revenue from Operations	24	2,99,69,001	7,65,33,335
Other Income	25	2,93,43,147	64,05,354
Total Income		5,93,12,148	8,29,38,689
II. Expenses			
Cost of Material Consumed	26	94,553	64,42,797
Purchases of Traded Goods	27	19,30,455	76,07,035
Changes in Inventory of Finished Goods, Work in Progress & Stock in Trade	28	8,02,880	(6,65,569)
Manufacturing and Operating Expenses	29	1,00,67,587	2,92,06,488
Employee Benefit Expenses	30	85,54,015	87,03,301
Finance Costs	31	59,55,529	82,46,586
Depreciation and Amortisation Expense	3	1,85,35,120	1,85,69,858
Other Expenses	32	1,49,60,500	1,48,23,738
Total Expenses		6,09,00,639	9,29,34,234
III. Profit/(Loss) before Tax		(15,88,491)	(99,95,545)
IV. Tax Expense:			
Current Tax		-	-
Deferred Tax		(9,64,502)	(3,73,777)
V. Profit/(Loss) for the period		(6,23,989)	(96,21,768)
VI. Other Comprehensive Income			
Items that will not be classified to statement of Profit or Loss			
Remeasurement of defined post employment benefit plan		52,937	(4,33,206)
Income Tax Effect		-	-
VII. Total Comprehensive Income for the Year		(5,71,052)	(1,00,54,974)
Earnings per Equity Share	34		
Basic		(0.27)	(4.16)
Diluted		(0.27)	(4.16)
Company Overview	1		
Significant Accounting Policies and Notes on Accounts	2-40		

The accompanying notes form an integral part of the Financial Statements

As per our report attached of even date.

For Chetan & Co
Chartered Accountants
Firm Regn No.: 321151E

For and on behalf of the Board of Directors

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Suresh Kr Sharma
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(DIN : 00041150)

Himanshu Sharma
Managing Director
(DIN : 00041181)

Place: Kolkata
Date : 30th June 2020

Sukanta Bhattacharjee
Chief Finance Officer

Ritu Damani
Company Secretary

Bhagawati Oxygen Limited**Statement of Changes in Equity for the year ended 31st March 2020****a. Equity Share Capital**

Amount in Rs

Balance at 1 April 2018	2,31,29,690
Changes in Equity Share Capital During the Year,	-
Balance at 31 March 2019	2,31,29,690
Changes in Equity Share Capital During the Year,	-
Balance at 31 March 2020	2,31,29,690

b. Other Equity

	Capital Reserve	Investment Allowance Reserve	Retained Earnings	Other Comprehensive Income	Deferred Income of Capital Subsidy	Total Other Equity
Balance at 1 April 2018	15,00,000	59,929	10,66,18,835	(2,95,370)	-	10,78,83,394
Profit/(Loss) for the year	-	-	(96,21,768)	-	-	(96,21,768)
Other Comprehensive Income	-	-	-	(4,33,206)	-	(4,33,206)
Balance at 31 March 2019	15,00,000	59,929	9,69,97,067	(7,28,576)	-	9,78,28,420
Balance at 1 April 2019	15,00,000	59,929	9,69,97,067	(7,28,576)	-	9,78,28,420
Profit/(Loss) for the year	-	-	(6,23,989)	-	-	(6,23,989)
Other Comprehensive Income	-	-	-	52,937	-	52,937
Addition during the year	-	-	-	-	48,60,000	48,60,000
Deduction during the year	-	-	-	-	(8,10,000)	(8,10,000)
Balance at 31 March 2020	15,00,000	59,929	9,63,73,078	(6,75,639)	40,50,000	10,13,07,368

For Chetan & Co
Chartered Accountants
Firm Regn No.: 321151E

For and on behalf of the Board of Directors

Malaya Ray Chaudhari
Partner
Membership No.: 053201

Suresh Kr Sharma
Chairman
(DIN : 00041150)

Himanshu Sharma
Managing Director
(DIN : 00041181)

Place: Kolkata
Date : 30th June 2020

Sukanta Bhattacharjee
Chief Finance Officer

Ritu Damani
Company Secretary

Bhagawati Oxygen Limited

Amount in Rs

Cash Flow Statement for the year ended 31 March 2019

Particulars	As At March 31,2020	As at March 31,2019
A. Cash Flow from Operating Activities		
Net Profit before Tax	(15,88,491)	(99,95,545)
Adjustments for :		
Finance Cost (Net)	44,89,092	56,74,004
Depreciation/ Amortisation	1,85,35,120	1,85,69,858
(Gain)/Loss from sale of mutual funds	(58,972)	(70,957)
(Gain)/ Loss on fair market valuation on investment	1,19,484	(96,320)
Liabilities no longer required written back	(2,91,594)	(13,61,586)
Dividend Income	(6,38,756)	(5,74,396)
Operating Profit before Working Capital Changes	2,05,65,883	1,21,45,058
(Increase)/ Decrease in :		
Inventories	8,02,880	(6,65,569)
Non-Current/Current Financial and Other Assets	57,12,354	3,20,91,535
Trade Payables, Other Financial Liabilities and Current Liabilities	47,88,481	(22,35,650)
Cash Generated from Operation	3,18,69,598	4,13,35,374
Direct Tax Paid	-	-
Net Cash flow from Operating Activities	3,18,69,598	4,13,35,374
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets/CWIP	-	(26,675)
Proceeds from Sale of Investments	5,61,245	3,78,943
Interest Received	22,89,407	33,21,252
Dividend Received	6,38,756	5,74,396
Net Cash used in Investing Activities	34,89,408	42,47,916
C. Cash Flow from Financing Activities		
Repayment from Borrowings	(2,98,49,085)	(7,07,82,628)
Proceeds from Borrowings	-	3,37,37,796
Interest Paid	(61,45,394)	(83,54,882)
Net Cash used in Financing Activities	(3,59,94,479)	(4,53,99,714)
Net Changes in Cash & Cash Equivalents (A+B+C)	(6,35,473)	1,83,576
Cash & Cash Equivalents-Opening Balance	8,42,417	6,58,841
Cash & Cash Equivalents-Closing Balance	2,06,944	8,42,417

The accompanying notes form an integral part of the Financial Statements
As per our report attached of even date.

For Chetan & Co
Chartered Accountants
Firm Regn No.: 321151E

For and on behalf of the Board of Directors

Malaya Ray Chaudhari
Partner
Membership No.: 053201

Suresh Kr Sharma
Chairman
(DIN : 00041150)

Himanshu Sharma
Managing Director
(DIN : 00041181)

Place: Kolkata
Date : 30th June 2020

Sukanta Bhattacharjee
Chief Finance Officer

Ritu Damani
Company Secretary

1. Company Overview

Bhagawati Oxygen Limited ("the Company") is a public limited company incorporated in India, having its registered office situated Plot 5, Sector 25, Ballabgarh, Haryana- 121004. The Company has its shares listed on Bombay Stock Exchange (BSE). Bhagawati Oxygen Limited is a manufacturing and engineering company with core focus on industrial gas manufacturing, technology, system and equipments.

2. Significant Accounting Policies

(a) Basis of Preparation

These accounts have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("Act") read with relevant Rules. These financial statements are prepared in accordance with historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101- First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with relevant Rules which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 42.

(b) Use of Accounting Estimates and Assumptions

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the carrying amounts of assets and liabilities within the next financial year are included in the following notes :

- a) Measurement of Defined Benefit Obligations
- b) Measurement and likelihood of the occurrence of provisions and contingencies
- c) Recognition of the Deferred Tax Assets/ Liabilities
- d) Key assumptions used in Fair Valuation Methods of Financial Assets & Liabilities

(c) Revenue Recognition

Revenue from sale of goods in the course of ordinary activities is recognized when all significant risks and rewards of their ownership are transferred to the customer as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. Revenue is measured at the fair value of the consideration received or receivable and includes excise duty and are net of returns and allowances, trade discounts, volume rebates and sales tax.

Dividend income is recognized when the company's right to receive dividend is established. Interest income is recognized using the effective interest method. Other claims (including claims of price escalation and minimum offtake guarantee) are recognized when there is a certainty of realization and can be measured reliably.

(d) Property, Plant & Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of commercial production. Depreciation is provided on the straight line method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives are as follows:

Building	30 Years
Plant & Machinery	8-25 Years
Furniture & Fixtures	10 Years
Office Equipment	5 Years
Vehicles	8 Years
Computer	3 Years

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital Advances under other Non-Current Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'. The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit & Loss. The method of depreciation, useful lives and residual values are reviewed at each financial year end.

(e) Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible Assets acquired in a business combination is valued at their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on Intangible Assets with finite lives is recognized in the Statement of Profit & Loss. The Company amortizes intangible assets over their estimated useful lives using the straight line method.

Intangible Assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

(f) Financial Instruments

Initial Recognition and Measurement

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

Subsequent Measurement

a. Non Derivative Financial instruments

(i) Financial Assets carried at amortized cost

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

(ii) Financial Assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial Assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

b. Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income.

Derecognition of Financial Instruments

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

(g) Fair Value of Financial Instruments

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

(h) Impairment

Impairment is recognized based on the following principles:

(i) Financial Assets: The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

(ii) Non-Financial Assets: Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in

circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating unit) Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

(i) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. Provisions & Contingent Liabilities are revalued at each Balance Sheet date. Contingent Assets are not recognized in the financial statements. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and it is appropriately recognized.

(j) Inventory

The inventories are valued at cost or net realisable value whichever is lower except for work in progress and advertising material which are valued at cost. The Cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

(k) Foreign Currency Transactions & Translations

The functional currency of the Company is Indian Rupee. These Financial Statements are presented in Indian Rupee.

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

Monetary Assets & Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

(l) Employee Benefits

Defined Contribution Plan

The Company makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

The Company operates a defined benefit gratuity plan in India, comprising of Gratuity fund with Life Insurance Corporation of India. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effects of any plan amendments are recognized in the Statement of Profit & Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(n) Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit & Loss over the lease term.

(o) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of profit & loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

(p) Income Taxes

Income Tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current

tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax 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 is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(q) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(r) Earning per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

(s) Current and Non-Current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realised within twelve months after the reporting period, or

iv) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is:

i) It is expected to be settled in the normal operating cycle,

ii) It is due to be settled within twelve months after the reporting period, or

iii) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent.

(t) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(u) Segment Reporting

Revenue & expenses, assets & liabilities are identified to segments on the basis of their relationship to the operating activities of the company.

Bhagawati Oxygen Limited
Notes to the Financial Statements for the year ended 31st March 2020
Note 3. Property, Plant and Equipment
Amount in Rs

Particulars	GROSS BLOCK				DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at 1st April 2019	Additions	Deletion/ Adjustments	As at 31st March 2020	As at 1st April 2019	For the Year	Deductions/ Adjustments	Up to 31st March 2020	As at 31st March 2020	As at 31st March 2019
Tangible Assets:										
(a) Land & Site Development	3,27,215	-	-	3,27,215	-	-	-	-	3,27,215	3,27,215
(b) Non-Factory Building	3,34,362	-	-	3,34,362	1,31,502	43,834	-	1,75,336	1,59,026	2,02,860
(c) Factory Building	1,50,91,322	-	-	1,50,91,322	10,97,690	5,03,626	-	16,01,316	1,34,90,006	1,39,93,632
(d) Plant & Machinery	13,39,40,225	-	-	13,39,40,225	3,32,13,132	1,57,35,811	-	4,89,48,943	8,49,91,282	10,07,27,093
(e) Wind Mill	1,03,28,321	-	-	1,03,28,321	44,38,596	14,79,532	-	59,18,128	44,10,193	58,89,725
(f) Furniture & Fixture	55,765	-	-	55,765	8,464	2,937	-	11,401	44,364	47,301
(g) Office equipments	2,51,051	-	-	2,51,051	1,15,901	32,216	-	1,48,117	1,02,934	1,35,150
(h) Computer	3,35,406	-	-	3,35,406	2,23,395	39,116	-	2,62,511	72,895	1,12,011
(i) Vehicle	24,06,185	-	-	24,06,185	9,90,861	3,24,137	-	13,14,998	10,91,187	14,15,324
(j) Cylinder	9,227	-	-	9,227	945	220	-	1,165	8,062	8,282
(k) Truck & Tanker	11,762	-	-	11,762	-	-	-	-	11,762	11,762
(l) VIEs & associated LOX process equipment	35,88,270	-	-	35,88,270	11,21,073	3,73,691	-	14,94,764	20,93,506	24,67,197
Total	16,66,79,111	-	-	16,66,79,111	4,13,41,559	1,85,35,120	-	5,98,76,679	10,68,02,432	12,53,37,552
Previous Year	16,66,52,436	26,675	-	16,66,79,111	2,27,71,701	1,85,69,858	-	4,13,41,559	12,53,37,552	14,38,80,735

Bhagawati Oxygen Limited

Notes to the Financial Statements for the year ended 31 March 2020

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 4 Investments		
Investment carried at Cost		
Investments in Partnership Firm (Unquoted)		
Anchor Enterprises	80,00,000	80,00,000
(i)	<u>80,00,000</u>	<u>80,00,000</u>
Investment carried at Fair Value through P&L		
Investments in Equity Instruments (Quoted)		
Bhagawati Gas Ltd		
90,000 Equity Shares of Rs.10/- each (P.Y 90,000 equity shares)	47,700	47,700
Mutual Funds (Quoted)		
Reliance ETF Gold BEES (Prev.Goldman Sachs Gold BEES) (92,500 units, P Y 925 units)	35,67,688	25,97,400
SBI Gold GETS (400 units, P Y 400 units)	15,80,195	11,42,380
HDFC Top 100 (44,336 units, P Y 39,184 units)	12,90,538	19,18,019
HDFC Balanced Advantage Fund (68,519 units, P Y 59,538 units)	12,99,479	17,70,507
DSP Black Rock Equity & Bond (84,424 units, P Y 75,260 units)	14,88,918	17,19,394
Nippon India Gold Savings Fund-G (1,04,680 units, P Y 1,04,680 units)	18,83,049	13,87,304
Tata Treasury Advantage Fund-G (41 units, P Y 463 units)	1,22,710	13,19,330
(ii)	<u>1,12,80,277</u>	<u>1,19,02,034</u>
Total (i+ii)	<u>1,92,80,277</u>	<u>1,99,02,034</u>
Aggregate amount of Quoted Investments & Market Value thereof	1,12,80,277	1,19,02,034
Aggregate amount of Unquoted Investments	80,00,000	80,00,000
Note 5 Loans (Non- Current)		
Financial assets carried at Amortised Cost		
(Unsecured, Considered Good)		
Earnest Money Deposit	4,27,543	4,26,292
Security Deposits - with Others	45,99,333	44,05,949
- with Related Parties	24,00,000	24,00,000
Total	<u>74,26,876</u>	<u>72,32,241</u>
Note 6 Other Financial Assets (Non- Current)		
Financial assets carried at Amortised Cost		
(Unsecured, Considered Good)		
Fixed deposit having original maturity more than 12 months	38,000	13,56,370
Total	<u>38,000</u>	<u>13,56,370</u>
Note 7 Other Non-Current Assets		
Unexpired interest - Car loan	7,332	54,379
Capital Advances	-	-
Other Advances	20,00,000	20,00,000
Total	<u>20,07,332</u>	<u>20,54,379</u>

Bhagawati Oxygen Limited**Notes to the Financial Statements for the year ended 31 March 2019**

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 8 Inventories (Valued at Cost, unless otherwise stated)		
Stock-in-Trade	4,10,538	9,74,693
Others (Cylinders)	3,68,979	6,07,704
Total	7,79,517	15,82,397
Note 9 Trade Receivables Financial Assets carried at Amortised Cost (Unsecured, Considered Good)		
Trade Receivables	3,04,42,374	1,28,35,261
Total	3,04,42,374	1,28,35,261
Note 10 Cash and Cash Equivalents Financial Assets carried at Amortised Cost		
Balance with Banks	81,294	7,18,445
Cash in hand	1,25,650	1,23,972
Cheques in hand	-	-
Total	2,06,944	8,42,417
Note 11 Other Bank Balances		
Fixed Deposits (Original maturity of 3 to 12 months)	2,08,52,973	4,00,38,070
	2,08,52,973	4,00,38,070
Note 12 Loans (Current) Financial Assets carried at Amortised Cost (Unsecured, Considered Good)		
Advances to Employee	6,03,534	5,34,852
Total	6,03,534	5,34,852
Note 13 Other Financial Assets (Current) Financial Assets carried at Amortised Cost (Unsecured, Considered Good)		
Interest Receivable	7,02,532	15,25,502
	7,02,532	15,25,502
Note 14 Other Current Assets		
Balances with Excise & GST Department	10,20,240	52,85,771
Balances with Statutory Authority (I.Tax & Sales Tax)	11,79,852	10,17,733
Advance to Related Party	55,87,323	44,27,048
Advances to Creditors	20,90,048	21,79,181
Total	98,77,463	1,29,09,733

Bhagawati Oxygen Limited**Notes to the Financial Statements for the year ended 31 March 2020**

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note- 15 Equity Share Capital		
Authorised Capital		
4,000,000 (P Y 4,000,000) equity shares of Rs. 10 each	4,00,00,000	4,00,00,000
	4,00,00,000	4,00,00,000
Issued, Subscribed and Paid-up Capital		
2,312,969 (P Y 2,312,969) equity shares of Rs. 10 each	2,31,29,690	2,31,29,690
	2,31,29,690	2,31,29,690

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	March 31,2020		March 31,2019	
	No of shares	Rs	No of shares	Rs
Equity shares at the beginning of the year	23,12,969	2,31,29,690	23,12,969	2,31,29,690
Add: Share issued during the year	-	-	-	-
Equity shares at the end of the year	23,12,969	2,31,29,690	23,12,969	2,31,29,690

b) Rights/preferences/restrictions attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

	March 31,2020		March 31,2019	
	No of shares	% holding	No of shares	% holding
Bihar State Industrial Development	3,00,000	12.97	3,00,000	12.97
Suresh Kumar Sharma jtly Himanshu Sharma	1,73,255	7.49	1,73,255	7.49
Tara Devi Sharma	1,27,700	5.52	1,27,700	5.52

Bhagawati Oxygen Limited

Notes to the Financial Statements for the year ended 31 March 2020

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 16 Other Equity		
Capital Reserve		
As per last Balance Sheet	15,00,000	15,00,000
Add: Addition during the period	-	-
Balance as at the end of the period	15,00,000	15,00,000
Investment Allowance Reserve		
As per last Balance Sheet	59,929	59,929
Add: Addition during the period	-	-
Balance as at the end of the period	59,929	59,929
Retained Earnings		
As per last Balance Sheet	9,69,97,067	10,66,18,835
Add: Profit for the period	(6,23,989)	(96,21,768)
Balance as at the end of the period	9,63,73,078	9,69,97,067
Other Comprehensive Income		
As per last Balance Sheet	(7,28,576)	(2,95,370)
Add: Addition during the period	52,937	(4,33,206)
Balance as at the end of the period	(6,75,639)	(7,28,576)
Deferred Income of Capital Subsidy		
As per last Balance Sheet	-	-
Add: Addition during the period	48,60,000	-
Less: Deduction during the period	(8,10,000)	-
Balance as at the end of the period	40,50,000	-
	10,13,07,368	9,78,28,420

Note 17 Borrowings (Non- Current)

Financial Liabilities carried at Amortised Cost

Secured

Term Loan From banks	4,11,02,490	7,47,22,830
Less: Current Maturities of long term term loan (refer note no. 22)	-	1,95,00,000
	4,11,02,490	5,52,22,830
Car Loan	2,59,612	7,46,998
Less: Current Maturities	2,59,612	4,59,472
	-	2,87,526
	4,11,02,490	5,55,10,356

Term Loan from Bank and Foreign Currency Buyer's Credit is secured by way of : (a) Exclusive hypothecation of plant & machinery and other moveable fixed assets of the company's both present and proposed project situated at Ghatsila, Jharkhand; (b) first mortgage and hypothecation on the company's windmill assets situated at Tirunelveli, Tamil Nadu; (c) equitable mortgage of residential flat situated at Kolkata, West Bengal owned by Smt Tara Devi Sharma (d) escrowing of revenue stream of windmill operation and sale of oxygen and (e) guaranteed by Sri S K Sharma, Sri Himanshu Sharma and Smt Tara Devi Sharma

Vehicle loan from HDFC Bank is secured by way of hypothecation of cars purchased under the scheme.

	Term loan	Vehicle Loan
Repayment Commencement Date	31-Mar-18	05-Jul-15
Total No of Installments	18.00	60.00
Periodicity of Instalment	Unequal Quarterly	Monthly
Interest Rate	MCLR + 1.55% p.a. i.e 9.55%	10.03%

Bhagawati Oxygen Limited**Notes to the Financial Statements for the year ended 31 March 2020**

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 18 Other Financial Liabilities (Non- Current)		
Financial Liabilities carried at Amortised Cost		
Interest Accrued but not due on borrowings	4,16,209	6,06,074
Total	4,16,209	6,06,074
Note 19 Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities		
Related to time difference of Depreciation on fixed assets	54,63,611	64,28,113
Total	54,63,611	64,28,113
Note 20 Borrowings (Current)		
Financial Liabilities carried at Amortised Cost		
Secured		
From Banks		
Cash Credit	94,87,887	65,43,440
Overdraft facilities from banks under lien of TDR	84,43,861	71,29,667
Current Maturity of Term Loan	-	1,95,00,000
Current Maturity of Car Loan	2,59,612	4,59,472
Total	1,81,91,360	3,36,32,579

* Cash credit from banks are secured by exclusive hypothecation over entire stocks, book debts and other current assets of the company. Interest Rate @ 9.55%

Bhagawati Oxygen Limited**Notes to the Financial Statements for the year ended 31 March 2020**

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 21 Trade Payables		
Financial Liabilities carried at Amortised Cost		
Due to - Micro Small & Medium Enterprises (MSMED)	-	-
- Other than MSMED	32,86,784	30,70,536
Total	32,86,784	30,70,536
Note 22 Other Financial Liabilities (Current)		
Financial Liabilities carried at Amortised Cost		
Employee Benefits		
(i) Salary	4,45,872	4,73,851
(ii) Leave Encashment	4,68,179	3,81,044
(iii) Medical Allowance	1,77,000	1,12,410
(iv) Provident Fund & ESI	68,165	1,03,913
Total	11,59,216	10,71,218
Note 23 Other Current Liabilities		
Statutory & Other Dues Payables	1,25,931	2,21,611
Others	48,37,595	46,52,211
Total	49,63,526	48,73,822

Bhagawati Oxygen Limited**Notes to the Financial Statements for the year ended 31 March 2020**

	Amount in Rs	
	For the Year ended March 31 2020	For the Year ended March 31,2019
Note 24 Revenue from Operations		
Sale of Manufactured Goods (including Excise Duties)		
Industrial Gases - Oxygen	2,47,58,864	6,60,14,981
Power- Wind	28,14,434	36,63,227
Sale of Traded Goods		
Industrial Gases - Oxygen	12,22,353	18,41,348
Specialty Gases & Cylinders & Others	11,73,350	50,13,779
Total	2,99,69,001	7,65,33,335
Note 25 Other Income		
Interest income from Bank Deposits	14,66,437	25,72,582
Dividend	6,38,756	5,74,396
Income from Erection Services	7,24,151	11,54,948
Miscellaneous Income	2,54,72,721	5,74,565
Profit on sale of Mutual Funds	58,972	70,957
Gain/ Loss on fair market valuation on investment	(1,19,484)	96,320
Liabilities no longer required written back	2,91,594	13,61,586
Deferred Income of Capital Subsidy	8,10,000	-
Total	2,93,43,147	64,05,354
Note 26 Cost of Material Consumed		
Industrial Gases - Oxygen	94,553	64,42,797
Total	94,553	64,42,797
Note 27 Purchase of Traded Goods		
Industrial Gases - Oxygen	19,30,455	28,86,479
Specialty Gases & Cylinders & Others	-	47,20,556
Total	19,30,455	76,07,035
Note 28 Changes in Inventory of Finished Goods, Work in Progress and Stock in Trade		
Opening Stock (Stock in Trade)	15,82,397	9,16,828
Less: Closing Stock (Stock in Trade)	7,79,517	15,82,397
Total	8,02,880	(6,65,569)
Note 29 Manufacturing Expenses		
Stores & Spares consumed	-	1,57,745
Power & Fuel	65,79,219	1,62,52,938
Repair & Maintenance to:		
Buildings	7,79,313	4,62,215
Plant and Machinery	25,00,496	1,20,99,193
Others	2,08,559	2,34,397
Total	1,00,67,587	2,92,06,488
Note 30 Employee Benefit Expenses		
Salaries, Wages, Bonus and Gratuity	73,23,091	73,02,162
Contribution to Provident Fund, ESI & Other Funds	5,80,543	6,40,233
Staff Welfare Expenses	6,50,381	7,60,906
Total	85,54,015	87,03,301

Bhagawati Oxygen Limited**Notes to the Financial Statements for the year ended 31 March 2020**

	Amount in Rs	
	For the Year ended March 31,2020	For the Year ended March 31,2019
Note 31 Finance Costs		
Interest paid on - term loans from Banks	45,11,017	69,80,752
- working capital loan from bank	14,44,512	12,55,264
- on others	-	10,570
Total	59,55,529	82,46,586
Note 32 Other Expenses		
Rent	19,50,257	19,45,300
Rates, Taxes & Licence Fee	1,67,206	2,73,057
Bank charges and commission	1,10,764	1,80,459
Expenses related to erection service	5,79,321	9,23,958
Travelling and Conveyance	9,60,996	15,74,925
Directors' Remuneration	44,40,000	38,25,000
Directors' Sitting Fee	30,000	37,500
Auditors' Remuneration :		
(i) Statutory Audit	1,13,500	1,13,500
(ii) Limited Review Report	10,000	10,000
(iii) Certification	2,500	15,000
(iv) Tax Audit	12,500	12,500
(v) Internal Audit	15,000	15,000
Communication Expenses	2,13,529	2,99,946
Legal and Professional Expenses	25,07,989	9,71,647
Advertisement Expenses	2,02,020	1,86,628
Charity and Donation	2,40,142	4,23,900
Insurance Charges	5,12,952	4,95,229
Vehicle Running & Maintanance	5,51,609	6,49,181
Contribution to Scientific Research Institutions	2,59,801	2,18,400
Sundry Balance Written Off	89	41,877
Miscellaneous Expenses	20,80,325	26,10,731
Total	1,49,60,500	1,48,23,738

Bhagawati Oxygen Limited
Notes to the Financial Statements for the year ended 31 March 2020

Note 33 Effective Tax Reconciliation

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarised below :

Particulars	Amount in Rs	
	March 31,2020	March 31,2019
Income Tax Recognised in Statement of Profit & Loss		
Current Tax	-	-
Deferred Tax	(9,64,502)	(3,73,777)
Total Income Tax Expense recognised in the current year	(9,64,502)	(3,73,777)
Profit/(Loss) before Income Taxes	(15,88,491)	(99,95,545)
Enacted Tax Rate in India	19.24%	19.24%
Computed expected tax expenses	-	-
Tax benefit/ incentive on account of unabsorbed losses	-	-
Other Adjustments	-	-
Current Tax Provision (A)	-	-
Timing difference in depreciable assets	(9,64,502)	(3,73,777)
Deffered Tax Provision (B)	(9,64,502)	(3,73,777)
Income Tax Expense (A+B)	(9,64,502)	(3,73,777)
Effective Tax Rate	60.72%	3.74%

Note 34 Earnings per Equity Share

Particulars	Amount in Rs	
	March 31,2020	March 31,2019
Profit after Tax	(6,23,989)	(96,21,768)
Weighted Average Number of Shares (Face Value Rs.10)	23,12,969	23,12,969
Earnings Per Share - Basic & Diluted (Rs.)	(0.27)	(4.16)

Note 35 Contingencies and Commitments

I) Contingent Liabilities

Particulars	Amount in Rs	
	March 31,2020	March 31,2019
Excise Duty demands	7,97,16,430	7,97,16,430
Sales Tax demands	-	15,18,996
Income Tax demands	-	13,84,430
	7,97,16,430	8,26,19,856

II) Commitments

Commitment of Capital Expenditure not provided for in the accounts estimated at Rs. Nil (Previous year Rs. Nil)

III) Guarantees given

Particulars	Amount in Rs	
	March 31,2020	March 31,2019
Bank Guarantees given	33,96,394	54,58,461

Bhagawati Oxygen Limited
Notes to the Financial Statements for the year ended 31 March 2020

Amount in Rs

Note 36 Employee Benefit Obligations

	Gratuity	
	Funded	
	March 31,2020	March 31,2019
Amount recognised in the statement of profit and loss is as under:		
Current service cost	1,55,508	1,55,928
Interest cost	42,472	3,394
Amount recognized in the statement of profit and loss	1,97,980	1,59,322

Changes in Present Value Obligation

Present value of defined benefit obligation as at the start of the year	26,99,660	20,12,693
Current service cost	1,55,508	1,55,928
Interest cost	2,07,874	1,53,819
Remeasurement- due to Financial assumptions	1,51,733	9,973
Remeasurement- due to Experience Adjustments	(2,38,288)	3,97,334
Benefits paid	(2,30,764)	(30,087)
Present value of defined benefit obligation as at the end of the year	27,45,723	26,99,660

Change in fair value of plan assets

Fair value of plan assets as at the start of the year	21,32,540	19,53,575
Interest Income	1,65,402	1,50,425
Employer Contribution	2,61,845	84,526
Contribution	-	-
Benefits paid	(2,30,764)	(30,087)
Remeasurement- Return on Assets	(33,618)	(25,899)
Fair value of plan assets as at the end of the year	22,95,405	21,32,540

Reconciliation of present value of defined benefit obligation and the fair value of plan assets

Present value obligation as at the end of the year	27,45,723	26,99,660
Fair value of plan assets as at the end of the year	22,95,405	21,32,540
Net liability/(asset) recognized in balance sheet	4,50,318	5,67,120

Amount recognised in the statement of Other Comprehensive Income

Actuarial Gain/(Loss) for the year on PBO	1,51,733	9,973
Actuarial Gain/(Loss) for the year on Asset	(2,38,288)	3,97,334
Return on Plan Asset, Excluding Interest Income	33,618	25,899
Unrecognised actuarial Gain/(Loss) at the end of the year	(52,937)	4,33,206

Breakup of Actuarial gain/loss:

Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	1,51,733	9,973
Actuarial (gain)/loss on arising from experience adjustment	(2,38,288)	3,97,334

Assumptions	March 31,2020	March 31,2019
Discount rate	7.00%	7.70%
Future salary increase	6.00%	6.00%

Bhagawati Oxygen Limited**Notes to the Financial Statements for the year ended 31 March 2020**

Sensitivity analysis for Gratuity	Gratuity	
	March 31,2020	March 31,2019
Impact of the change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	25,32,976	25,07,548
b) Impact due to decrease of 1 %	29,87,866	29,18,169
Impact of the change in salary increase		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	29,05,345	28,37,626
b) Impact due to decrease of 1 %	26,04,747	25,77,851
Impact of the change in withdrawal rates		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	27,99,120	27,64,448
b) Impact due to decrease of 1 %	26,87,937	26,29,139

The Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period.

Effect of plan on Entity's future Cash Flows

Expected contribution during the next annual reporting period

Particulars	Gratuity 2019-20
The Company's best estimate of contribution during the next year	2,24,507

Bhagwati Oxygen Limited
Notes to the Financial Statements for the year ended 31 March 2020

Note 37 Financial instruments and other related disclosures

i. Capital Management

The Companies capital management is driven by group's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the group's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and current investments. The debt equity ratio highlights the ability of a business to repay its debts. The Company complies with all statutory requirement as per the extant regulations.

Particulars	March 31,2020	March 31,2019
Equity Share Capital	2,31,29,690	2,31,29,690
Other Equity	10,13,07,368	9,78,28,420
Total Equity (A)	12,44,37,058	12,09,58,110
Short Term Borrowings (Gross Debt) (B)	1,81,91,360	3,36,32,579
Long Term Borrowings (Gross Debt) (B)	4,11,02,490	5,55,10,356
Total Capital (A+B)	18,37,30,908	21,01,01,045
Gross Debt (B) as above	5,92,93,850	8,91,42,935
Less: Cash and Cash Equivalents	2,06,944	8,42,417
Less: Other Bank Balances	2,08,52,973	4,00,38,070
Net Debt (C)	3,82,33,933	4,82,62,448
Net Debt to Equity (C/A)	0.31	0.40

ii. Categories of Financial Instruments

Particulars	March 31,2020		March 31,2019	
	Carrying Value	Fair value	Carrying Value	Fair value
A. Financial Assets				
(a) Measured at Amortised Cost				
i) Investments	80,00,000	80,00,000	80,00,000	80,00,000
ii) Loans	80,30,410	80,30,410	77,67,093	77,67,093
iii) Trade Receivables	3,04,42,374	3,04,42,374	1,28,35,261	1,28,35,261
iv) Cash and Cash Equivalents	2,10,59,917	2,10,59,917	4,08,80,487	4,08,80,487
v) Other Financial Assets	7,40,532	7,40,532	28,81,872	28,81,872
Sub-total	6,82,73,233	6,82,73,233	7,23,64,713	7,23,64,713
(b) Measured at Fair Value through Profit & Loss				
i) Investments	1,12,80,277	1,12,80,277	1,19,02,034	1,19,02,034
Sub-total	1,12,80,277	1,12,80,277	1,19,02,034	1,19,02,034
Total Financial Assets	7,95,53,510	7,95,53,510	8,42,66,747	8,42,66,747
B. Financial Liabilities				
(a) Measured at Amortised Cost				
i) Borrowings	5,92,93,850	5,92,93,850	8,91,42,935	8,91,42,935
ii) Trade Payables	32,86,784	32,86,784	30,70,536	30,70,536
iii) Other Financial Liabilities	15,75,425	15,75,425	16,77,292	16,77,292
Total Financial Liabilities	6,41,56,059	6,41,56,059	9,38,90,763	9,38,90,763

iii. Fair Value Hierarchy

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

Particulars	Fair Value Hierarchy Level	March 31,2020	March 31,2019
Financial Assets			
Investments	Level 1	1,12,80,277	1,19,02,034

(iv) Financial risk management objectives and policies

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, liquidity risk & credit risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures.

(A) Market risk

Market risk comprises interest rate risk & foreign currency risk. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

(ii) Foreign Currency Risks

The fluctuation in foreign currency exchange rates may have a potential impact on the Statement of Profit and Loss and Equity, where any transactions are denominated in a currency other than the functional currency of the Company.

The Company's Exchange Rate Risk exposure is primarily due to Trade Payables, Trade Receivables and Borrowings in the form of Buyers' Credit denominated in foreign currencies. The Company uses foreign exchange and forward contracts primarily to hedge foreign exchange exposure.

An appreciation/depreciation of the foreign currencies with respect to functional currency of the Company by 1% would result in an decrease/increase in the Company's Net Profit before Tax by approximately Rs Nil for the year ended March 31, 2020 (March 31, 2019 : Rs Nil)

(B) Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(C) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Majority of the Company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Corporate customers and Government Undertakings. The Corporate Customers are enterprises with moderate to good credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables is considered low. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Bhagawati Oxygen Limited
Notes to Financial Statements for the year ended 31 March 2020

Note 38 Related Parties with whom transactions have taken place during the year

Key Management Personnel

Mr S K Sharma
 Mr Himanshu Sharma
 Mrs Jaya Sharma
 Mr Sukanta Bhattacharjee
 Ms Ritu Damani

Relatives of Key Management Personnel

Mrs Tara Devi Sharma
 Mrs Deepthi Sharma

Companies over which KMP and their relatives have significant influence

Bhagawati Steel (P) Ltd
 Dindyal Ramrup
 Mother Vision (P) Ltd

Related Party Transactions

Particulars	Amount in Rs					
	Key Management Personnel		Relatives of Key Management Personnel		Companies over which KMP and their relatives have significant influence	
	March 31,2020	March 31,2019	March 31,2020	March 31,2019	March 31,2020	March 31,2019
Directors' Remuneration	44,40,000	38,25,000				
Directors' Sitting Fees	30,000	37,500				
Remuneration paid to KMP	6,89,047	6,70,553				
Other Perquisites	10,27,513	9,99,780				
Rent paid			10,37,916	9,88,500	5,04,000	5,04,000
Reimbursement of Salaries & Others					-	-
Balance as at year end						
Net Receivable	62,04,528	50,37,938			12,23,970	11,62,971

Note 39 Disclosure Requirement of (Segment Reporting)

	Amount in Rs	
	March 31,2020	March 31,2019
1. Segment Revenue		
Gases	5,64,97,714	7,92,75,462
Power	28,14,434	36,63,227
Total (a)	5,93,12,148	8,29,38,689
Unallocable revenue (b)		
Total (a + b)	5,93,12,148	8,29,38,689
2. Segment Results		
Gases	44,72,682	(26,32,570)
Power	(1,05,646)	8,83,611
Other unallocable expenses (net of unallocable income)	-	-
Total	43,67,036	(17,48,959)
Interest & other charge	59,55,529	82,46,586
Total Profit before tax	(15,88,493)	(99,95,545)
3. Segment Assets		
Gases	18,56,49,665	21,31,30,563
Power	1,20,59,209	1,13,10,459
Others	13,11,380	17,09,786
Total	19,90,20,254	22,61,50,808
4. Segment Liabilities		
Gases	6,91,19,593	9,87,64,585
Power	-	-
Others	54,63,611	64,28,113
Capital & Reserves	12,44,37,050	12,09,58,110
Total	19,90,20,254	22,61,50,808

Note 40 : Previous year's figures have been rearranged/ regrouped wherever necessary

As per our report of even date

For Chetan & Co
Chartered Accountants
 Firm Regn No.: 321151E

For and on behalf of the Board of Directors

Malaya Ray Chaudhari
 Partner
 Membership No.: 053201

Suresh Kr Sharma
 Chairman
 (DIN : 00041150)

Himanshu Sharma
 Managing Director
 (DIN : 00041181)

Place: Kolkata
 Date : 30th June 2020

Sukanta Bhattacharjee
 Chief Finance Officer

Ritu Damani
 Company Secretary

If undelivered please return to :

BHAGAWATI OXYGEN LIMITED

Plot No. 5, Sector 25

Ballabgarh 121004 (Haryana)