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जय श्री मां

Phone : + 91 - 33 - 2229-5472 / 8005 / 6257
Fax : + 91 - 33 - 2217-2990
E-mail : bolkol@eth.net

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

Date: 27.08.2018

To,
Corporate Relationship Department
The Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai- 400001
Scrip Code - 509449

Dear Sir / Madam

Sub: NOTICE OF ANNUAL GENERAL MEETING AND ANNUAL REPORT FOR YEAR 2017-2018

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Notice of 46th Annual General Meeting of the Company scheduled to be held on Thursday, 20th September 2018 at 11:00 AM at Plot No. 5, Sector - 25, Ballabgarh, Haryana-121004 to transact the business contained in the 46th Annual general meeting notice of the company dated 30th May, 2018.

Also find the soft copy of Annual Report for financial year 2017-2018.

This is for your information and record.

Thanking You,
Yours Faithfully,
For BHAGAWATI OXYGEN LIMITED

Ritu Damani

RITU DAMANI
COMPANY SECRETARY

Encl: As above

REGD.OFF. : Sector-25, Plot 5, Ballabgarh-121004 (Haryana) CIN No. : L74899HR1972PLC006203

Works : P.O. Moubhandar, Ghatsila, Near Indian Copper Complex, Dist. Singhbhum(E)-832 303 (Jharkhand) Ph. : + 91-9308121740

46th Annual Report

For the year ended 31st March 2018

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 & Co.
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

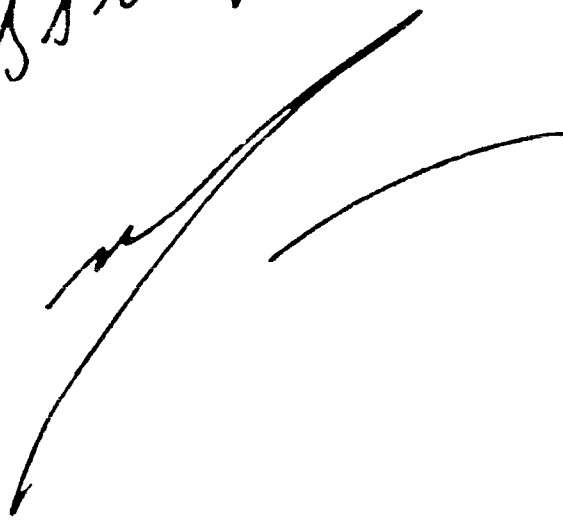
Offices:

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

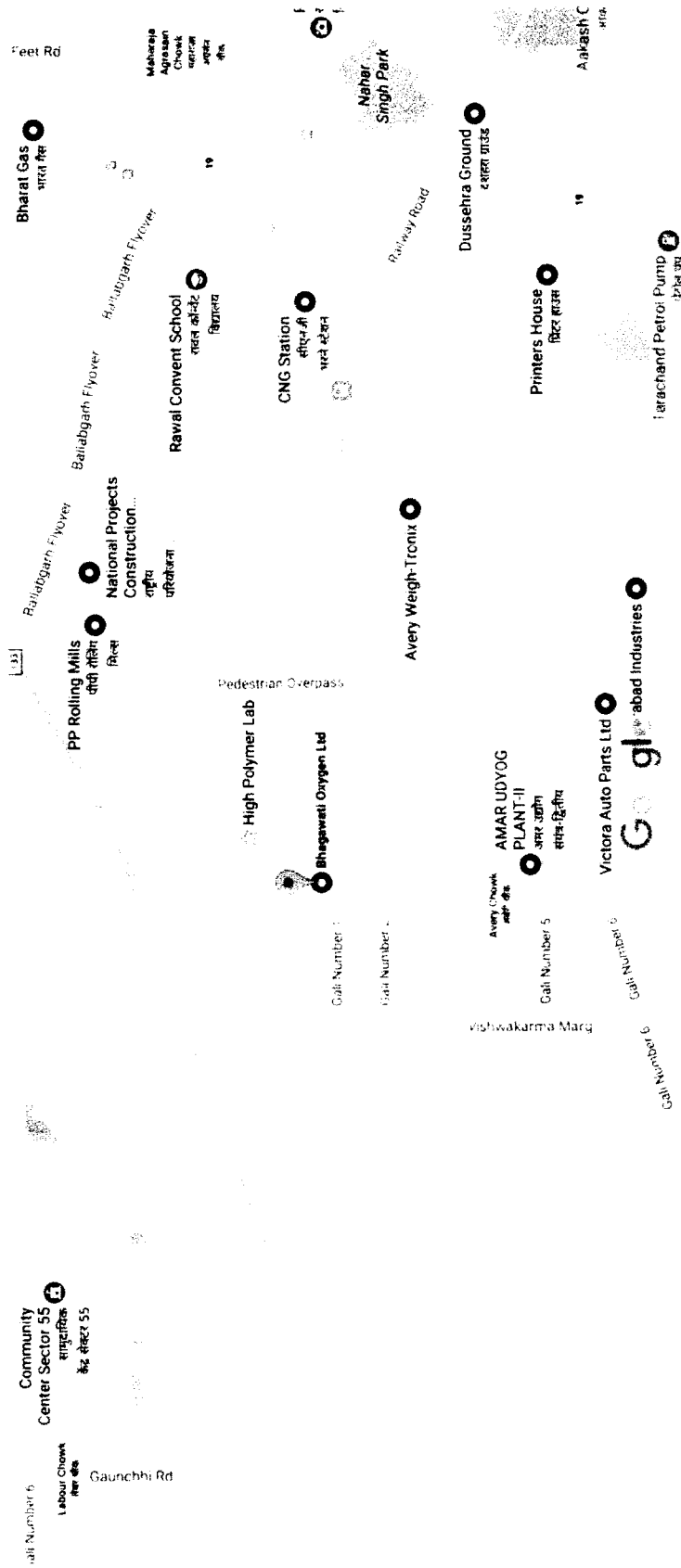
BHAGAWATI OXYGEN LIMITED

'S'-492A, GREATER KAILASH
NEW DELHI

Blessings

A handwritten signature in black ink, consisting of several sweeping, fluid strokes that appear to be a stylized name or initials.

ROUTE MAP TO THE VENUE OF 46TH ANNUAL GENERAL MEETING OF BHAGWATI OXYGEN LIMITED



NOTICE

TO THE MEMBERS

Notice is hereby given that the 46th Annual General Meeting of BHAGAWATI OXYGEN LIMITED will be held on Thursday, 20th September 2018 at 11:00 AM at the Registered Office of the Company at Plot No. 5, Sector - 25, Ballabgarh, Haryana- 121004 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Statement of Profit & Loss Account for the year ended 31st March, 2018, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs Jaya Sharma (DIN-07135989) who retire by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

1. To consider and if thought fit, to pass with or without modification(s) the following resolution(s) as an **Special Resolution**:
"RESOLVED THAT pursuant to the provisions of sections 196, 197 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), consent of the Members be and is hereby given for the re-appointment of Sri Suresh Kumar Sharma (DIN: 00041150) as Chairman (being Whole Time Director) of the Company for a further period of 5(five) years w.e.f. 01st July, 2018 on the remuneration and other terms and conditions as set out in the draft agreement placed before the meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby specifically authorised to alter and vary the terms and conditions of the said appointment and/ or agreement so as not to exceed the limit specified in Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) as may be agreed to between the Board of Directors and Sri Suresh Kumar Sharma."

2. To consider and if thought fit, to pass with or without modification(s) the following resolution(s) as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of sections 196, 197 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), consent of the Members be and is hereby given for the re-appointment of Sri Himanshu Sharma (DIN: 00041181) as Managing Director of the Company for a further period of 5(five) years w.e.f. 01st July, 2018 on the remuneration and other terms and conditions as set out in the draft agreement placed before the meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby specifically authorised to alter and vary the terms and conditions of the said appointment and/ or agreement so as not to exceed the limit specified in Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) as may be agreed to between the Board of Directors and Sri Himanshu Sharma."

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

Date: 30/05/2018
Place: Kolkata

By the Order of the
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

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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, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. 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.
8. 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.
9. Messrs. Skyline Financial Services Pvt. Ltd. has been appointed as Registrars and Share Transfer Agents for both physical and dematerialized shares of the Company.
10. The Register of Members and Share Transfer Books of the Company will be closed from Friday, September 14, 2018 to Thursday, September 20, 2018 (both days inclusive) for the purpose of Annual General Meeting.
11. 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.
12. 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.
13. 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.
14. 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.
15. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.
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 25th September 2017 (date of last Annual General Meeting) and the company has declared the same with the Ministry of Corporate Affairs website.
18. Members holding shares in physical mode:
 - i) are required to submit their Permanent Account Number (PAN) and bank account details to the Company / R&T Agent, if not registered with the Company as mandated by SEBI.
 - ii) are requested to register / update their e-mail address with the Company / R&T Agent for receiving all communications from the Company electronically.
19. Members holding shares in electronic mode:
 - i) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
 - ii) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

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20. 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.
21. 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 46th 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 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.

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- 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.nsd.com.
 - b. "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsd.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.nsd.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.nsd.com or contact NSDL at the following toll free no. 1800-222-990 or send a request at evoting@nsdl.co.in
4. The remote e-voting period commences on Monday, 17th September, 2018 (10.00 a.m. IST) and ends on Wednesday,

19th September, 2018 (5.00 p.m. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on 14th September, 2018, 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 September 14th, 2018.
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 46th 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 14th September, 2018 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.nsd.com immediately on declaration of result by the chairman and communicate to Bombay Stock Exchange (BSE) where the shares of the Company are listed.

ANNEXURE TO NOTICE:

Explanatory statement pursuant to Section 102 of the Companies Act, 2013.

ITEM NO.4

Shri Suresh Kumar, who was appointed as a Chairman (Executive), (being the Whole Time Director) by the Members to hold office upto 31st December 2018 will attain age of 70 years on 21st October, 2018 and hence continuation of his employment whole Time Director requires approval of members by way of a Special Resolution.

Section 196(3) of the Companies Act, 2013, inter alia provides that no Company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole Time Director or Manager unless it is approved by the member by passing a Special Resolution

Further the Company and Sri Suresh Kumar Sharma mutually decided to terminate the agreement of his appointment prematurely. Keeping in view that Sri Suresh Kumar Sharma has rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Sri Suresh Kumar Sharma as Whole Time Director

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on 28th June, 2018 approving re-appointment of Sri Suresh Kumar Sharma, as Chairman (Executive).

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(being the Whole Time Director) of the Company for a further period of 5 (five) years w.e.f. 01st July, 2018. This is subject to the approval of the shareholders at this Annual General Meeting

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act 2013

The details of remuneration payable to Shri Suresh Kumar Sharma and the terms and conditions of the re-appointment are given below

- 1) SALARY Rs. 70,000/- p m and subject to periodical increments as may be approved by Remuneration Committee from time to time within the limits prescribed under Schedule V of the Companies Act 2013 or any statutory modification thereof.
- 2) PERQUISITES In addition to the aforesaid Salary the following perquisites will be allowed which will be restricted to an amount so that the total of salary and perks shall not exceed Rs 24,00,000/- per annum.
 - i) Housing House Rent Allowance
 - (a) The expenditure incurred by the Company on hiring unfurnished accommodation for the Chairman (Executive) shall be subject to a ceiling of 60% of the salary
 - (b) In case the accommodation is owned by the Company, 10% of the salary of the Chairman (Executive) shall be deducted by the Company
 - (c) In case no accommodation is provided by the Company, the Chairman (Executive) shall be entitled to House Rent Allowance subject to a ceiling of 60% of the salary.
 - (d) The expenditure which may be incurred by the Company on Gas, Electricity, Water, Furnishings, Repairs, and other expenses for maintaining in full the accommodation occupied by the Chairman (Executive) restricted to 30% of the annual salary
 - ii) Medical Reimbursement / Medical Insurance Policy/ P.A Policy :
Expenses incurred for the Chairman (Executive) and his family in accordance with the rules of the Company.
 - iii) Leave Travel Concession :
For the Chairman (Executive) and his family to and fro to any place once in a year in accordance with the rules specified by the Company
 - iv) Club Fees
Fees and subscription of maximum two clubs. This will not include admission and life membership fees.
 - v) Company's contribution towards Provident Fund / Super Annuity Fund or Annuity Fund :
As per rules of the Company but to the extent these either singly or put together to the extent not taxable under the Income Tax Act 1961
 - vi) Gratuity
In accordance with the provisions of the approved fund but shall not exceed half month's salary for each completed year of service
 - vii) Leave on full pay and allowances as per rules of the Company but not exceeding one month's leave for every completed year of service subject to the condition that leave accumulated but not availed of will not be allowed to be encashed
 - viii) Use of Company's car with driver for business of the Company
 - ix) Telephone at residence for business of the Company

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- x) Reimbursement of all entertainment and traveling expenses actually incurred by the Chairman (Executive) for the business of the Company.

The items stated in v. vi. vii. viii. ix and x shall not be considered as perquisites.

- 3) In the event of loss or inadequacy of profits in any financial year during the aforesaid period the Company will pay the Chairman (Executive) the same remuneration as mentioned herein above.
- 4) The Board of Directors be and is hereby specifically authorized to alter and vary the terms and conditions of the aforesaid appointment including remuneration of Sri Suresh Kumar Sharma so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force or any amendment and/or modification that may hereafter be made thereto by the Central Government in that behalf from time to time or any amendment thereto as may be agreed to between the Board and Sri Suresh Kumar Sharma
- 5) Sri Suresh Kumar Sharma agreed to devote his best attention to the business of the Company and to further safeguard the interest of the Company, including security of its trade secrets and the processes etc. and to make known and available exclusively to the Company any invention, discovery or design of theirs.
- 6) The terms and conditions of the said appointment and/or agreement may be altered or varied from time to time mutually by the Company and the Chairman (being Whole-Time Director) subject to the provisions of the Companies Act, 2013 or any amendment thereof and with the approval of the Shareholders and/or Central Government, whenever required.
- 7) This agreement shall be subject to approval of the Shareholders of the Company at a general meeting.

Except Shri Suresh Kumar Sharma, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution.

ITEM NO.5

The term of office of Shri Himanshu Sharma as Managing Director was due to expire on 31st December, 2018. Considering the higher limits available pursuant to Schedule V of Companies Act, 2013, formation of Nomination and Remuneration Committee by the Company and improved working of the Company, the Company and Shri Himanshu Sharma mutually decided to terminate the agreement of his appointment prematurely. Keeping in view that Sri Himanshu Sharma has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time it would be in the interest of the Company to continue the employment of Shri Himanshu Sharma as Managing Director

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on 28th June approving re-appointment of Sri Himanshu Sharma, as Managing Director of the Company for a further period of 5 (Five) years with effect from 1st July, 2018 on the fresh terms and conditions. This is subject to the approval of the Shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Shri Himanshu Sharma and the terms and conditions of the re-appointment are given below

- 1) SALARY Rs 300,000/- p m. and subject to periodical increments as may be approved by Remuneration Committee from time to time within the limits prescribed under Schedule V of the Companies Act 2013 or any statutory modification thereof
- 2) PERQUISITES In addition to the aforesaid Salary the following perquisites will be allowed which will be restricted to

an amount so that the total of salary and perks shall not exceed Rs.48,00,000/- per annum

- i) **Housing / House Rent Allowance:**
 - (a) The expenditure incurred by the Company on hiring unfurnished accommodation for the Managing Director shall be subject to a ceiling of 60% of the salary.
 - (b) In case the accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company
 - (c) In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance subject to a ceiling of 60% of the salary.
 - (d) The expenditure which may be incurred by the Company on Gas, Electricity, Water, Furnishings, Repairs, and other expenses for maintaining in full the accommodation occupied by the Managing Director restricted to 30% of the annual salary
 - ii) **Medical Reimbursement / Medical Insurance Policy/ P.A Policy .**

Expenses incurred for the Mg. Director and his family in accordance with the rules of the Company.
 - iii) **Leave Travel Concession .**

For the Managing Director and his family to and fro to any place once in a year in accordance with the rules specified by the Company
 - iv) **Club Fees**

Fees and subscription of maximum two clubs. This will not include admission and life membership fees.
 - v) **Company's contribution towards Provident Fund / Super Annuation Fund or Annuity Fund .**

As per rules of the Company but to the extent these either singly or put together to the extent not taxable under the IncomeTax Act 1961
 - vi) **Gratuity**

In accordance with the provisions of the approved fund but shall not exceed half month's salary for each completed year of service
 - vii) **Leave on full pay and allowances as per rules of the Company but not exceeding one month's leave for every completed year of service subject to the condition that leave accumulated but not availed of will not be allowed to be encashed**
 - viii) **Use of Company's car with driver for business of the Company**
 - ix) **Telephone at residence for business of the Company.**
 - x) **Reimbursement of all entertainment and traveling expenses actually incurred by the Managing Director for the business of the Company**

The items stated in v, vi, vii, viii, ix and x shall not be considered as perquisites.
- 3) In the event of loss or inadequacy of profits in any financial year during the aforesaid period the Company will pay the Managing Director the same remuneration as mentioned herein above.
 - 4) The Board of Directors be and is hereby specifically authorized to alter and vary the terms and conditions of the aforesaid appointment including remuneration of Sri Himanshu Sharma so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being
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in force or any amendment and/or modification that may hereafter be made thereto by the Central Government in that behalf from time to time or any amendment thereto as may be agreed to between the Board and Sri Himanshu Sharma

- 5) Sri Himanshu Sharma agreed to devote his best attention to the business of the Company and to further safeguard the interest of the Company, including security of its trade secrets and the processes etc. and to make known and available exclusively to the Company any invention, discovery or design of theirs.
- 6) The terms and conditions of the said appointment and/or agreement may be altered or varied from time to time mutually by the Company and the Managing Director subject to the provisions of the Companies Act, 2013 or any amendment thereof and with the approval of the Shareholders and/or Central Government, whenever required.
- 7) This agreement shall be subject to approval of the Shareholders of the Company at a general meeting "

Except Sri Himanshu Sharma, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution.

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

By the Order of the
BHAGAWATI OXYGEN LIMITED

RITU DAMANI
COMPANY SECRETARY
ACS: 35435

Date 30/05/2018
Place Kolkata

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	Sn Suresh Kumar Sharma	Sri Himanshu Sharma	Smt Jaya Sharma
Date of Birth	21st October, 1948	28th October, 1971	21st March, 1974
Date of First Appointment	10th July, 1972	26th August, 1996	31st March, 2015
Qualifications	B COM (HONS)	B. Engg	B COM (HONS)
Professional Membership	NIL	NIL	NIL
Nature of his expertise in specific functional areas	More than 42 years of experience in the gases industry	More than 22 years of experience in the manufacturing industry	3 years of experience in the gases industry
Names of the listed entities in which he also holds Directorship of Boards	NIL	NIL	NIL
Name of the listed entities in which he also holds Membership of Committees of Boards	NIL	NIL	NIL
No of Shares held in the Company	85445	62800	63500

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. Sri Suresh Kumar Sharma, Whole-time Director is father of Sri Himanshu Sharma, Managing Director and father in law of Smt Jaya Sharma, Women Director.

DIRECTORS' REPORT

Dear Shareholders

The Directors have pleasure in presenting the 46th Annual Report and the Audited Accounts of the Company for the financial year ended March 31, 2018

1. SUMMARY OF FINANCIAL RESULTS: (Rs)

Particulars	2017-18	2016-17
Total income	10,00,76,403	11,62,59,206
PBDIT	3,09,43,134	2,11,17,322
Finance cost	67,48,442	18,06,751
Depreciation & amortization	1,85,95,400	41,76,301
PBT	55,99,292	1,51,34,270
Tax expense	15,12,469	49,38,293
PAT	40,86,823	1,01,95,977
Surplus- opening balance	10,25,32,012	9,23,36,035
Surplus- closing balance	10,66,18,835	10,25,32,012

2. OPERATION:

During the year under review the sales and other income of the Company amounted to Rs 10,00,76,403 compared to Rs 11,62,59,206 in the previous year. After providing for financial charges, depreciation, current and deferred taxation and other adjustments the Company reported profit after tax and extraordinary item of Rs. 40,86,823.

3. 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.

4. TRANSFER TO RESERVES:

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

5. 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.

6. MANAGEMENT DISCUSSION & ANALYSIS:**Industry Structure and Development:**

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

Opportunities & Threats, Trends & Strategies:

The fundamental of the gas industry appears to be better and is growing fast because of the improvement in the steel sector. As our sales are tied up some strategies adopted by your Company are : (a) reducing cost of capital (b) transactional cost of production (c) reducing pollution levels (d) creation of good infrastructure etc. Your Company has taken adequate steps to reduce the cost of production by continuously evaluating process improvements and best operational practices. Although the industrial gas industry is categorized 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.

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.

7. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the annual listing fees for the year 2017-2018 to BSE where the Company's shares are listed.

8. DEMATERIALIZATION OF SHARES:

40.19% of the Company's paid up Equity Shares Capital is in dematerialization form as on 31st March, 2018 and balance 59.81% 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.

9. NUMBER OF MEETINGS OF THE BOARD:

During the financial year 2017-18, 4 (four) meetings of the Board of Directors of the Company were held on 18th May 2017, 12th September 2017, 11th December 2017 and 08th February 2018.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. 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.

11. 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 2018, 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, 2018 and of the profit of the Company for period from 1 April 2017 to 31 March 2018;
- 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 2018 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.

12. 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.

13. AUDIT COMMITTEE:

The Audit Committee of the Board is 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 2017-18, 4 (four) meetings of the Audit Committee of the Board of Directors were held 18th May 2017, 12th September 2017, 11th December 2017 and 08th February 2018.

14. 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 2017-18, 1 (One) meeting of the Nomination and Remuneration Committee of the Board of Directors were held on 18th May 2017.

15. 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 2017-18, 1 (One) meeting of the Stakeholder Relationship committee of the Board of Directors were held on 18th May 2017.

16. AUDITORS AND AUDITORS REPORT:

At the 45th Annual General Meeting (AGM) of your Company held on September 25, 2017, Chetan & Co. Chartered Accountants, (Firm Registration No 321151E) were appointed as Statutory Auditors of your Company to hold Office for a Term of 5(Five) years from the conclusion of 45th AGM (subject to ratification of such appointment by the members at every AGM) till the conclusion of the 50th AGM of your Company. Accordingly, the appointment of Chetan & Co, Chartered Accountants, (Firm Registration No 321151E), as Statutory Auditors of your Company, is placed for ratification by the members.

Your Company has received a confirmation from Chetan & Co. Chartered Accountants, to this effect that their appointment, if ratified, would be within the limits prescribed under section 139 of the Companies Act, 2013 and the rules framed there under and in accordance with section 141 of the Companies Act, 2013. They have also confirmed that they hold a valid peer review certificate as prescribed under regulation 33(1)(d) of SEBI Listing Regulations, 2015.

The Audit Committee and the Board of Directors of your Company recommend ratification of their appointment from the conclusion of this AGM upto the conclusion of the 47th AGM of your Company. 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.

17. SECRETARIAL AUDITOR:

The Board has appointed Mr. Manoj Prasad Shaw, Practising Company Secretary (FCS 4194), to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure -B** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

18. 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.

19. 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.

20. 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.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR):

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

22. 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.

23. 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 criteria, 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.

24. 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. 40 to the financial statement which sets out related party disclosures.

25. EXTRACT OF ANNUAL RETURN:

An extract of Annual Return as on the financial year ended on March 31, 2018 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.

26. 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

27. SHARE CAPITAL:

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

28. 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

29. CORPORATE WEBSITE:

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

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

- Financial summary or highlights:** As detailed under the heading 'Summary of Financial Results'
- Change in the nature of business, if any:** None
- Details of Directors or Key Managerial Personnel, who were appointed or resigned during the year:**
 - Directors/KMP Appointed NIL
 - Directors/KMP resigned NIL
- Names of Companies which have become or ceased to be Subsidiaries, Joint Venture Companies or Associate Companies during the year-** NIL
- 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.
- 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.
- 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.

BHAGAWATI OXYGEN LIMITED

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

31. 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.

32. 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 : 30/05/2018

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.

BHAGAWATI OXYGEN LIMITED

- 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.

BHAGAWATI OXYGEN LIMITED

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

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2018

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the 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 **M/s BHAGAWATI OXYGEN LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31st, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s BHAGAWATI OXYGEN LIMITED** for the financial year ended on March 31st, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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: Not applicable to the Company during the Audit Period;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,

BHAGAWATI OXYGEN LIMITED

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) and
- (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 :-
 - Gas Cylinders Rule 2004
 - 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 Secretarial Standard (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the company has complied with the same to the extent possible
- (ii) The company has complied with SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 entered into by the Company with the stock exchanges.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 are 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 not accorded the consent of the member to the Board of Director for any specific events/ actions having a major bearing on the Company's affairs.

Place: Kolkata
Date: 30.05.2018

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

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
Bhagawati Oxygen Limited
Sector 25, Plot No. 5
Ballabgarh
Haryana- 121004.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and 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.

BHAGAWATI OXYGEN LIMITED

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever 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: 30.05.2018

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 2017-18</u>	<u>FY 2016-17</u>
Foreign exchange outgo	94,01,993	8,74,28,333
Foreign exchange earning	-	-

BHAGAWATI OXYGEN LIMITED

ANNEXURE-D

Form No. MGT 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2018

[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	93.81%

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

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding.

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	605041	232610	837651	36.22	605041	232610	837651	36.22	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	100325	63500	163825	7.08	100325	63500	163825	7.08	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)-	705366	296110	1001476	43.30	705366	296110	1001476	43.30	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp									

BHAGAWATI OXYGEN LIMITED

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	705366	296110	1001476	43.30	705366	296110	1001476	43.30	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	300375	300375	12.99	-	300375	300375	12.99	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1) -	-	300375	300375	12.99	-	300375	300375	12.99	-
2. Non- Institutions									
a) Bodies Corp.	12665	109726	122391	5.29	7072	109726	116798	5.05	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	187061	489032	676093	29.23	213384	468577	681961	29.48	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	208550	208550	9.02	-	208550	208550	9.02	-
c) Others	0	-	0	0.00	0	-	0	0.00	-
d) Trust	100	-	100	0.00	100	-	100	0.00	-
e) NBFC registered with RBI	450	-	450	0.02	450	-	450	0.02	-
f) Non Resident Indians	600	-	600	0.03	100	-	100	0.00	-
g) Resident Indian HUF	2151	-	2151	0.09	2384	-	2384	0.1	-
i) Clearing member House	783	-	783	0.03	775	-	775	0.03	-
Sub-total (B)(2) -	203810	807308	1011118	43.72	224265	786853	1011118	43.72	-
Total Public Shareholding (B)=(B)(1)+ B)(2)	203810	1107683	1311493	56.70	224265	1087228	1311493	56.70	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	909176	1403793	2312969	100	929631	1383338	2312969	100	-

BHAGAWATI OXYGEN LIMITED

(ii) Shareholding of Promoters.

Sl. No.	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 the	% of Shares Pledged/	No. of Shares	% of total Shares of the	% of Shares Pledged/	
1	Balwan Singh	75	0.00	0	75	0.00	0	0
2	Hari Prasad Purba	75	0.00	0	75	0.00	0	0
3	Shyam Mohan	75	0.00	0	75	0.00	0	0
4	Shachi Bhardwaj	150	0.01	0	150	0.01	0	0
5	Ashok Kumar Garg	1075	0.05	0	1075	0.05	0	0
6	B K Ratna Karan Karup &	1150	0.05	0	1150	0.05	0	0
7	Mahesh Mittal	1150	0.05	0	1150	0.05	0	0
8	Sangita Behal	1500	0.06	0	1500	0.06	0	0
9	Kamakshi Bhardwaj	2000	0.09	0	2000	0.09	0	0
10	Padmaja Bhardwaj	2000	0.09	0	2000	0.09	0	0
11	Suresh Kumar Sharma	85445	3.69	0	85445	3.69	0	0
12	Chetan Kumar Chaturvedi	5125	0.22	0	5125	0.22	0	0
13	Rakesh Samrat Bhardwaj	7740	0.33	0	7740	0.33	0	0
14	Suresh Kumar Sharma and Tara Devi Sharma	8951	0.39	0	8951	0.39	0	0
15	Himanshu Sharma and Jaya Sharma	10000	0.43	0	10000	0.43	0	0
16	Tara Devi Sharma And Suresh Kumar Sharma	10000	0.43	0	10000	0.43	0	0
17	Kanta Devi Bhardwaj	14485	0.63	0	14485	0.63	0	0
18	T. N. & Chaturvedi	16000	0.69	0	16000	0.69	0	0
19	Suresh Kumar Sharma And Sons HUF	59000	2.55	0	59000	2.55	0	0
20	Vivek Sharma	41500	1.79	0	41500	1.79	0	0
21	Himanshu Sharma	62800	2.72	0	62800	2.72	0	0
22	Deepthi Sharma	78900	3.41	0	78900	3.41	0	0
23	Ramrup Sharma And Sons HUF	64000	2.77	0	64000	2.77	0	0
24	Jaya Sharma	63500	2.75	0	63500	2.75	0	0
25	Tara Devi Sharma	127700	5.52	0	127700	5.52	0	0
26	Suresh Kumar Sharma & Himanshu Sharma	173255	7.49	0	173255	7.49	0	0
27	Trinitron Control System (P) Ltd	1500	0.06	0	1500	0.06	0	0
28	Indo Electric	2000	0.09	0	2000	0.09	0	0
29	Maharaja Sales Corpn (Om Prakash)	50000	2.16	0	50000	2.16	0	0
30	Bhagawati Steel Private Limited	100325	4.34	0	100325	4.34	0	0
31	Bhagawati Gases Ltd	10000	0.43	0	10000	0.43	0	0

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of sharrs	% of total shares of the company	No. of sharrs	% of total shares of the company
1	At the beginning of the year	101476	43.30%	1001476	43.30%
2	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL CHANGES DURING THE PERIOD.			
3	At the end of the year	101476	43.30%	1001476	43.30%

BHAGAWATI OXYGEN LIMITED

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning and 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
1.	Bihar State Industrial Development	300000	12.97	01.04.2017	0	-	300000	12.97
						Nil Movement During The Year		
		300000	12.97	31.03.2018	0	-	300000	12.97
2.	S.K Steel Pvt Ltd	105000	4.54	01.04.2017	0	-	105000	4.54
						Nil Movement During The Year		
		105000	4.54	31.03.2018	0	-	105000	4.54
3.	Bhaskar Sharma	41710	1.8	01.04.2017	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2018	0	-	41710	1.8
4.	Garima Sharma	41710	1.8	01.04.2017	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2018	0	-	41710	1.8
5.	Rajeev Sharma	41710	1.8	01.04.2017	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2018	0	-	41710	1.8
6.	Suman Sharma	41710	1.8	01.04.2017	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2018	0	-	41710	1.8
7.	Neha Sharma	41710	1.8	01.04.2017	0	-	41710	1.8
						Nil Movement During The Year		
		41710	1.8	31.03.2018	0	-	41710	1.8
8.	Madhuben Dhiraajal Gandhi	10000	0.43	01.04.2017	0	-	10000	0.43
						Nil Movement During The Year		
		10000	0.43	31.03.2018	0	-	10000	0.43
9.	Pratik Rajendra Gandhi	10000	0.43	01.04.2017	0	-	10000	0.43
						Nil Movement During The Year		
		10000	0.43	31.03.2018	0	-	10000	0.43
10.	Vipul Rajendrabha Gandhi	10000	0.43	01.04.2017	0	-	10000	0.43
						Nil Movement During The Year		
		10000	0.43	31.03.2018	0	-	10000	0.43
11.	Rajendra Dhiraajal Gandhi	10000	0.43	01.04.2017	0	-	10000	0.43
						Nil Movement During The Year		
		10000	0.43	31.03.2018	0	-	10000	0.43

BHAGAWATI OXYGEN LIMITED

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No. A	Directors	Shareholding at the beginning and 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
1.	Suresh Kumar Sharma	85445	3.69	01.04.2017	0	-	85445	3.69
						Nil Movement During The Year		
		85445	3.69	31.03.2018	0	-	85445	3.69
2.	Himanshu Sharma	62800	2.72	01.04.2017	0	-	62800	2.72
						Nil Movement During The Year		
		62800	2.72	31.03.2018	0	-	62800	2.72
3.	Jaya Sharma	63500	2.75	01.04.2017	0	-	63500	2.75
						Nil Movement During The Year		
		63500	2.75	31.03.2018	0	-	63500	2.75
4.	Bipin Bihari Lal	0	0	01.04.2017	0	-	-	-
		0	0	31.03.2018	0	-	-	-
5.	Jagdish Chandra Kaushik	0	0	01.04.2017	0	-	-	-
		0	0	31.03.2018	0	-	-	-
B	Key Managerial Personnel							
1	Sukanta Bhattarcharjee	0	0	01.04.2017	0	-	-	-
		0	0	31.03.2018	0	-	-	-
2	Ritu Damani	0	0	01.04.2017	0	-	-	-
		0	0	31.03.2018	0	-	-	-

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	12,52,25,771	0	0	12,52,25,771
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	8,13,877	0	0	8,13,877
Total (i+ii+iii)	12,60,39,648	0	0	12,60,39,648
Change in Indebtedness during the financial year:				
- Addition	9,16,12,739	0	0	9,16,12,739
- Reduction	10,20,48,149	0	0	10,20,48,149
Net Change	(1,04,35,410)	0	0	(1,04,35,410)
Indebtedness at the end of the financial year:				
i) Principal Amount	11,48,89,868	0	0	11,48,89,868
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	7,14,370	0	0	7,14,370
Total (i+ii+iii)	11,56,04,238	0	0	11,56,04,238

BHAGAWATI OXYGEN LIMITED

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	11,40,000	8,40,000	19,80,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,44,994	4,68,226	8,13,220
	(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)	8,00,000		8,00,000
	Total (A)	22,84,994	13,08,226	35,93,220
	Ceiling as per the Act	The remuneration is within limit prescribed under the Companies Act 2013		

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		10,000	10,000	20,000
	Commission				
	Others, please specify				
	Total (1)		10,000	10,000	20,000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	10,000			10,000
	Commission				
	Others, please specify				
	Total (2)	10,000			10,000
	Total (B) = (1 + 2)	10,000	10,000	10,000	30,000
	Ceiling as per the Act	The remuneration is within limit prescribed under the Companies Act 2013			

B. Remuneration to other directors:

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

Sl. No.	Particulars of Remuneration	(Key Managerial Personnel)			Total Amount (Rs.)
		CEO	CFD	Company Secretary	
1	Name		Mr Sukanta Bhattacharjee	Miss Ritu Damani	
	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	NOT APPLICABLE	3,57,926	2,65,000	6,22,926
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission:				
	as % of profit				
	others, specify				
5	Others please specify				
	Total		3,57,926	2,65,000	6,22,926

BHAGAWATI OXYGEN LIMITED

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)
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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 2017-18 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2017-18 (Rs.)	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director/to median remuneration of employees
1	Mr. Himanshu Sharma, MD	22,84,994	38.45	16.52
2	Mr. Suresh Kumar Sharma, WTD	13,08,226	10.08	9.46
3	Mr. Sukanta Bhattacharjee, CFO	3,57,926	16.87	2.59
4	Ms. Ritu Damani, CS	2,65,000	9.43	1.92

Note: No other Director other than the Managing Director and Whole Time Director received any remuneration other than sitting fees during the financial year 2017-18.

ii) In the financial year, there was an increase of 18.88% in the median remuneration of employees.

iii) There were 40 permanent employees on the rolls of Company as on March 31, 2018.

iv) The Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2017-18 was 35.21% whereas the increase in the managerial remuneration for the same financial year was 16.34%.

v) It is hereby affirmed that the remuneration paid during the Financial Year ended 31st March, 2018 is as per the Remuneration Policy of the Company

Place: Kolkata
Date: 18.05.2018

For and on behalf of the Board
S K Sharma
Chairman
(DIN:00041150)

Independent Auditors' Report

To

The Members of Bhagawati Oxygen Limited**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **Bhagawati Oxygen Limited** (hereinafter referred to as 'the Company') which comprise the balance sheet as at 31st March 2018, the statement of profit and loss including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditors whose audit reports for the year ended 31st March 2017 dated 18th May 2017 and for the year ended 31st March 2016 dated 30th May 2016 expressed an unqualified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not qualified in respect of above matter.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure- 'A', a statement on the matters specified in the paragraph 3 and 4 of the said order.
- 2) As required by Section 143 (3) of the Act, we report that

BHAGAWATI OXYGEN LIMITED

- 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, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of accounts.
- d) in our opinion the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) On the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 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 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 37 to the 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 Accountants
Firm Regn. No 321151E

A Som
Partner
Membership No. 006308

Place: Kolkata
Dated: 30th May, 2018.

Annexure-'A' to the Independent Auditors' Report

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

- (i) In respect of Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of 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 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 material discrepancies noticed on 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

BHAGAWATI OXYGEN LIMITED

Tax Wealth Tax Service Tax, Duty of customs, Duty of excise, Value added Tax, Goods and Services tax, Cess and any other statutory dues as applicable with the appropriate authorities. There were no un-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 31st March 2018 are given below:

	Name of the Statute	Nature of dues	Amount (In Rs.)	Period to which the amount relates	Forum where pending
1	West Bengal VAT Act & CST Act	VAT & CST	15 18,996/-	2006-07	WB Commercial Tax Appellate and Revisional Board
2	Income Tax Act	Income Tax	3 05,320/-	2012-2013	DCIT, Kolkata
			10 791,10/-	2014-15	CIT (Appeal)
3	Central Excise Act	Central Excise	7,24,61,090/-	2010-2011 to 2015-2016	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) 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 managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to 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 explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations 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) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For CHETAN & CO
Chartered Accountants
Firm Regn No 321151E

A. Som
Partner
Membership No 006308

Place: Kolkata
Dated: 30th May, 2018.

Annexure-'B' to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Bhagawati Oxygen Limited (hereinafter referred to as 'the Company') as of 31st March 2018 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's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only

BHAGAWATI OXYGEN LIMITED

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 2018, 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 Accountants
Firm Regn. No. 321151E

A. Som
Partner
Membership No. 006308

Place: Kolkata
Dated: 30th May, 2018.

BHAGAWATI OXYGEN LIMITED

BALANCE SHEET AS AT 31st MARCH 2018

Amount in Rs.

Particulars	NOTE NO	AS AT March 31, 2018	AS AT March 31, 2017	AS AT April 01, 2016
Assets				
Non-Current Assets				
a) Property, Plant and Equipment	3	14,38,80,735	16,23,79,546	2,12,86,116
b) Capital Work-in-Progress	3	-	-	34,85,493
c) Financial Assets				
i) Investments	4	2,01,13,700	2,37,71,742	2,14,86,175
ii) Loans	5	68,08,925	68,03,025	40,29,588
iii) Other Financial Assets	6	46,54,750	-	2,45,000
d) Other Non-Current Assets	7	21,43,799	23,03,869	1,97,55,505
		17,76,01,909	19,52,58,182	7,02,87,877
Current Assets				
a) Inventories	8	9,16,828	15,51,144	41,07,247
b) Financial Assets				
i) Trade Receivables	9	1,94,42,211	3,49,10,710	2,84,10,454
ii) Cash and Cash Equivalents	10	6,58,841	7,08,833	3,24,255
iii) Other Bank Balances	11	6,03,93,068	4,30,69,596	4,12,10,287
iv) Loans	12	1,40,090	2,24,194	2,10,820
v) Other Financial Assets	13	22,74,172	12,96,297	14,26,592
c) Other Current Assets	14	1,54,69,598	2,06,01,399	54,91,598
		9,92,94,808	10,23,62,173	8,11,81,253
Total Assets		27,68,96,717	29,76,20,355	15,14,69,130
Equity and Liabilities				
Equity				
a) Equity Share Capital	15	2,31,29,690	2,31,29,690	2,31,29,690
b) Other Equity	16	10,78,83,394	10,39,61,020	9,37,27,390
		13,10,13,084	12,70,90,710	11,68,57,080
Liabilities				
Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings	17	2,17,72,560	4,63,17,549	19,22,855
ii) Other Financial Liabilities	18	7,14,370	8,13,877	-
b) Deferred Tax Liabilities (Net)	19	68,01,890	62,54,624	39,45,342
		2,92,88,820	5,33,86,050	58,68,197
Current Liabilities				
a) Financial Liabilities				
i) Borrowings	20	10,44,15,207	8,83,17,334	55,66,053
ii) Trade Payables	21	55,88,390	1,88,31,890	1,63,70,834
iii) Other Financial Liabilities	22	13,50,603	10,19,420	9,03,631
b) Other Current Liabilities	23	52,40,613	52,85,313	45,27,473
c) Current Tax Liabilities	24	-	36,89,638	13,75,862
		11,65,94,813	11,71,43,595	2,87,43,853
Total Equity and Liabilities		27,68,96,717	29,76,20,355	15,14,69,130
Company Overview	1			
Significant Accounting Policies & Notes on Accounts	2			

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

A. Som
Partner
(Membership No. - 006308)

Place Kolkata
Date 30th May 2018

For and on behalf of the Board of Directors

Suresh Kr Sharma
Chairman
(DIN : 00041150)

Sukanta Bhattacharjee
Chief Finance Officer

Himanshu Sharma
Managing Director
(DIN : 00041181)

Ritu Damani
Company Secretary

BHAGAWATI OXYGEN LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2018

Amount in Rs.

<u>Particulars</u>	NOTE NO	For the Year ended <u>March 31, 2018</u>	For the Year ended <u>March 31, 2017</u>
I. Income			
Revenue from Operations	25	8,68,96,126	11,01,02,103
Other Income	26	1,31,80,277	61,57,103
Total Income		<u>10,00,76,403</u>	<u>11,62,59,206</u>
II. Expenses			
Cost of Material Consumed	27	27,84,081	4,00,76,717
Purchases of Traded Goods	28	28,04,992	88,45,610
Changes in Inventory of Finished Goods, Work in Progress & Stock in Trade	29	6,34,316	25,56,103
Excise Duty on Sale of Goods		23,02,003	99,91,558
Manufacturing and operating Expenses	30	2,74,11,988	1,50,39,844
Employee Benefit Expenses	31	98,66,958	75,49,603
Finance Costs	32	67,48,442	18,06,751
Depreciation and Amortisation Expense	3	1,85,95,400	41,76,301
Other Expenses	33	2,33,28,931	1,10,82,449
Total Expenses		<u>9,44,77,111</u>	<u>10,11,24,936</u>
III. Profit before Tax		55,99,292	1,51,34,270
IV. Tax Expense:	34		
Current Tax (Minimum Alternate Tax)		9,65,203	26,29,011
Deferred Tax		5,47,266	23,09,282
		<u>40,86,823</u>	<u>1,01,95,977</u>
V. Profit for the period			
VI. Other Comprehensive Income			
Items that will not be classified to statement of Profit or Loss			
Remeasurement of defined post employment benefit plan		(1,98,449)	45,653
Income Tax Effect		34,000	(8,000)
VII. Total Comprehensive Income for the Year		<u>39,22,374</u>	<u>1,02,33,630</u>
Earnings per Equity Share	35		
Basic		1.77	4.41
Diluted		1.77	4.41
Company Overview	1		
Significant Accounting Policies and Notes on Accounts	2		

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

A. Som
Partner
(Membership No. - 006308)

Place Kolkata
Date 30th May 2018

For and on behalf of the Board of Directors

Suresh Kr Sharma
Chairman
(DIN : 00041150)

Sukanta Bhattacharjee
Chief Finance Officer

Himanshu Sharma
Managing Director
(DIN : 00041181)

Ritu Damani
Company Secretary

BHAGAWATI OXYGEN LIMITED**Statement of Changes in Equity for the year ended 31st March 2018****a. Equity Share Capital**

Amount in Rs

Balance at 1 April 2016	2,31,29,690
Changes in Equity Share Capital During the Year.	-
Balance at 31 March 2017	2,31,29,690
Changes in Equity Share Capital During the Year.	-
Balance at 31 March 2018	2,31,29,690

b. Other Equity

	Capital Reserve	Investment Allowance Reserve	Retained Earnings	Other Comprehensive Income	Total Other Equity
Balance at 1 April 2016	15,00,000	59,929	9,23,36,035	(1,68,574)	9,37,27,390
Profit/(Loss) for the year	-	-	1,01,95,977	-	1,01,95,977
Other Comprehensive Income	-	-	-	45,653	45,653
Balance at 31 March 2017	15,00,000	59,929	10,25,32,012	(1,22,921)	10,39,69,020
Balance at 1 April 2017	15,00,000	59,929	10,25,32,012	(1,22,921)	10,39,69,020
Profit/(Loss) for the year	-	-	40,86,823	-	40,86,823
Other Comprehensive Income	-	-	-	(1,98,449)	(1,98,449)
Balance at 31 March 2018	15,00,000	59,929	10,66,18,835	(3,21,370)	10,78,57,394

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

A. Som
Partner
(Membership No. - 006308)

Place Kolkata
Date 30th May 2018

For and on behalf of the Board of Directors

Suresh Kr Sharma
Chairman
(DIN 00041150)

Sukanta Bhattacharjee
Chief Finance Officer

Himanshu Sharma
Managing Director
(DIN : 00041181)

Ritu Damani
Company Secretary

BHAGAWATI OXYGEN LIMITED**Cash Flow Statement for the year ended 31 March 2018**

Amount in Rs

Particulars	AS AT	AS AT
	31 March 2018	31 March 2017
A. Cash Flow from Operating Activities		
Net Profit before Tax	55,99,292	1,51,34,270
Adjustments for :		
Finance Cost (Net)	22,06,779	(14,40,236)
Depreciation/ Amortisation	1,85,95,400	41,76,301
(Gain)/Loss from Redemption of Mutual Funds	(9,02,941)	-
Dividend Income	(5,33,936)	(10,16,956)
Operating Profit before Working Capital Changes	2,49,64,594	1,68,53,379
(Increase)/ Decrease in :		
Inventories	6,34,316	25,56,103
Non-Current/Current Financial and Other Assets	(11,39,648)	(85,59,540)
Trade Payables Other Financial Liabilities and Current Liabilities	(1,31,55,466)	33,80,338
Cash Generated from Operation	1,13,03,796	1,42,30,280
Direct Tax Paid	(46,20,841)	(3,23,235)
Net Cash flow from Operating Activities	66,82,955	1,39,07,045
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets/CWIP	(96,589)	(14,17,84,238)
Investment made during the year	-	(22,85,567)
Proceeds from sale of Investments	45,60,983	-
Interest Received	35,63,788	33,77,282
Dividend Received	5,33,936	10,16,956
Net Cash used in Investing Activities	85,62,118	(13,96,75,567)
C. Cash Flow from Financing Activities		
Proceeds from Borrowings	1,60,97,873	12,71,45,975
Repayment of Borrowings	(2,45,44,989)	-
Interest Paid	(68,47,949)	(9,92,874)
Net Cash used in Financing Activities	(1,52,95,065)	12,61,53,101
Net Changes in Cash & Cash Equivalents (A+B+C)	(49,992)	3,84,578
Cash & Cash Equivalents-Opening Balance	7,08,833	3,24,255
Cash & Cash Equivalents-Closing Balance	6,58,841	7,08,833

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

A. Som
Partner
(Membership No. - 006308)

Place Kolkata
Date 30th May 2018

For and on behalf of the Board of Directors

Suresh Kr Sharma
Chairman
(DIN : 00041150)

Sukanta Bhattacharjee
Chief Finance Officer

Himanshu Sharma
Managing Director
(DIN : 00041181)

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 non current

(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.

Notes to the Financial Statements for the year ended 31st March 2018
 Note 3. Property, Plant and Equipment (Current Year)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 1st April 2017	Additions	Deletion/ Adjustments	As at 31st March 2018	As at 1st April 2017	For the Year	Deductions/ Adjustments	Up to 31st March 2018	As at 31st March 2018	As at 31st March 2017
Tangible Assets:										
(a) Land & Site Development	3,27,215			3,27,215	43,834	43,834		87,668	3,27,215	3,27,215
(b) Non-Factory Building	3,34,362			3,34,362	90,438	5,03,626		5,94,064	2,46,694	2,90,528
(c) Factory Building	1,50,91,322			1,50,91,322	17,37,735	1,57,38,165		1,74,75,900	1,44,37,258	1,50,00,884
(d) Plant & Machinery	13,39,40,225			13,39,40,225	14,79,532	14,79,532		29,59,064	11,64,64,325	13,22,02,490
(e) Wind Mill	1,03,28,321			1,03,28,321	2,590	2,937		5,527	73,69,257	88,48,789
(f) Furniture & Fixture	55,765			55,765	36,080	39,617		75,697	50,238	53,175
(g) Office equipments	2,04,051	47,000		2,51,051	81,799	83,396		1,65,195	1,75,354	1,67,971
(h) Computer	2,59,142	49,589		3,08,731	3,30,287	3,30,287		6,60,574	1,43,536	1,77,343
(i) Vehicle	24,06,185			24,06,185	315	315		630	17,45,611	20,75,898
(j) Cylinder	9,227			9,227					8,597	8,912
(k) Truck & Tanker	11,762			11,762					11,762	11,762
(l) IVEs & associated LOX process equipment	35,88,270			35,88,270	3,73,691	3,73,691		7,47,382	28,40,888	32,14,579
Total	16,65,55,847	96,589		16,66,52,436	41,76,301	1,85,95,400		2,27,71,701	14,38,80,735	16,23,79,546
Capital Work-in-Progress		96,589				1,85,95,400		2,27,71,701	14,38,80,735	16,23,79,546
Total	16,65,55,847	96,589		16,66,52,436	41,76,301	1,85,95,400		2,27,71,701	14,38,80,735	16,23,79,546

Note 3. Property, Plant and Equipment (Previous Year)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 1st April 2016 Deemed cost under Ind. as	Additions	Deletion/ Adjustments	As at 31st March 2017	As at 1st April 2016	For the Year	Deductions/ Adjustments	Up to 31st March 2017	As at 31st March 2017	As at 1st April 2016 (Net WDV as per previous GAAP)
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		43,834		43,834	2,90,528	3,34,362
(c) Factory Building	4,82,344	1,46,08,978		1,50,91,322		90,438		90,438	1,50,00,884	4,82,344
(d) Plant & Machinery	34,54,826	13,20,02,762	15,17,363	13,39,40,225		17,37,735		17,37,735	13,22,02,490	34,54,826
(e) Wind Mill	1,03,28,321			1,03,28,321		14,79,532		14,79,532	88,48,789	1,03,28,321
(f) Furniture & Fixture	24,850	30,915		55,765		2,590		2,590	53,175	24,850
(g) Office equipments	1,58,451	45,600		2,04,051		36,080		36,080	1,67,971	1,58,451
(h) Computer	1,60,303	98,839		2,59,142		81,799		81,799	1,77,343	1,60,303
(i) Vehicle	24,06,185			24,06,185		3,30,287		3,30,287	20,75,898	24,06,185
(j) Cylinder	9,227			9,227		315		315	8,912	9,227
(k) Truck & Tanker	11,762			11,762					11,762	11,762
(l) IVEs & associated LOX process equipment	35,88,270			35,88,270		3,73,691		3,73,691	32,14,579	35,88,270
Total	2,12,86,116	14,67,87,094	15,17,363	16,65,55,847	41,76,301	1,85,95,400		41,76,301	16,23,79,546	2,12,86,116
Capital Work-in-Progress	34,85,493	15,04,36,725	15,39,22,218	16,65,55,847		1,85,95,400		41,76,301	16,23,79,546	34,85,493
Total	2,47,71,609	29,72,23,819	15,54,39,581	16,65,55,847		1,85,95,400		41,76,301	16,23,79,546	2,47,71,609

BHAGAWATI OXYGEN LIMITED
Notes to the Financial Statements for the year ended 31 March 2018
Amount in Rs.

Note 4 Investments	AS AT March 31, 2018	AS AT March 31, 2017	AS AT April 01, 2016
Investment carried at Cost			
Investments in Partnership Firm (Unquoted)			
Anchor Investments	80,00,000	80,00,000	80,00,000
(i)	<u>80,00,000</u>	<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	65,700
Mutual Funds (Quoted)			
Reliance ETF Gold BEES (Prev Goldman Sachs Gold BEES) (925 units P Y 925 units)	25,28,164	24,16,886	23,85,436
SBI Gold GETS (400 units P Y 400 units)	11,10,980	10,48,600	10,52,780
HDFC Top 200 (34,999 units P Y 65,815 units)	16,60,264	32,91,080	25,34,480
HDFC Prudence (54,750 units P Y 1,20,952 units)	16,12,286	37,61,966	29,16,461
DSP Black Rock (67,488 units P Y 1,32,973 units)	16,38,213	32,86,828	26,52,819
Reliance Gold Savings Fund-G (1,04,680 units P Y 1,04,680 units)	13,07,664	13,07,455	13,12,689
Tata Floater Fund-G (838 units P Y 248 units)	22,08,429	6,11,227	5,65,810
(ii)	<u>1,21,13,700</u>	<u>1,57,71,742</u>	<u>1,34,86,175</u>
Total (i+ii)	<u>2,01,13,700</u>	<u>2,37,71,742</u>	<u>2,14,86,175</u>
Aggregate amount of Quoted Investments & Market Value thereof	1,21,13,700	1,57,71,742	1,34,86,175
Aggregate amount of Unquoted Investments	80,00,000	80,00,000	80,00,000
Note 5 Loans (Non- Current)			
Financial assets carried at Amortised Cost			
(Unsecured, Considered Good)			
Earnest Money Deposit	5,59,127	5,86,227	6,84,416
Security Deposits - with Others	38,49,798	38,16,798	9,45,172
- with Related Parties	24,00,000	24,00,000	24,00,000
Total	<u>68,08,925</u>	<u>68,03,025</u>	<u>40,29,588</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	46,54,750	-	2,45,000
Total	<u>46,54,750</u>	<u>-</u>	<u>2,45,000</u>
Note 7 Other Non-Current Assets			
Unexpired interest - Car loan	1,43,799	2,71,698	4,34,514
Capital Advances	-	32,171	1,73,20,991
Other Advances	20,00,000	20,00,000	20,00,000
Total	<u>21,43,799</u>	<u>23,03,869</u>	<u>1,97,55,505</u>
Note 8 Inventories			
(Valued at Cost, unless otherwise stated)			
Stock-in-Trade	5,11,876	9,64,388	29,62,500
Others (Cylinders)	4,04,952	5,86,756	11,44,747
Total	<u>9,16,828</u>	<u>15,51,144</u>	<u>41,07,247</u>
Note 9 Trade Receivables			
Financial Assets carried at Amortised Cost			
(Unsecured, Considered Good)			
Trade Receivables	1,94,42,211	3,49,10,710	2,84,10,454
Total	<u>1,94,42,211</u>	<u>3,49,10,710</u>	<u>2,84,10,454</u>

BHAGAWATI OXYGEN LIMITED

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

Amount in Rs.

	AS AT March 31, 2018	AS AT March 31, 2017	AS AT April 01, 2016
Note 10 Cash and Cash Equivalents			
Financial Assets carried at Amortised Cost			
Balance with Banks	5,62,038	6,36,794	2,23,674
Cash in hand	96,803	72,039	1,00,581
Cheques in hand	-	-	-
Total	6,58,841	7,08,833	3,24,255
Note 11 Other Bank Balances			
Fixed Deposits (Original maturity of 3 to 12 months)	6,03,93,068	4,30,69,596	4,12,10,287
Total	6,03,93,068	4,30,69,596	4,12,10,287
Note 12 Loans (Current)			
Financial Assets carried at Amortised Cost (Unsecured, Considered Good)			
Advances to Employee	1,40,090	2,24,194	2,10,820
Total	1,40,090	2,24,194	2,10,820
Note 13 Other Financial Assets (Current)			
Financial Assets carried at Amortised Cost (Unsecured, Considered Good)			
Interest Receivable	22,74,172	12,96,297	14,26,592
Total	22,74,172	12,96,297	14,26,592
Note 14 Other Current Assets			
Balances with Excise & GST Department	95,75,595	1,63,69,353	13,43,913
Balances with Statutory Authority (I.Tax & Sales Tax)	6,63,909	2,05,000	2,05,000
Advance to Related Party	30,11,282	17,78,549	18,40,629
Advances to Creditors	21,75,897	21,02,123	19,36,502
Prepaid Expenses	42,915	1,46,375	1,65,554
Total	1,54,69,598	2,06,01,399	54,91,598
Note- 15 Equity Share Capital			
Authorised Capital			
40,00,000 (P Y 40,00,000) equity shares of Rs. 10 each	4,00,00,000	4,00,00,000	4,00,00,000
Issued, Subscribed and Paid-up Capital			
23,12,969 (P Y 23,12,969) equity shares of Rs. 10 each	2,31,29,690	2,31,29,690	2,31,29,690
Total	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 31,2018		March 31,2017		April 01,2016	
	No of shares	Rs.	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	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	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

	As on March 31,2018		As on March 31,2017		As on April 01, 2016	
	No of shares	%holding	No of shares	%holding	No of shares	%holding
Bihar State Industrial Development	3,00,000	12.97	3,00,000	12.97	3,00,000	12.97
Suresh Kumar Sharma jty Himanshu Sharma	1,73,225	7.49	1,73,225	7.49	1,73,225	7.49

BHAGAWATI OXYGEN LIMITED

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

Amount in Rs.

	AS AT <u>March 31, 2018</u>	AS AT <u>March 31, 2017</u>	AS AT <u>April 01, 2016</u>
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	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	59,929
Retained Earnings			
As per last Balance Sheet	102,532,012	92,336,035	
Add: Profit for the period	4,086,823	10,195,977	
Balance as at the end of the period	10,66,18,835	10,25,32,012	9,23,36,035
Other Comprehensive Income			
As per last Balance Sheet	(1,30,921)	(1,68,574)	
Add: Addition during the period	(1,64,449)	37,653	
Balance as at the end of the period	(2,95,370)	(1,30,921)	(1,68,574)
	<u>10,78,83,394</u>	<u>10,39,61,020</u>	<u>9,37,27,390</u>
Note 17 Borrowings (Non- Current)			
Financial Liabilities carried at Amortised Cost Secured			
Term Loan From banks	3,88,38,150	5,04,36,133	-
Less: Current Maturities of long term term loan (refer note no. 20)	<u>1,79,02,017</u>	<u>55,00,000</u>	-
	2,09,36,133	4,49,36,133	-
Car Loan	12,53,518	17,60,038	22,66,558
Less: Current Maturities	<u>4,17,091</u>	<u>3,78,622</u>	<u>3,43,703</u>
	8,36,427	13,81,416	19,22,855
	<u>2,17,72,560</u>	<u>4,63,17,549</u>	<u>19,22,855</u>

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 and (d) escrowing of revenue stream of windmill operation and sale of oxygen.

Vehicle loan from HDFC Bank is secured by way of hypothecation of cars purchased under the scheme. Current Interest rate is 10.03%

	Term loan	Vehicle Loan
Repayment Commencement Date	31-Mar-18	5-Jul-15
Total No of Installments	18	60
Periodicity of Instalment	Unequal Quarterly	Monthly
Interest Rate	MCLR + 1.55% p.a. i.e 10.0%	10.03%

BHAGAWATI OXYGEN LIMITED**Notes to the Financial Statements for the year ended 31 March 2018***Amount in Rs.*

	AS AT March 31, 2018	AS AT March 31, 2017	AS AT April 01, 2016
Note 18 Other Financial Liabilities (Non- Current)			
Financial Liabilities carried at Amortised Cost			
Interest Accrued but not due on borrowings	7,14,370	8,13,877	-
Total	7,14,370	8,13,877	-
Note 19 Deferred Tax Liabilities (Net)			
Deferred Tax Liabilities			
Related to time difference of Depreciation on fixed assets	68,01,890	62,54,624	39,45,342
Total	68,01,890	62,54,624	39,45,342
Note 20 Borrowings (Current)			
Financial Liabilities carried at Amortised Cost			
Secured			
From Banks			
Cash Credit	40,21,493	31,93,634	2,54,899
Overdraft facilities from banks under lien of TDR	72,76,406	62,15,478	49,67,451
Current Maturity of Term loan	1,79,02,017	55,00,000	-
Current Maturity of Car Loan	4,17,091	3,78,622	3,43,703
Buyers Credit from Bank	7,47,98,200	7,30,29,600	-
Total	10,44,15,207	8,83,17,334	55,66,053
* Cash credit from banks are secured by exclusive hypothecation over entire stocks, book debts and other current assets of the company Interest Rate @ 10.0%			
Note 21 Trade Payables			
Financial Liabilities carried at Amortised Cost			
Due to - Micro Small & Medium Enterprises (MSMED)	-	-	-
Other than MSMED	55,88,390	1,88,31,890	1,63,70,834
Total	55,88,390	1,88,31,890	1,63,70,834
Note 22 Other Financial Liabilities (Current)			
Financial Liabilities carried at Amortised Cost			
Employee Benefits			
(i) Salary	4,55,182	3,59,378	3,09,642
(ii) Leave Encashment	3,85,252	2,80,846	2,25,439
(iii) Medical Allowance	3,99,100	3,14,313	2,70,409
(iv) Provident Fund & ESI	1,11,069	64,883	98,141
Total	13,50,603	10,19,420	9,03,631
Note 23 Other Current Liabilities			
Statutory & Other Dues Payables	3,76,700	3,96,298	1,72,839
Others	48,63,913	48,89,015	43,54,634
Total	52,40,613	52,85,313	45,27,473
Note 24 Current Tax Liabilities			
Provision for Taxation (Net of Advance Tax)	-	36,89,638	13,75,862
Total	-	36,89,638	13,75,862

BHAGAWATI OXYGEN LIMITED**Notes to the Financial Statements for the year ended 31 March 2018***Amount in Rs.*

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Note 25 Revenue from Operations		
Sale of Manufactured Goods (including Excise Duties)		
Industrial Gases - Oxygen	7,92,22,048	8,99,24,033
Power- Wind	42,49,633	44,96,237
Sale of Traded Goods		
Industrial Gases - Oxygen	22,96,804	62,91,736
Specialty Gases & Cylinders & Others	11,27,641	93,90,097
Total	8,68,96,126	11,01,02,103
Note 26 Other Income		
Interest income from Bank Deposits	45,41,663	32,46,987
Dividend	5,33,936	10,16,956
Income from Erection Services	53,68,751	18,90,669
Miscellaneous Income	17,64,910	2,491
Profit on sale of Mutual Funds	9,02,941	-
Liabilities no longer required written back	68,076	-
Total	1,31,80,277	61,57,103
Note 27 Cost of Material Consumed		
Industrial Gases - Oxygen	2,784,081	40,076,717
Total	2,784,081	40,076,717
Note 28 Purchase of Traded Goods		
Industrial Gases - Oxygen	27,09,213	59,23,121
Specialty Gases & Cylinders & Others	95,779	29,22,489
Total	28,04,992	88,45,610
Note 29 Changes in Inventory of Finished Goods, Work in Progress and Stock in Trade		
Opening Stock (Stock in Trade)	15,51,144	41,07,247
Less: Closing Stock (Stock in Trade)	9,16,828	15,51,144
Total	6,34,316	25,56,103
Note 30 Manufacturing & Operating Expenses		
Stores & Spares consumed	9,52,672	37,42,806
Power & Fuel	2,09,56,684	87,17,191
Repair & Maintenance to Buildings	5,62,075	41,105
Plant and Machinery	45,49,337	23,63,935
Others	3,91,220	1,74,807
Total	2,74,11,988	1,50,39,844
Note 31 Employee Benefit Expenses		
Salaries, Wages, Bonus and Gratuity	78,45,475	54,88,762
Contribution to Provident Fund, ESI & Other Funds	4,76,520	3,13,791
Staff Welfare Expenses	15,44,963	17,47,050
Total	98,66,958	75,49,603
Note 32 Finance Costs		
Interest paid on - term loans from banks	60,13,724	6,68,337
- working capital loan from bank	7,11,888	11,32,836
- on others	22,830	5,578
Total	67,48,442	18,06,751

BHAGAWATI OXYGEN LIMITED

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

Amount in Rs.

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Note 33 Other Expenses		
Rent	17,93,624	18,63,092
Rates, Taxes & Licence Fee	62,900	87,983
Bank charges and commission	8,89,314	3,17,441
Expenses related to erection service	42,95,001	15,12,575
Travelling and Conveyance	15,16,675	9,81,997
Directors' Remuneration	19,80,000	19,80,000
Directors' Sitting Fee	30,750	31,601
Auditors' Remuneration:		
(i) Statutory Audit	1,13,500	1,13,500
(ii) Limited Review Report	10,376	10,000
(iii) Certification	-	8,500
(iv) Tax Audit	12,500	12,500
Communication Expenses	3,45,356	4,28,115
Legal and Professional Expenses	13,55,169	7,68,659
Advertisement Expenses	1,81,635	1,49,336
Charity and Donation	6,54,200	1,87,500
Insurance Charges	7,92,084	4,78,549
Vehicle Running & Maintenance	6,24,589	6,36,151
Contribution to Scientific Research Institutions	3,33,306	2,46,300
Sundry Balance Written Off	1,53,543	1,95,782
Miscellaneous Expenses	26,92,477	23,41,477
Gain/ (Loss) on fair market valuation on investment	7,58,802	(12,68,609)
Forex Gain/ (Loss)	47,33,130	-
Total	2,33,28,931	1,10,82,449

Note 34 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		
Profit before Income Taxes	5,599,292	15,134,270
Enacted Tax Rate in India	19.055%	20.388%
Computed expected tax expenses	1,066,945	3,085,575
Tax benefit/ incentive on account of unabsorbed losses/ 80IC or 80IE units	-	-
Other Adjustments	445,524	1,852,718
Income Tax Expense	1,512,469	4,938,293

Note 35 Earnings per Equity Share

Particulars		
Profit after Tax	4,086,823	10,195,977
Weighted Average Number of Shares (Face Value Rs 10)	2,312,969	2,312,969
Earnings Per Share - Basic & Diluted (Rs)	1.77	4.41

Note 36 Commitment

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

Note 37 Contingent Liabilities :

i) Excise Duty demands	7,24,61,090	7,24,61,090
ii) Sales Tax demands	15,18,996	15,18,996
iii) Income Tax demands	13,84,430	7,10,390
iv) Bank Guarantees given	61,30,325	63,08,264

Note 38 Employee Benefit Obligations

	Gratuity	
	Funded	
	31-Mar-18	31-Mar-17
Amount recognised in the statement of profit and loss is as under:		
Current service cost	1,92,440	1,22,993
Interest cost	(1,956)	5,262
Amount recognized in the statement of profit and loss	1,90,484	1,28,255

Changes in Present Value Obligation

Present value of defined benefit obligation as at the start of the year	15,18,823	13,96,693
Current service cost	1,92,440	1,22,993
Interest cost	1,17,709	1,02,891
Remeasurement- due to Financial assumptions	(35,636)	59,133
Remeasurement- due to Experience Adjustments	2,19,357	(1,13,249)
Benefits paid	-	(49,638)
Present value of defined benefit obligation as at the end of the year	20,12,693	15,18,823

Change in fair value of plan assets

Fair value of plan assets as at the start of the year	15,44,067	13,01,717
Interest Income	1,19,665	97,629
Employer Contribution	3,04,571	2,02,822
Contribution	-	-
Benefits paid	-	(49,638)
Remeasurement- Return on Assets	(14,728)	(8,463)
Fair value of plan assets as at the end of the year	19,53,575	15,44,067

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	20,12,693	1,18,823
Fair value of plan assets as at the end of the year	19,53,575	15,44,067
Net liability/(asset) recognized in balance sheet	59,118	(25,244)

Amount recognised in the statement of Other Comprehensive Income

Actuarial Gain/(Loss) for the year on PBO	(35,636)	59,133
Actuarial Gain/(Loss) for the year on Asset	2,19,357	(1,13,249)
Return on Plan Asset Excluding Interest Income	14,728	8,463
Unrecognised actuarial Gain/(Loss) at the end of the year	1,98,449	(45,653)

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	(35,636)	59,133
Actuarial (gain)/loss on arising from experience adjustment	2,19,357	(1,33,249)

Assumptions	31-Mar-18	31-Mar-17
Discount rate	7.75%	7.50%
Future salary increase	6.00%	6.00%

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

Amount in Rs

Sensitivity analysis for Gratuity	Gratuity	
	31-Mar-18	31-Mar-17
Impact of the change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	18,67,196	14,04,320
b) Impact due to decrease of 1 %	21,79,531	16,49,758
Impact of the change in salary increase		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	21,88,890	16,23,136
b) Impact due to decrease of 1 %	18,56,895	14,24,049
Impact of the change in withdrawal rates		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	20,29,378	15,35,128
b) Impact due to decrease of 1 %	19,93,731	15,00,359

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 2017-18
The Company's best estimate of contribution during the next year	3,04,571

Note 39 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 31,2018	March 31,2017	April 01,2016
Equity Share Capital	2,31,29,690	2,31,29,690	2,31,29,690
Other Equity	10,78,83,394	10,39,61,020	9,37,27,390
Total Equity (A)	13,10,13,084	12,70,90,710	11,68,57,080
Short Term Borrowings (Gross Debt) (B)	10,44,15,207	8,83,17,334	55,66,053
Long Term Borrowings (Gross Debt) (B)	2,17,72,560	4,63,17,549	19,22,855
Total Capital (A+B)	25,72,00,851	26,17,25,593	12,43,45,988
Gross Debt (B) as above	12,61,87,767	13,46,34,883	74,88,908
Less: Cash and Cash Equivalents	6,58,841	7,08,833	3,24,255
Less: Other Bank Balances	6,03,93,068	4,30,69,596	4,12,10,287
Net Debt (C)	6,51,35,858	9,08,56,454	(3,40,45,634)
Net Debt to Equity (C/A)	0.50	0.71	-0.29

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

ii. Categories of Financial Instruments

Particulars	March 31, 2018		March 31, 2017		March 31, 2016	
	Carryig Value	Fair value	Carryig Value	Fair value	Carryig 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	80,00,000	80,00,000
ii) Loans	69,49,015	69,49,015	70,27,219	70,27,219	42,40,408	42,40,408
iii) Trade Receivables	1,94,42,211	1,94,42,211	3,49,10,710	3,49,10,710	2,84,10,454	2,84,10,454
iv) Cash and Cash Equivalents	6,10,51,909	6,10,51,909	4,37,78,429	4,37,78,429	4,15,34,542	4,15,34,542
v) Other Financial Assets	69,28,922	69,28,922	12,96,297	12,96,297	16,71,592	16,71,592
Sub-total	10,23,72,057	10,23,72,057	9,50,12,655	9,50,12,655	8,38,56,996	8,38,56,996
(b) Measured at Fair Value through Profit & Loss						
i) Investments	1,21,13,700	1,21,13,700	1,57,71,742	1,57,71,742	1,34,86,175	1,34,86,175
Sub-total	1,21,13,700	1,21,13,700	1,57,71,742	1,57,71,742	1,34,86,175	1,34,86,175
Total Financial Assets	11,44,85,757	11,44,85,757	11,07,84,397	11,07,84,397	9,73,43,171	9,73,43,171
B. Financial Liabilities						
(a) Measured at Amortised Cost						
i) Borrowings	12,61,87,767	12,61,87,767	13,46,34,883	13,46,34,883	74,88,908	74,88,908
ii) Trade Payables	55,88,390	55,88,390	1,88,31,890	1,88,31,890	1,63,70,834	1,63,70,834
iii) Other financial Liabilities	20,64,973	20,64,973	18,33,297	18,33,297	9,03,631	9,03,631
Total Financial Liabilities	13,38,41,130	13,38,41,130	15,53,00,070	15,53,00,070	2,47,63,373	2,47,63,373

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

All Financial Assets & Financial Liabilities have been fair valued using Level 3 hierarchy except quoted investment which is fair valued using level 1 hierarchy

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 7.51,000 for the year ended March 31, 2018 (March 31, 2017: Rs 7.33,000)

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

(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.

Note 40 Related Parties with whom transactions have taken place during the year

<p>Key Management Personnel Mr S K Sharma Mr Himanshu Sharma Mrs Jaya Sharma Mr Sukanta Bhattacharjee Ms Ritu Daman</p>	<p>Companies over which KMP and their relatives have significant influence Bhagawati Steel (P) Ltd Dindayal Ramrup Mother Vision (P) Ltd</p>
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Relatives of Key Management Personnel

Mrs Tara Devi Sharma
 Mrs Deepthi Sharma

Related Party Transactions

Amount in Rs.

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Companies over which KMP and their relatives have significant influence	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Directors' Remuneration	19,80,000	19,80,000			
Directors' Sitting Fees	30,750	31,601				
Remuneration paid to KMP	6,22,926	5,37,485				
Other Perquisites	15,40,768	6,02,732				
Rent paid			9,41,424	8,96,592	5,04,000	5,04,000
Reimbursement of Salaries & Others					68,460	2,13,178
Balance as at year end						
Net Receivable	34,01,591	22,79,793			12,55,970	12,17,430

Note 41 Disclosure Requirement of (Segment Reporting)

	<u>31-Mar-18</u>	<u>31-Mar-17</u>
1. Segment Revenue		
Gases	9,58,26,770	11,17,62,969
Power	42,49,633	44,96,237
Total (a)	10,00,76,403	11,62,59,206
Unallocable revenue (b)	-	-
Total (a + b)	10,00,76,403	11,62,59,206
2. Segment Results		
Gases	1,08,31,801	1,51,19,621
Power	15,15,933	18,21,399
Other unallocable expenses (net of unallocable income)	-	-
Total	1,23,47,734	1,69,41,020
Interest & other charge	67,48,442	18,06,751
Total Profit before tax	55,99,292	1,51,34,269

BHAGAWATI OXYGEN LIMITED**Notes to the Financial Statements for the year ended 31 March 2018**

Amount in Rs.

	<u>31-Mar-18</u>	<u>31-Mar-17</u>	<u>1-Apr-16</u>
3. Segment Assets			
Gases	26,33,20,957	28,09,98,020	13,52,87,578
Power	1,14,61,021	1,41,47,947	1,34,31,763
Others	21,14,739	24,74,387	27,49,789
Total	27,68,96,717	29,76,20,354	15,14,69,130
4. Segment Liabilities			
Gases	13,90,81,743	16,42,75,020	3,06,62,621
Power	-	-	4,087
Others	68,01,890	62,54,624	39,45,342
Capital & Reserves	13,10,13,084	12,70,90,710	11,68,57,080
Total	27,68,96,717	29,76,20,354	15,14,69,130

Note 42 First-Time Adoption of Ind-AS

These standalone financial statements of Bhagawati Oxygen Limited for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101-First Time Adoption of Indian Accounting Standard, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the standalone financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss, is set out in note 42(2) and 42(3). Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 42(1).

1. Exemptions availed on first time adoption of Ind-AS 101

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied following exemptions in the financial statements:

- i) In accordance with Ind AS 101, the Company has elected not to restate business combinations that occurred before the date of transition i.e. 1st April 2016. In view of the same, the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS.
- ii) In accordance with Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP as deemed cost at the transition date i.e. 1st April 2016 for all the items of property, plant and equipment, except freehold land. The same election has been made in respect of intangible assets.

BHAGAWATI OXYGEN LIMITED

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

2. Reconciliation of Equity as at date of transition

Amount in Rs.

Particulars	Note	Opening Balance Sheet as at April 1, 2016			Balance Sheet as at March 31, 2017		
		Indian GAAP	Effect of transition to Ind AS	Ind AS	Indian GAAP	Effect of transition to Ind AS	Ind AS
Assets							
Non-Current Assets							
a) Property Plant and Equipment		2,12,86,116	-	2,12,86,116	16,23,79,546	-	16,23,79,546
b) Capital Work-in-Progress		34,85,493	-	34,85,493	-	-	-
c) Financial Assets							
i) Investments	a	2,22,52,044	(7,65,869)	2,14,86,175	2,32,69,001	5,02,741	2,37,71,742
ii) Loans		40,29,588	-	40,29,588	68,03,025	-	68,03,025
iii) Other Financial Assets		2,45,000	-	2,45,000	-	-	-
d) Other Non-Current Assets		1,97,55,505	-	1,97,55,505	23,03,869	-	23,03,869
		7,10,53,746	(7,65,869)	7,02,87,877	19,47,55,441	5,02,741	19,52,58,182
Current Assets							
a) Inventories		41,07,247	-	41,07,247	15,51,144	-	15,51,144
b) Financial Assets							
i) Trade Receivables		2,84,10,454	-	2,84,10,454	3,49,10,710	-	3,49,10,710
ii) Cash and Cash Equivalents		4,15,34,542	-	3,24,255	4,37,78,429	-	7,08,833
iii) Other Bank Balances		-	-	4,12,10,287	-	-	4,30,69,596
iv) Loans		20,51,449	-	2,10,820	17,31,312	-	2,24,194
v) Other Financial Assets		14,26,592	-	14,26,592	12,96,297	-	12,96,297
c) Other Current Assets		36,50,969	-	54,91,598	1,90,94,281	-	2,06,01,399
		8,11,81,253	-	8,11,81,253	10,23,62,173	-	10,23,62,173
Total Assets		15,22,34,999	(7,65,869)	15,14,69,130	29,71,17,613	5,02,741	29,76,20,355
Equity and Liabilities							
a) Equity Share capital		2,31,29,690	-	2,31,29,690	2,31,29,690	-	2,31,29,690
b) Other Equity	a, b	9,44,93,259	(7,65,869)	9,37,27,390	10,34,66,279	4,94,741	10,39,61,020
		11,76,22,949	(7,65,869)	11,68,57,080	12,65,95,969	4,94,741	12,70,90,710
Liabilities							
Non-Current Liabilities							
a) Financial Liabilities							
i) Borrowings		19,22,855	-	19,22,855	4,63,17,549	-	4,63,17,549
ii) Other Financial Liabilities		-	-	-	8,13,877	-	8,13,877
b) Deferred Tax Liabilities (net)		39,45,342	-	39,45,342	62,54,624	-	62,54,624
		58,68,197	-	58,68,197	5,33,86,050	-	5,33,86,050
Current Liabilities							
a) Financial Liabilities							
i) Borrowings		55,66,053	-	55,66,053	8,83,17,334	-	8,83,17,334
ii) Trade Payables		1,63,70,834	-	1,63,70,834	1,88,31,889	-	1,88,31,890
iii) Other Financial Liabilities		9,03,631	-	9,03,631	10,19,420	-	10,19,420
b) Other Current Liabilities		45,27,473	-	45,27,473	52,85,313	-	52,85,313
c) Current Tax Liabilities (net)		13,75,862	-	13,75,862	36,81,638	8,000	36,89,638
		2,87,43,853	-	2,87,43,853	11,71,35,594	8,000	11,71,43,595
Total Equity and liabilities		15,22,34,999	(7,65,869)	15,14,69,130	29,71,17,613	5,02,741	29,76,20,355

Notes

a. Under Ind AS investments have been classified as fair value through profit or loss on reporting dates.

b. Adjustments to retained earnings, other comprehensive income and deferred tax has been made in accordance to Ind AS Further, actuarial gains and losses are recognized in other comprehensive income instead of profit and loss.

BHAGAWATI OXYGEN LIMITED

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

Note 42 First-Time Adoption of Ind-AS

3. Reconciliation Statement of Profit and Loss as previously reported under IGAAP to IND AS

		Amount in Rs			
		For the Year ended 31 March 2017			
	Particulars	Note	Indian GAAP	Effect of transition to Ind AS	Ind AS
I.	INCOME				
	Revenue from operations		10,01,10,545	99,91,558	11,01,02,103
	Other Income	c	61,57,103	-	61,57,103
	Total income		10,62,67,648	99,91,558	11,62,59,206
II	EXPENSES				
	Cost of Material Consumed		4,00,76,717	-	4,00,76,717
	Purchases of Traded Goods		88,45,610	-	88,45,610
	Changes in Inventory of Finished Goods, Work in Progress & Stock in Trade		25,56,104	-	25,56,103
	Excise Duty on Sale of Goods	c	-	99,91,558	99,91,558
	Manufacturing Expenses		1,50,39,844	-	1,50,39,844
	Employee Benefit Expenses		75,03,950	45,653	75,49,603
	Finance Costs		18,06,751	-	18,06,751
	Depreciation and Amortisation Expense		41,76,301	-	41,76,301
	Other Expenses		1,23,51,058	(12,68,609)	1,10,82,449
	Total Expenses		9,23,56,335	87,68,602	10,11,24,936
	Profit/(loss) before Tax		1,39,11,313	12,22,956	1,51,34,269
	Tax Expense:				
	(1) Current Tax		-	-	-
	(2) Mat		26,29,011	-	26,29,011
	(3) Deferred Tax		23,09,282	-	23,09,282
	Profit for the period		89,73,020	12,22,956	1,01,95,976
	Other Comprehensive Income				
	Items that will not be classified to statement of Profit or Loss				
	Remeasurement of defined post employment benefit plan	d	-	37,653	37,653
			-	37,653	37,653
	Total Comprehensive Income for the Year		89,73,020	12,60,609	1,02,33,629

Notes

c. Under Ind AS revenue from sales of goods is inclusive of excise duty and are net of sales tax, discounts and secondary trade promotions

d. Under Ind AS, Actuarial Gain/Loss on Gratuity routed through Other Comprehensive Income instead of Profit & Loss.

Note 43

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

As per our report attached of even date

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

A Som
Partner
(Membership No. - 006308)

 Place Kolkata
 Date 30th May 2018

For and on behalf of the Board of Directors

Suresh Kr Sharma
 Chairman
 (DIN : 00041150)

 Sukanta Bhattacharjee
 Chief Finance Officer

Himanshu Sharma
 Managing Director
 (DIN : 00041181)

 Ritu Damani
 Company Secretary

BHAGAWATI OXYGEN LIMITED

NOTES

If undelivered please return to :

BHAGAWATI OXYGEN LIMITED
Plot No. 5, Sector 25
Ballabgarh 121004 (Haryana)