

BHAGWATI AUTOCAST LIMITED



33rd Annual Report 2014-2015

Board of Directors	:	Dr P N Bhagwati	Chairman & Managing Director
		Ms Reena P Bhagwati	Jt Managing Director
		Mr M N Shah	} Directors
		Mr Padmin H Buch	
		Mr R. J. Shah	
Chief Financial Officer	:	Mr. Dinesh K. Sheth	
Company Secretary	:	Mr. Akshit Soni	
Auditors	:	M/s Milin J. Jani & Co. Chartered Accountants Ahmedabad	
Bankers	:	Bank of Baroda Ashram Road Ahmedabad	
Registered Office & Works	:	Survey No 816, Village Rajoda, Near Bavla, Dist. Ahmedabad 382 220	
Share Registrars	:	M/s M C S Share Transfer Agent Limited 101, Shatdal Complex Opp. BATA Showroom, Ashram Road, Ahmedabad - 380 009. Tele No. 079 26582878	Fax No. 079 26581296

Financial Highlights

Particulars	[Rs. in Lacs]												
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05		
Production in MT	9306	12189	10064	8711	10586	10343	9729	10615	11684	8821	8065		
Fixed Assets (Gross)	3399.60	3290.98	2894.53	2795.13	2504.45	2317.48	1439.75	1430.75	1368.84	1267.32	1120.69		
Fixed Assets (Net)	1768.08	1960.53	1748.09	1747.56	1549.73	1394.99	560.53	619.95	627.15	593.37	492.68		
Net Current Assets	798.07	1125.14	620.57	560.32	867.04	738.80	1077.41	703.28	577.37	389.89	(90.04)		
Misc. Exps./Deferred Revenue Exps.	0.00	0.00	0.00	0.00	0.00	0.49	4.81	9.13	17.01	22.45	10.71		
Profit & Loss Account	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	166.34		
TOTAL ASSETS (NET)	2566.15	3085.67	2368.66	2307.88	2416.77	1334.28	1642.75	1332.36	1221.53	1,005.71	579.69		
Borrowings	607.02	722.12	450.65	545.16	759.53	711.51	465.13	295.56	309.41	308.50	208.89		
Equity Share Capital	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	288.07	160.04		
Reserves & Surplus	1583.16	1869.89	1435.21	1311.97	1250.76	1033.44	843.32	693.83	560.06	325.03	121.72		
Deferred Tax	87.90	205.59	194.73	162.68	118.41	101.26	46.23	54.90	63.99	84.11	89.04		
TOTAL CAPITAL EMPLOYED	2566.15	3085.67	2368.66	2307.88	2416.77	1334.28	1642.75	1332.36	1221.53	1005.71	579.69		
DEBT EQUITY RATIO	0.117:1	0.10:1	0.16:1	0.21:1	0.39:1	0.52:1	0.12:1	0.14:1	0.17:1	0.20:1	0.82:1		
Sales & Other Income	7231.59	9325.24	7887.01	6407.74	7205.83	5840.73	6567.31	5898.05	5994.64	4383.29	3921.64		
Excise Duty & Cess	930.67	1054.16	864.62	599.93	625.87	443.21	775.70	810.19	814.25	584.53	530.93		
Sales Tax	0.00	0.00	0.00	0.00	141.82	118.10	146.72	173.68	229.97	166.49	151.33		
Materials	4071.55	5005.20	4387.73	3757.00	3976.01	3151.12	3686.96	3121.76	3108.11	2141.46	2080.82		
Labour Cost	1244.20	1336.90	1196.46	913.07	945.37	789.33	703.53	684.99	593.42	435.94	351.06		
Power	840.27	786.52	773.78	665.57	790.10	736.80	671.11	623.63	695.27	528.57	493.30		
Operation & Other Exps	122.12	189.66	162.43	141.05	115.28	107.83	131.80	112.85	107.15	75.86	68.42		
Interest	70.86	94.58	118.26	61.24	116.21	77.73	103.77	92.63	92.00	135.19	127.88		
GROSS PROFIT	(48.08)	858.22	383.73	269.88	495.17	416.61	347.72	273.35	354.47	315.25	117.90		
Depreciation	304.64	184.07	171.85	143.55	125.22	68.83	72.31	69.55	72.40	58.51	56.84		
PROFIT BEFORE TAX	(352.72)	674.15	211.88	126.33	369.95	347.78	275.41	203.80	282.07	256.74	61.06		
Provision For Taxation	(117.69)	218.87	65.05	48.37	119.15	120.29	98.96	68.85	47.04	15.14	(1.64)		
PROFIT AFTER TAX	(235.03)	455.28	146.83	77.96	250.80	227.49	176.45	134.95	235.03	241.60	62.70		
Prior period adjustments	(22.82)	9.74	0.00	0.00	0.00	10.50	0.00	0.00	0.00	(0.01)	(3.74)		
Dividends	14.40	25.93	20.16	14.40	28.81	23.04	23.04	0.00	0.00	0.00	0.00		
Corporate Tax on Dividend	2.93	4.40	3.43	2.34	4.67	3.83	3.92	0.00	0.00	0.00	0.00		
Retained Earnings	(257.85)	434.69	123.24	61.22	217.32	190.12	149.49	134.95	235.03	241.59	58.96		
Earning per Eq. Share Rs.	(8.95)	15.80	5.10	2.71	8.71	7.90	6.13	4.68	8.16	8.39	2.18		
Dividend per Eq. Share %	5.00	9.00	7.00	5.00	10.00	8.00	8.00	0.00	0.00	0.00	0.00		
Net Worth	1871.23	2157.96	1723.28	1600.04	1538.83	1321.02	1126.58	972.77	831.12	590.65	104.71		
Book value per Eq. Share Rs.	64.96	74.91	59.82	56.12	53.42	45.86	39.11	33.77	28.85	20.50	6.54		

BHAGWATI AUTOCAST LIMITED

NOTICE

NOTICE is hereby given that the **THIRTY THIRD ANNUAL GENERAL MEETING** of the members of **BHAGWATI AUTOCAST LIMITED** will be held at the Registered Office of the Company at Survey No. 816, Village Rajoda, Near Bavla, Dist. Ahmedabad - 382 220 on Wednesday, 23rd September, 2015 at 11.00 AM to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2015, including audited Balance Sheet as at March 31, 2015, Statement of Profit and Loss for the year ended on that date and report of Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the Financial Year ended March 31, 2015.
3. To appoint director in place of Dr. Pravin N. Bhagwati (DIN: 00096799), who retires by rotation and being eligible offered himself for re-appointment.
4. To re-appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. Milin J. Jani, Chartered Accountants (FRN No.106396W), Ahmedabad be and is hereby re-appointed as Auditor of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS :

5. **RE-APPOINTMENT OF DR. PRAVIN N. BHAGWATI (DIN : 00096799) AS A MANAGING DIRECTOR :**

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

“RESOLVED THAT pursuant to the provisions of Section 196,197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the Act) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof from time to time being in-force) the consent of members be and is hereby accorded to re-appoint Dr. Pravin N. Bhagwati (DIN: 00096799), as Managing Director of the Company, liable to retire by rotation, for the period of 3 years starting with effect from 1st October, 2015 ending on 30th September, 2018 on terms and remuneration as mentioned in the statement annexed hereto.”

“RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to execute the agreement with the Managing Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

“RESOLVED FURTHER THAT Dr. Pravin N. Bhagwati, Managing Director will be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such

other benefits/amenities and other privileges, as any from time to time, as available to other Senior Executives of the Company.”

6. **RE-APPOINTMENT OF MS. REENA P. BHAGWATI (DIN: 00096280) AS A JOINT MANAGING DIRECTOR:**

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

“RESOLVED THAT pursuant to the provisions of Section 196,197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the Act) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof from time to time being in-force) and subject to the such other necessary approval(s), Consent(s) or permission(s), as may be required, the consent of members be and is hereby accorded to re-appoint Ms. Reena P. Bhagwati (DIN: 00096280), as a Jt. Managing Director of the Company, liable to retire by rotation, for the period of 5 year starting with effect from 1st October, 2015 ending on 30th September, 2020 on terms and remuneration as mentioned in the statement annexed hereto.”

“RESOLVED FURTHER THAT pursuant to Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and subject to such approvals as may be necessary, the Company is authorized to pay minimum remuneration to Ms. Reena P. Bhagwati (DIN: 00096280) Jt. Managing Director for the financial year, in which there is inadequacy or absence of profits, during the period of three years commencing from October 1, 2015 till September 30, 2018.”

“RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to execute the agreement with the Jt. Managing Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

Place : Ahmedabad
Date : 22/05/2015

By order of the Board of Directors

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

Dr. Pravin N. Bhagwati
Chairman

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT AGM IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.

2. The Statement pursuant to Section 102 (1) of the Companies Act, 2013, with respect to the Special Businesses set out in Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 14th September, 2015 to Wednesday 23rd September 2015 (both days inclusive) for the purpose of payment of dividend.
4. The payment of dividend upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made within 30 days from the date of declaration as under:
 - A. To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the end of the day on Saturday 12th September, 2015 and
 - B. To all those shareholders holding shares in physical form after the effect to all the valid share transfers lodged with the Company before the closing hours on Saturday 12th September, 2015.
5. Members holding shares in physical form are advised to furnish, particular of their bank account, if not done already or if it is changed, to the Company to incorporate the same in the dividend warrants/payment instruments. In respect of cases, where the payments to the shareholders holding shares in dematerialized form are made by NECS, NEFT, dividend warrants/ payment instruments, particulars of bank account registered with their depository participants will be considered by the Company for printing the same on the dividend warrants/ payment instruments.
6. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company, in case of such dematerialized of shares, will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, Registrar is obliged to use only the data provided by the Depositories.
7. Voting through electronic means
 - I. In compliance with 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) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 33rd Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL):
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 20th September, 2015 (9:00 am) and ends on 22nd September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i). Open email and open PDF file viz; "Bhagwati Autocast Limited e-Voting.pdf" with your Client ID (in case you are holding shares in Demat Mode) or Folio No. (In Case you are holding shares in Physical Mode) as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii). Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii). Click on "Shareholder – Login"
 - (iv). Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v). Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi). Home page of e-voting opens. Click on "e-Voting: Active Voting Cycles."
 - (vii). Select " EVEN " (E Voting Event Number) of Bhagwati Autocast Limited for casting your vote.
 - (viii). Now you are ready for e-voting as "Cast Vote" page opens.
 - (ix). Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x). Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi). Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to chirag@samdanishah.com with a copy marked to evoting@nsdl.co.in.
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

BHAGWATI AUTOCAST LIMITED

- (i). Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
- EVEN (Remote e-voting Event Number) USER ID
PASSWORD/PIN**
- (ii). Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nSDL.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18th September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 18th September, 2015, may obtain the login ID and password by sending a request at evoting@nSDL.co.in or cs@bhagwati.com by mentioning their Folio No./DP Id and Client ID No.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nSDL.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. Chirag Shah, Practicing Company Secretary (Membership No. 5545) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

8. The Members having multiple ledger folios in the same order of names are requested to approach MCS Share Transfer Agent Limited for consolidating their entire holding in one folio for mutual convenience.
9. Pursuant to provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unpaid/ unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

The following are the details of the dividends paid by the Company and respective due dates for claim by the shareholders:

Sr. No.	Dividend for the Financial Year	Date of Declaration of Dividend	Last date of Claim (due date for transfer to IEPF)
1.	2008-2009	25/09/2009	02/11/2016
2.	2009-2010	27/09/2010	04/11/2017
3.	2010-2011	30/09/2011	07/11/2018
4.	2011-2012	20/09/2012	27/10/2019
5.	2012-2013	20/09/2013	27/10/2020
6.	2013-2014	24/09/2014	01/11/2021

Further, the Company shall not be in a position to entertain the claims of Shareholders for the unclaimed dividends after the last date as mentioned in the table.

In view of the above, the Shareholders are advised to send all the un-encased dividend warrants pertaining to the above years to registered office of the Company for revalidation or issuance of demand draft in lieu thereof and en-cash them before the due dates for transfer to the IEPF.

10. Members desiring any information as regards the accounts are requested to write to the Company at least 15 days in advance, so as to enable the Board of Directors to keep the information ready.
11. All documents referred to the accompanying Notice and the Explanatory Statement(s) are open for inspection at the registered office of the Company during office hours on all working days except Saturdays and Sundays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
12. Members/ Proxy holders are requested to produce at the entrance, the attached Admission Slip for admission to the meeting hall. Duplicate attendance slips will not be provided at the hall.
13. The company has appointed MCS SHARE TRANSFER AGENT LTD as a Registrar and Share Transfer Agent having correspondence address at 101, Shatdal Complex, Opp. Bata Show Room, Income Tax, Ahmedabad.
14. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the shareholders in respect of the shares held by them in physical form. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company. The shareholders holding shares in dematerialized form may approach their respective Depository Participants to avail and/or effect any change to the nomination facility.
15. Pursuant to Rule 18(3) of The Companies (Management and Administration) Rules, 2014, you are requested to provide your e-mail id to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time.

16. Members are requested to bring their copies of the annual report to the meeting.

Place : Ahmedabad
Date : 22/05/2015

By order of the Board of Directors

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

Dr. Pravin N. Bhagwati
Chairman

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

ITEM NO. 5 :

Item No. 5 of the Notice relates to the re-appointment of Dr. Pravin N. Bhagwati as a Managing Director of the Company, whose present tenure will expire on 30th September, 2015. The new terms of appointment of Managing Director will be effective for 3 years from 1st October 2015 to 30th September, 2018. The proposed remuneration will be effective, subject to the approval of the members in the 33rd Annual General Meeting of the Company.

The terms and conditions of re-appointment of Dr. Pravin N. Bhagwati, as a Managing Director of the Company are as under:-

REMUNERATION:

Salary
Rs. 4,00,000/- per month.

Perquisites

Maximum up to Rs. 2,00,000 per month which shall include perquisites of Categories 'A', 'B' and 'C' as below:

CATEGORY 'A'

i) House Rent allowance

- a) The expenditure by the Company on hiring furnished accommodation will be subject to ceiling of 50% of the Salary over and above 10% payable by the Managing Director.
- 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 not exceeding 50% of the Salary.
- d) The expenditure incurred by the Company on Gas, Electricity, Water etc. will be valued as per Rule No. 3(d) (ii) of the Income Tax Rules, 1962.
- e) The perquisites for Furnishings shall be worked out at the rate of ten percent of the actual cost of the furnishings.

ii) Medical Reimbursement:

Expenses incurred for self and his family subject to a ceiling of one month's salary in a year or three months' Salary over a period of three years. He shall also be entitled to the benefit of Medical Treatment

referred to in Proviso to Section 17(2) of the Income Tax Act, 1961 or to such modifications as may be made therein from time to time.

iii) Leave Travel Concession:

For self and family once in a year incurred in accordance with any rules specified by the Company.

iv) Club Fees:

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

v) Personal Accident Insurance:

Premium not to exceed Rs. 40,000/- per annum.

vi) Mediclaim Insurance:

Premium not to exceed Rs. 25,000/- per annum or such amount as may be prescribed in Section 80D of the Income Tax Act, 1961.

CATEGORY 'B'

i) Contribution to Provident Fund & Other Funds:

Contribution to the Provident Fund, Superannuation or Annuity Fund shall not be included in computation of the ceiling on perquisites and shall be payable to the extent these either singly or put together are not taxable under the Income-tax Act.

ii) Gratuity:

As per the rules not exceeding half a month's salary for each completed year of service, and shall not be included in the computation of ceiling on perquisites as specified above.

iii) Leave Encashment:

The Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of Leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

CATEGORY 'C'

i) Provision for chauffeur driven Car and Telephone Expenses :

The Company shall provide a car for use on Company's business and also for personal purposes and telephone at the residence of the Managing Director. The Managing Director shall be billed by the Company for personal long distance calls on telephone and perks for the use of car for personal purposes shall be evaluated as per Income Tax Rules.

ii) Other Benefits:

Such other benefits, amenities and facilities as per the company rules.

The terms and conditions of the remuneration of the Managing Director, may be varied, altered, increased, enhanced or widened from time to time by the Remuneration Committee and the Board as it may in its discretion deem fit with in above limits and subject to limits laid down in Section 196 & 197 read with schedule V and other applicable provisions, if any of the Companies Act, 2013.

Memorandum of Interest:-

Dr. Pravin N. Bhagwati, is interested in the above resolution to the extent that the remuneration received by him.

Ms. Reena P. Bhagwati, is concerned or interested in the above resolution as being relative of Dr. Pravin N. Bhagwati, none of other Directors is concerned or interested in the above resolution.

BHAGWATI AUTOCAST LIMITED

Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information:

1) Nature Of Industry:

The Company is engaged in manufacturing of highly specialized casting for the automobile, tractor, compressor, and hydraulic industries. The Company was incorporated in the year 1982 and the commercial production began in respect of all items since 1984.

2) Date or expected date of commencement of commercial production:

Unit is already in production since the year 1982.

3) In case of new Companies, expected date of commencement activities as per project approved by financial institution appearing in the prospectus:

Not applicable.

4) Financial performance based on given indicators

Sr. No.	Particulars	2012-13 (Rs. In Lacs)	2013-14 (Rs. In Lacs)	2014-15 (Rs. In Lacs)
1	Net Sales	6916.21	8192.65	6443.44
2	Other Income	110.96	3.48	5.48
3	Effect of Closing Stock	(4.78)	74.96	(47.99)
4	Total Manufacturing Expenses	6520.40	7318.30	6378.15
5	Interest	118.26	94.58	70.86
6	Depreciation	171.85	184.07	304.64
7	Profit / (Loss) for the year	211.87	674.14	(352.72)
8	Provision for Taxation	65.05	218.87	(117.69)
9	Prior period adjustment	0.00	9.74	(22.82)
10	Net Profit /(Loss) for the year	146.83	465.01	(257.85)
11	Paid up share capital @Rs. 10/- eah	288.07	288.07	288.07
12	Research & Surplus	1435.21	1869.89	1583.16

5) Export Performance:

Not applicable.

6) Foreign Investments or collaborations if any:

No foreign investments or collaborations.

II. Information about appointee:

1) Background details

Dr. Pravin N. Bhagwati, Managing director of the company is a key promoter of the Company. He is qualified technocrat and Ph. D. in Foundry Engineering from Aachen, Germany. He is associated with the Company since 1982. He is in-charge of entire Company. The Company is continuously performing well despite Global adverse & recessionary situation, the Company has performed exceptionally well and achieved new heights under his esteemed supervision and leadership.

2) Past remuneration:

Remuneration Paid to Dr. Pravin N. Bhagwati, as a Managing Director during the last three Years:-

Particulars	2012-13	2013-14	2014-15
Salary	40,80,000	48,00,000	48,00,000
House Rent Allowance	16,05,000	16,56,000	16,56,000
P. F. Contribution	4,89,600	5,76,000	5,76,000
Contribution to Superannuation Fund	6,12,000	7,20,000	7,20,000
Perquisites	1,01,028	74,105	80,238
TOTAL	68,87,628	78,26,105	78,32,238

Last remuneration was revised in the 30th Annual General Meeting of the Company.

3) Recognition Or Awards:

Dr. Pravin N. Bhagwati, is associated with various organizations at State, National and International levels. He is Past President of The Institute of Indian Foundrymen, Past President of World Foundry Organization (WFO), Past Coordinator and Chairman of WFO's International Commission on Vocational Training, Past National Chairman of Technical Education & Training of Confederation of Indian Industry (CII), Past Chairman of Confederation of Indian Industry (CII) (Western Region).

He is recipient of Life Time Achievement award presented by The Institute of Indian Foundrymen at the World Foundry Congress held in Chennai in February 2008.

He is on the Board of various institutions like:-

- Governing Council of MSME - Indo German Tool Room (IGTR), Ahmedabad.
- Governing Body of Centre for Entrepreneurship Development, Govt. of Gujarat.
- Member, Board of Governance Nirma University, Ahmedabad and Member, Governing Council, Nirma Institute of Management, Ahmedabad.
- Founder President of Society for Promotion of Foundry Education and Research Ahmedabad.

4) Job Profile & Suitability:

Dr. Pravin N. Bhagwati, the Managing Director of the Company has been appointed by the Board of Directors to look after the day to day affairs of the Company. He look after the affairs of Production, Finance, Administration, Marketing and human resource development with the help of senior experts and professionals in their respective fields.

Under his direction and supervision, Company is able to enhance its sales and profitability.

5) Remuneration Proposed:

The details of the proposed remuneration are mentioned in Explanatory Statement as required under Section 102(1) of the Companies Act, 2013.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (In case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration committee and the Board of Directors of the company have recognized the profit and rich, diversified experience of Dr. Pravin N. Bhagwati, and the increased job responsibilities, accordingly the remuneration committee and the Board of Director have approved the remuneration of Dr. Pravin N. Bhagwati. His remuneration is comparable and level with similar in the industry.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any:

The Managing Director is promoter of the Company and he along with his family Members & group companies holds 59.09% Equity Share Capital of the Company.

The Company had not entered into any transaction of a material nature with any of the related parties, which were in conflict with the interest of the Company. Further all transactions with the related parties were in the ordinary course of the business and arms length. Ms. Reena P. Bhagwati, Jt. Managing Director of the Company is relative of Dr. P.N. Bhagwati.

III. OTHER INFORMATION
1. Reasons of loss or inadequate profits:

- Foundry industry is working in extreme competitive market with paper thin profit margin.
- Operational costs of products of the foundries located in Gujarat are substantially higher than other foundries located in other parts of the country.
- Our customers are big & OEM, and hence sales rates are governed by market. There is very limited scope to enhance sales rate on the basis of cost plus margin formula.
- We are utilizing full installed capacity and hence volume can not increase, our sales are solely dependent on growth of tractor & other general automobile & engineering industries, where we operate.

In view of the above position, sales decrease by 22% due to recessionary trend in the tractor industry throughout the year. Due to lower sales, Company could not recover fixed cost, hence incurred cash loss.

2. Steps taken for improvement:

- Company has 18000 MTA installed capacity and with increased capacity company's sales turnover will increase.
- Company has generally maintained cordial and amicable relationship with its labors and employees.
- Out of total production, almost 75% of the casting production of the Company is normally sold to 2 companies, now your Management wants to reduce dependency on few customers, to implement this planning company has increase the strength of its marketing and R&D department, which will help in the search of new market, innovation of new design and maintenance of international standards quality of products.

3. Expected increase in the productivity.

Bhagwati Autocast Limited, is one of Certified ISO 9001 company, which itself denoted its quality and reliability of products.

The productivity and profits are likely to increase well over the period of next 2-3 years. The expectations of increase of productivities in forthcoming three financial years are as under:-

Particulars	2014-15 (actual)	2015-16 (Projected)	2016-17 (Projected)	2017-18 (Projected)
Net Sales	6443.44	7300.00	8000.00	8850.00
Other Income	5.48	7.00	7.00	7.00
Effect of closing stock	(47.99)	50.00	55.00	60.00
Total Manufacturing Expenses	6378.15	6722.00	7360.00	8100.0
Interest Expenses	70.86	80.00	90.00	90.00
Depreciation	304.64	310.00	310.00	320.00
Profit / (Loss) for the year	(352.72)	245.00	302.00	407.00
Provision for taxation	(117.69)	73.50	90.60	122.10
Prior period adjustments for Tax	(22.82)	0.00	0.00	0.00
Net Profit/(Loss) for the year	(257.85)	171.50	211.40	284.90
Paid-up share capital @ Rs. 10 each	288.07	288.07	288.07	288.07
Reserve & surplus	1583.16	1754.66	1966.06	2250.96

4. Disclosure:

(1) The remuneration package of Dr. Pravin N. Bhagwati, Managing Director is given in the Notice of 33rd Annual General Meeting of the Company.

- (i) Element of remuneration package
- (ii) Details of fixed components and performance linked incentive
- (iii) Service contract, Notice period Severance fees etc.

The above details are given along with details of his remuneration in the notice to the extent they are applicable.

Your directors recommend the resolutions as they consider the same is in the interest of the Company.

This may be treated as an Abstract of Terms of Contract for the re-appointment of the Managing Director under the provisions of Sec. 190 of the Companies Act, 2013.

Dr. Pravin N. Bhagwati is interested in the above resolution to the extent that the re-appointment pertains to him. And Ms. Reena Bhagwati is concerned or interested in the above resolution as being relative of Dr. Pravin N. Bhagwati.

No other Directors are interested in the proposed resolution.

The Draft Agreement to be entered in to with the Managing Director is open for inspection by Members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

ITEM NO. 6 :

Item No. 6 of the Notice relates to the re-appointment of Ms. Reena P. Bhagwati as Jt. Managing Director of the Company, whose present tenure will expire on 30th September, 2015. The new terms of re-appointment of Jt. Managing Director will be effective for 5 years from 1st October 2015 to 30th September, 2020.

The proposed remuneration is proposed hereunder subject to the approval of members in the 33rd Annual general Meeting of the Company.

The terms and conditions of re-appointment of Ms. Reena P. Bhagwati, as Jt. Managing Director of the Company are as under:-

REMUNERATION:
a) Salary

Rs. 1,00,000/- per month or within an overall limit of Rs. 1,25,000/- per month.

b) Leave Encashment:

The Jt. Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

c) Other Benefits

Such other benefits amenities and facilities as per the company's rules within the overall limit of Rs. 1,25,000/- per month.

Memorandum of Interest:

Ms. Reena P. Bhagwati, is interested in the above resolution to the extent that the remuneration received by her.

Dr. Pravin N. Bhagwati, is concerned or interested in the above resolution as being relative of Ms. Reena P. Bhagwati, none of other Directors is concerned or interested in the above resolution.

The Draft Agreement to be entered in to with the Managing Director is open for inspection by Members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

Place : Ahmedabad

By order of the Board of Directors

Date : 22/05/2015

Registered Office :

Survey No. 816, Village Rajoda,
Near Bavla, Dist. Ahmedabad – 382 220.

CIN: L27100GJ1981PLC004718

e-mail: autocast@bhagwati.com

Website: www.bhagwati.com

Dr. Pravin N. Bhagwati

Chairman

BHAGWATI AUTOCAST LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **THIRTY THIRD ANNUAL REPORT** and audited accounts for the year ended 31st March 2015. The performance of the Company for the year ended on March 31, 2015 is summarized below.

01. FINANCIAL HIGHLIGHTS :

	For the year Ended 31/03/2015 (Rs.)	For the year Ended 31/03/2014 (Rs.)
Earnings before interest, depreciation and taxation (EBIDTA)	2,278,031	95,279,055
Less: Interest & finance charges	<u>7,086,364</u>	<u>9,458,240</u>
(Loss)/ Profit before depreciation & taxation	(4,808,333)	85,820,815
Less: Depreciation	<u>30,463,613</u>	<u>18,406,923</u>
(Loss)/ Profit before tax	(35,271,946)	67,413,892
Less: Provision for income tax		
[1] Current Tax	0	20,800,000
[2] Deferred Tax	<u>(11,769,063)</u>	<u>10,86,667</u>
(Loss)/ Profit for the Year	(23,502,883)	45,527,225
Short/Excess Provision for Tax for earlier year	<u>(2,282,338)</u>	974,318
Carrying amount of fixed assets debited to retained earnings where remaining useful life of assets is Nil as on 01-04-2014	(1,154,576)	0
Add : Surplus of last year brought forward	<u>82,493,472</u>	<u>39,025,160</u>
Surplus available for appropriation	55,553,675	85,526,703
APPROPRIATIONS :		
Proposed equity dividend	1,440,342	2,592,616
Tax on dividend	293,254	440,615
Balance of profit carried to balance sheet	53,820,079	82,493,472

02. REVIEW OF OPERATIONS:

During the year under review, Your Company's sales decrease by 22% due to recessionary trend in the tractor industry throughout the year. Increase in depreciation due to revised rates on the basis of useful life as per recently introduced Companies Act, 2013. Company's main Customers in tractor industries were seriously affected and hence our Company also affected in terms of sales to these customers. Also during these two quarters raw material prices increased but not passed on by our customers, which yielded lower contribution towards fixed cost and Company incurred loss of Rs. 48.08 lacs. During FY 2015-16, Company is expecting to increase its sales and production due to good demand and hope to achieve good profit.

03. DIVIDEND:

The Board of Directors recommend dividend at the rate of 5% i.e. Rs.0.50 per Equity Share of Rs. 10/- each for the year ended on 31st March, 2015 (Previous year at the rate of 9% i.e. Rs. 0.90/- per Equity Share) in pursuance to the (Declaration & Payment of Dividend) Rules, 2014 subject to the approval of shareholders at the 33rd AGM.

04. PUBLIC DEPOSITS :

During the financial year 2014-15, your Company has not accepted or renewed any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

05. SHARE CAPITAL :

The paid up Equity Share Capital as on March 31, 2015 was Rs. 2.88 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. The Company has also not purchased of its own shares by employees or by trustees for the benefit of employees.

06. EXTRACT OF THE ANNUAL RETURN :

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure A".

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

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

08. DIRECTORS :

A) Changes in Directors and Key Managerial Personnel.

Mrs. Mandakini P. Bhagwati has been ceased to be a Director of the Company w.e.f. 28th April, 2014 due to her sad demise.

At the last AGM held on September 24, 2014, the Members had appointed the existing Independent Directors viz. Mr. Padmin H. Buch and Mr. Rajendraprasad J. Shah as Independent Directors under the Act each for a term of five years with effect from September 24, 2014.

Mr. Dinesh K. Sheth has been appointed as Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f. May 23, 2014.

Your board of Directors has appointed Mr. Nimish Sakhiya as Company Secretary (Key Managerial Personnel) of the Company in the board meeting held on May 23, 2014. However, he ceased to be a Company Secretary of the Company w.e.f. December 11, 2014 due to his ill health.

Mr. Akshit Soni has been appointed as Company Secretary (Key Managerial Personnel) of the Company in the board meeting held on February 10, 2015.

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

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

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

An independent director shall hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

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

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

(D) Policy on Directors' appointment and remuneration

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

Policy on Directors' appointment

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

Policy on Remuneration

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

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

09. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors have met 4 times and Independent Directors once during the year ended 31st March, 2015.

10. AUDIT COMMITTEE:

The Composition of Audit Committee of the Company is as under

11. DETAILS OF ESTABLISHMENT OF VIGIL

Sr. No.	Name of Director	Designation
1.	Mr. Rajendraprasad J. Shah	Chairman
2.	Mr. Mahendrabhai N. Shah	Member
3.	Mr. Padmin Buch	Member
4.	Ms. Reena Bhagwati	Member

MECHANISM FOR DIRECTORS AND EMPLOYEES :

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

12. NOMINATION AND REMUNERATION COMMITTEE :

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

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

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

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

15. PARTICULAR OF SUBSIDIARY/JOINT VENTURE / ASSOCIATE COMPANY :

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

16. RISK MANAGEMNET :

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

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

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

17. CORPORATE SOCIAL RESPONSIBILITY:

The provision of Corporate Social Responsibility is not applicable to your Company.

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

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

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

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the financial year 2014-15 is as follows:

Sr. No.	Name of Directors	Total remuneration (Rs.)	Ratio of remuneration of Directors to the medium remuneration
1.	Dr. Pravin N. Bhagwati	78,32,238	23.37:1
2.	Ms. Reena P. Bhagwati	12,00,000	3.58:1

Notes

1. Median remuneration of the Company for all its employee is Rs. 3,35,040/- for Financial Year 2014-15.
2. The remuneration to directors does not include sitting fees paid to them.

BHAGWATI AUTOCAST LIMITED

B. Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2014-15 are as follows:

Sr. No.	Name	Designation	Remuneration		Increase (%)
			2014-15	2013-14	
1.	Dr. P. N. Bhagwati	Chairman & Managing Director	78,32,238	78,26,105	0.08
2.	Ms. Reena P. Bhagwati	Jr. Managing Director	12,00,000	12,00,000	0
3.	Mr. Dinesh K. Sheth	CFO (w.e.f. 23.05.2014)	29,94,000	27,54,000	8.71
4.	Mr. Nimish Sakhiya	CS (from 23.05.2014 to 11.12.2014)	1,13,679	N.A.	-
5.	Mr. Akshit Soni	CS (w.e.f. 10.02.2015)	41,667	N.A.	-

C. Percentage increase in the median remuneration of all employees in the financial year 2014-15:

Median Remuneration of all employees per annum.	2014-15 (Rs.)	2013-14 (Rs.)	Increase (%)
	3,35,040	3,00,624	11.45

D. Number of permanent employees on the rolls of the company as on 31.03.2015 was 66 Nos.

E. There is no variable component of remuneration to the Directors.

F. No employee has received remuneration in excess of highest paid Director of the Company during the Financial Year 2014-15.

G. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particular	March 31, 2015	March 31, 2014	% Change
Market Capitalisation (In Crores)	12.68	11.18	13.41
Price Earning Ratio	(8.95)	16.14	(25.09)

H. The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of 10%. The individual increments varied from 7% to 14%, based on individual performance.

The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

20. AUDITORS:

1) STATUTORY AUDITORS

M/s. Milin J Jani & Co., Chartered Accountants, Ahmedabad (Firm Registration No.106396W) Statutory Auditor of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible for re-appointment.

The Company has received letters from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

AUDITORS' REPORT

There are no adverse observations, Notes made by the Auditors in their report so there are no comments by Directors on Auditors Notes.

2) SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014, the Company has appointed M/s Samdani Shah & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure D".

21. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(3) of the Companies Act, 2013, in relation to the Financial Statements for FY 2014-15, the Board of Directors states that:

(a) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis;

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. HUMAN RESOURCES :

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

23. CHANGE IN THE NATURE OF BUSINESS, IF ANY :

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

24. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY

TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

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

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

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

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

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

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

27. General:
1. Insurance :

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

2. Industrial Relations :

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

3. Acknowledgement :

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

For and on behalf of the
Board of Directors

Dr. Pravin N. Bhagwati
Chairman

Place : Ahmedabad
Date : 22/05/ 2015

ANNEXURE "A" TO THE BOARD REPORT
**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2015**

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

I. Registration and Other Details :

CIN	L27100GJ1981PLC004718
Registration Date	20th October, 1981
Name of the Company	BHAGWATI AUTOCAST LIMITED
Category of Sub Category of the Company	Company Limited by Share
Address of the Registered office and Contact details	Survey No. 816, Village Rajoda, Near Bavla , Ahmedabad- 382 220 Tel No. 02714 232283
Whether Listed Company	Yes
Name , address and Contact details of Registrar and Transfer Agent , if Any	MCS Share Transfer Agent Limited 101, Shatdal Complex, 1 Floor, Opp Bata Show Room, Ashram Road, Ahmedabad, Gujarat, 380 009 Tel No. 079 26582878

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

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

BHAGWATI AUTOCAST LIMITED

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise share holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1010985	-	1010985	35.10	1076449	-	1076449	37.37	2.27
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	625815	-	625815	21.72	625815	-	625815	21.72	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1636800	-	1636800	56.82	1702264	-	1702264	59.09	2.27
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1636800	-	1636800	56.82	1702264	-	1702264	59.09	2.27
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	300	300	0.01	-	300	300	0.01	-
b) Banks / FI	-	1	1	0.00	-	1	1	0.00	-
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):-	-	301	301	0.01	-	301	301	0.01	-
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	81398	8855	90253	3.13	53619	8855	62474	2.17	-0.96
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	631435	212476	843911	29.30	559316	206200	765516	26.58	-2.72
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	208400	-	208400	7.23	259963	-	259963	9.02	1.79
c) Others									
i) Hindu Undivided Families	26446	-	26446	0.92	19011	-	19011	0.66	-0.26
ii) Non- Resided Individual	23774	50799	74573	2.59	20806	50349	71155	2.47	-0.12
Sub-total (B)(2):-	971453	272130	1243583	43.17	912715	265404	1178119	40.90	2.27
Total Public Shareholding (B) = (B)(1) + (B)(2)	971453	272431	1243884	43.18	912715	265705	1178420	40.91	-2.27
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	2608253	272431	2880684	100	2614979	265705	2880684	100	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014			Share holding at the end of the year 31.03.2015			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	
1	Bhagwati Spherocast Pvt. Ltd.	611246	21.22	0.00	611246	21.22	0.00	0.00
2	Ms. Reena P. Bhagwati	520000	18.05	0.00	584888	20.30	0.00	2.25
3	Dr. Pravin N. Bhagwati*	143943	5.00	0.00	450432	15.64	0.00	10.64
4	Ms. Aanal P. Bhagwati	41129	1.43	0.00	41129	1.43	0.00	0.00
5	Bhagwati Filters Pvt. Ltd.	14569	0.51	0.00	14569	0.51	0.00	0.00
6	Ms. Mandakini P. Bhagwati (upto 28/04/2014)*	305913	10.62	0.00	-	-	-	(10.62)
	Total	1636800	56.82	0.00	1702264	59.09	0.00	2.27

*Mrs. Mandakini P. Bhagwati ceased to be promoter of the company due to her sad demise and her shares transmitted in the holding of Dr. P. N. Bhagwati on 12.05.2014

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

Sr. No.		Date*	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	BHAGWATI SPHEROCAST PVT. LTD.					
	At the beginning of the year	01.04.2014	611246	21.22	611246	21.22
	Change during the year	-	-	-	-	-
	At the end of the year	31.03.2015	-	-	611246	21.22
2	MS. REENA P. BHAGWATI					
	At the beginning of the year	01.04.2014	520000	18.05	520000	18.05
	Transfer	06.06.2014	16910	0.59	536910	18.64
	Transfer	14.08.2014	122	0.00	537032	18.64
	Transfer	09.09.2014	2411	0.08	539443	18.73
	Transfer	30.09.2014	399	0.01	539842	18.74
	Transfer	14.10.2014	1000	0.03	540842	18.77
	Transfer	24.10.2014	4052	0.14	544894	18.92
	Transfer	07.11.2014	1130	0.04	546024	18.95
	Transfer	21.11.2014	1127	0.04	547151	18.99
	Transfer	28.11.2014	2550	0.09	549701	19.08
	Transfer	19.12.2014	2125	0.07	551826	19.16
	Transfer	31.12.2014	50	0.00	551876	19.16
	Transfer	09.01.2015	5198	0.18	557074	19.34
	Transfer	16.01.2015	1892	0.07	558966	19.40
	Transfer	23.01.2015	170	0.01	559136	19.41
	Transfer	06.02.2015	10718	0.37	569854	19.78
	Transfer	20.02.2015	332	0.01	570186	19.79
	Transfer	27.02.2015	3943	0.14	574129	19.93
	Transfer	13.03.2015	10679	0.37	584808	20.30
	Transfer	20.03.2015	20	0.00	584828	20.30
	Transfer	31.03.2015	60	0.00	584888	20.30
	At the end of the year	31.03.2015	-	-	584888	20.30
3	DR. PRAVIN N. BHAGWATI					
	At the beginning of the year	01.04.2014	143943	5.00	143943	5.00
	Transmission	12.05.2014	305913	10.62	449856	15.62
	Transfer	14.08.2014	121	0.00	449977	15.62
	Transfer	09.09.2014	355	0.01	450332	15.63
	Transfer	31.10.2014	100	0.01	450432	15.64
	At the end of the year	31.03.2015	-	-	450432	15.64
4	MS. AANAL P. BHAGWATI					
	At the beginning of the year	01.04.2014	41129	1.43	41129	1.43
	Change during the year	-	-	-	-	-
	At the end of the year	31.03.2015	-	-	41129	1.43
5	BHAGWATI FILTERS PVT. LTD.					
	At the beginning of the year	01.04.2014	14569	0.51	14569	0.51
	Change during the year	-	-	-	-	-
	At the end of the year	31.03.2015	-	-	14569	0.51
6	Mrs Mandakini P. Bhagwati (ceased w.e.f. 28.04.2015)					
	At the beginning of the year	01.04.2014	305913	10.62	305913	10.62
	Transmission	12.05.2014	(305913)	(10.62)	0	0.00

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

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

Sr. No.		Date*	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	MAHENDRA GIRDHARILAL					
	At the beginning of the year	01.04.2014	69572	2.42	69572	2.42
	Change during the year	-	-	-	-	-
	At the end of the year	31.03.2015			69572	2.42
2	LINCOLN P COELHO					
	At the beginning of the year	01.04.2014	50000	1.74	50000	1.74
	Change during the year	-	-	-	-	-
	At the end of the year	31.03.2015			50000	1.74
3	P P ZIBI JOSE					
	At the beginning of the year	01.04.2014	0	0.00	0	0.00
	Transfer	06.06.2014	30369	1.05	30369	1.05
	At the end of the year	31.03.2015			30369	1.05
4	RIJU J PALACKAL					
	At the beginning of the year	01.04.2014	0	0.00	0	0.00
	Transfer	06.06.2014	25999	0.90	25999	0.90
	Transfer	20.06.2014	(423)	(0.01)	25576	0.89
	Transfer	30.06.2014	2000	0.07	27576	0.96
	At the end of the year	31.03.2015			27576	0.96
5	SHANTABEN PRABHULAL GHIYA					
	At the beginning of the year	01.04.2014	24000	0.83	24000	0.83
	Transfer	04.07.2014	(615)	(0.02)	23385	0.81
	At the end of the year	31.03.2015			23385	0.81
6	LATA BHANSHALI					
	At the beginning of the year	01.04.2014	31237	1.08	31237	1.08
	Transfer	17.10.2014	(10400)	(0.36)	20837	0.72
	At the end of the year	31.03.2015			20837	0.72
7	CHANCHALBEN RAOJIBHAI PATEL					
	At the beginning of the year	01.04.2014	20424	0.71	20424	0.71
	Change during the year	-	-	-	-	-
	At the end of the year	31.03.2015			20424	0.71
8	JASIMMA THOMAS					
	At the beginning of the year	01.04.2014	0	0.00	0	0.00
	Transfer	30.06.2014	15869	0.55	15869	0.55
	At the end of the year	31.03.2015			15869	0.55
9	MILI CONSULTANTS & INVESTMENTS PVT LTD					
	At the beginning of the year	01.04.2014	12426	0.43	12426	0.43
	Transfer	-	-	-	-	-
	At the end of the year	31.03.2015			12426	0.43
10	KISHINDAS MATHRADAS HINDUJA					
	At the beginning of the year	01.04.2014	11491	0.40	11491	0.40
	Transfer	30.06.2014	640	0.02	12131	0.42
	Transfer	12.08.2014	125	0.00	12256	0.43
	Transfer	17.10.2014	(300)	(0.01)	11956	0.42
	Transfer	05.12.2014	(1)	(0.00)	11955	0.42
	At the end of the year	31.03.2015			11955	0.42

- Not in the list of top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2015.

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

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Date*	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Dr. Pravin N. Bhagwati (Chairman & Managing Director) At the beginning of the year Change during the year* At the end of the year	01.04.2014 - 31.03.2015	143943 306489	05.00 10.64	143943 450432 450432	05.00 15.64 15.64
2	Ms. Reena Pravin Bhagwati (Jt. Managing Director) At the beginning of the year Change during the year* At the end of the year	01.04.2014 - 31.03.2015	520000 64888	18.05 02.25	520000 584888 584888	18.05 20.30 20.30
3	Ms. Mandakini P. Bhagwati (ceased w.e.f 28.04.2014) At the beginning of the year Transmission	01.04.2014 12.05.2014	305913 (305913)	10.62 (10.62)	305913 0	10.62 0.00
4	Mr. Mahendra N. Shah (Non-Executive Director) At the beginning of the year Change during the year At the end of the year	01.04.2014 - 31.03.2015	5 -	0.00 -	0 - 5	0.00 - 0.00
5	Mr. Padmin Buch At the beginning of the year Nil holding/movement during the year At the end of the year	01.04.2014 - 31.03.2015	0 -	0.00 -	0 - 0	0.00 - 0.00
6	Mr. Rajendraprasad J. Shah At the beginning of the year Nil holding/movement during the year At the end of the year	01.04.2014 - 31.03.2015	0 -	0.00 -	0 - 0	0.00 - 0.00
B. Key Managerial Personnel (KMP's)						
7	Mr. Dinesh K. Sheth (Chief Financial Officer) w.e.f. 23.05.2014 At the date of appointment Brought At the end of the year	23.05.2014 24.09.2014 31.03.2015	0 10	0.00 0.00	0 10 10	0.00 0.00 0.00
8	Mr. Nimish Sakhiya (Company Secretary from 23.05.2014 to 11.12.2014) At The date of appointment Nil holding/movement during the year At the date of cessation.	23.05.2014 - 11.12.2014	0 -	0.00 -	0 - 0	0.00 - 0.00
9	Mr. Akshit N. Soni (Company Secretary w.e.f. 10.02.2015) At the date of appointment Ni holding/movement during the year At the end of the year	10.02.2015 - 31.03.2015	0 -	0.00 -	0 - 0	0.00 - 0.00

*Date wise change of Dr. Pravin N. Bhagwati and Ms. Reena Bhagwati is already mentioned in the change in Promoter's shareholding.

* Mrs. Mandakini P. Bhagwati ceased to be director of the company due to her sad demise on 28.04.2014 and her shares transmitted in the holding of Dr. P.N. Bhagwati on 12.05.2014.

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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	26,515,600	-	7,020,000	33,535,600
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	26,515,600	-	7,020,000	33,535,600
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(5,848,123)	-	(200,000)	(6,048,123)
Net Change	(5,848,123)	-	(200,000)	(6,048,123)
Indebtedness at the end of the financial year				
i) Principal Amount	20,667,477	-	6,820,000	27,487,477
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	20,667,477	-	6,820,000	27,487,477

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of remuneration	Name of MD		Total Amount
		Dr. P. N. Bhagwati	Ms. Reena Bhagwati	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64,56,000	12,00,000	76,56,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	52,406	-	52,406
2.	Stock Option	-	-	-
3.	Sweet Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify (Contribution to provident Funds, Contribution to Superannuation Fund and Medical Reimbursement)	13,23,832	-	13,23,832
	Total (A)	78,32,238	12,00,000	90,32,238
	Celling as per the Act	In view of the loss incurred during the year, minimum remuneration is paid to Ms. Reena P. Bhagwati as per the act. Company has received approval of Central Government vide letter No. SRN B61403025/4/2012 CL VII Dated 18.02.2013 for the payment of Managerial Remuneration of Dr. Pravin N. Bhagwati.		

B. Remuneration to other directors :

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. Padin Buch	Mr. Rajendraprasad J. Shah	Mr. Mahendra N. Shah	
1. Independent Directors				
• Fee for attending board committee meetings	12000	12000	-	24000
• Commission	-	-	-	-
• Others, please specify	-	-	-	-
Total (1)	12000	12000	-	24000
2. Other Non-Executive Directors				
• Fee for attending board committee meetings	-	-	12000	12000
• Commission	-	-	-	-
• Others, please specify	-	-	-	-
Total (2)	-	-	12000	12000
Total (B)=(1+2)	12000	12000	12000	36000
Overall Ceiling as per the Act	Other directors are paid only setting fees for attending the meetings within the limit prescribed by the act.			

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. D. K. Sheth (Chief Financial Officer) w.e.f. 23.05.2014	Mr. Nimish Sakhiya (Company Secretary from 23.05.2014 to 11.12.2014)	Akshit Soni (Company Secretary w.e.f. 10.02.2015)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,868,252	108,900	39,917	3,017,069
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	
3	Sweat Equity	Nil	Nil	Nil	
4	Commission	Nil	Nil	Nil	
	- as % of profit	Nil	Nil	Nil	
	- others, specify...	Nil	Nil	Nil	
5	Others, please specify Provident Fund (Co's Contribution),	125,748	4,779	1,750	132,277
	Total	2,994,000	113,679	41,667	3,149,346

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

BHAGWATI AUTOCAST LIMITED

ANNEXURE "B" OF THE BOARD REPORT

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

a) Measures Taken :

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

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

FURTHER STEPS TO BE IMPLEMENTED

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

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

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

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

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

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

FORM - A

Particulars	2014-15	2013-14
[A] Power & Fuels consumption :		
1. Electricity		
[a] Purchased		
- Units	11640270	13595040
- Total Amount [Rs. Lacs]	840.27	786.52
- Rate / Unit [Rs.]	7.22	5.79
[b] Own Generation		
[I] Through Diesel Generator		
- Units	5420	4164
- Units per liter of diesel oil	2.75	2.77
- Cost per unit [Rs.]	15.94	17.75
[ii] Through Steam Turbine Generator		
- Units	Nil	Nil
- Units per liter of Fuel Oil/Gas	Nil	Nil
- Cost per Unit [Rs.]	Nil	Nil
2. Coal	Nil	Nil
3. Furnace Oil	Nil	Nil
4. Others / Internal Generation	Nil	Nil
[B] Consumption per unit of Production	Electricity	Electricity per
	per MT of	MT of
	Castings	Castings
[i] CI Castings	1268	1128
[ii] S G I Castings	1070	983

FORM : B

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

TECHNOLOGY ABSORPTION:

RESEARCH & DEVELOPMENT :

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

B. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

	2014-15	2013-14
	[Rs]	[Rs]
Total Foreign Exchange used	30,072	40,672
Total Foreign Exchange earned	Nil	Nil

For and on behalf of the
Board of Directors

Dr. Pravin N Bhagwati
Chairman

Place : Ahmedabad
Date : 22/05/2015

Annexure "C" to the Board Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

- (a) Name(s) of the related party and nature of relationship- Nil
- (b) Nature of contracts/arrangements/transactions - Nil
- (c) Duration of the contracts / arrangements/transactions- Nil
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any- Nil
- (e) Justification for entering into such contracts or arrangements or transactions- Nil
- (f) Date(s) of approval by the Board- Nil
- (g) Amount paid as advances, if any - Nil
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188- Nil

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

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

For and on behalf of the
Board of Directors

Place : Ahmedabad
Date : 22/05/2015

Dr. Pravin N Bhagwati
Chairman

Annexure "D" to the Board Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

To,
The Members,
Bhagwati Autocast Limited

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

Based on our verification of the Bhagwati Autocast Limited (books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2015, 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 Bhagwati Autocast Limited ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable 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 during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period);

BHAGWATI AUTOCAST LIMITED

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the audit period);
- (vi) Other Laws specifically applicable to the Company, as per the representation made by the Company.
- We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), - BSE Limited.

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

We further report that

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

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

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

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

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad
Date: 20/05/2015

Signature:
Name of Company Secretary Firm:
Samdani Shah & Associates
Chirag Shah

Partner
FCS No. 5545
C P No.: 3498

Independent Auditor's Report To the Members of M/s Bhagwati Autocast Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Bhagwati Autocast Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 13 of 21B of to the financial statements;
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note No. 8 of 21B of the financial statements; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Milin J. Jani & Co.**
Chartered Accountants
Firm's registration number : 106396W

Milin J. Jani
Proprietor
Membership number : 44077

Date : 22/05/2015
Place : Ahmedabad

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) (a) Inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and sale of services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Company is not required to maintain cost records as per Section 148(1) of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESIC, income tax, sales tax, wealth tax, Excise service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs

BHAGWATI AUTOCAST LIMITED

and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:

Sr. No.	Name of the Statute	Nature of dues	Amount (' lacs)	Period to which the amount relates	Forum where the dispute is pending
1	Income Tax	Demand	1.81	A.Y. 11-12	CIT-(A)
2	Income Tax	Demand	13.42	A.Y. 12-13	CIT-(A)
3	Excise	Demand	3.92	F.Y. 02-03	CESTAT
4	Excise	Demand	3.39	F.Y. 03-04	CESTAT
5	Excise	Demand	2.35	F.Y. 04-05	CESTAT
6	Excise	Demand	1.87	F.Y. 05-06	CESTAT

(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

(viii) The Company does not have any accumulated losses at the end of the financial year and it has incurred cash losses of Rs. 48,08,333/- in the current financial year and Rs. Nil in the immediately preceding financial year.

- (ix) The Company is regular in repayment of dues to bank and there is no default in repayment of dues.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) 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 have obtained.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **Milin J. Jani & Co.**
Chartered Accountants
Firm's registration number : 106396W

Milin J. Jani
Proprietor
Membership number : 44077

Date : 22/05/2015
Place : Ahmedabad

BALANCE SHEET AS AT 31ST MARCH, 2015

	Note No.	As at 31 st March, 2015 Rupees	As at 31 st March, 2014 Rupees
I EQUITY AND LIABILITIES			
1) Shareholders' Funds			
(a) Share Capital	1	28,806,840	28,806,840
(b) Reserves & Surplus	2	158,315,538	186,988,931
2) Non-current liabilities			
(a) Long-term borrowings	3	15,260,992	14,850,000
(b) Deferred tax liabilities (Net)		8,790,162	20,559,225
(c) Other Long term liabilities	4	1,333,098	1,333,098
(d) Long-term provisions	5	3,380,295	11,382,979
3) Current liabilities			
(a) Short-term borrowings	6	45,440,852	57,362,430
(b) Trade payables		144,559,393	156,913,836
(c) Other current liabilities	7	12,363,745	19,089,576
(d) Short-term provisions	8	30,561,334	59,484,781
T O T A L ...		<u>448,812,249</u>	<u>556,771,696</u>
II ASSETS			
1) Non-current Assets			
(a) Fixed Assets	9		
(i) Tangible assets		175,061,518	194,076,120
(ii) Intangible assets		1,746,718	1,976,854
(b) Long-term loans and advances	10	1,039,022	10,767,457
2) Current Assets			
(a) Inventories	11	54,850,935	62,098,241
(b) Trade receivables	12	183,727,864	214,489,740
(c) Cash and cash equivalents	13	4,056,981	5,879,090
(d) Short-term loans and advances	14	28,329,211	67,484,194
T O T A L ...		<u>448,812,249</u>	<u>556,771,696</u>
Significant Accounting Policies	21		
The notes are an integral part of these financial statements			

As per our separate report of even date attached

For Milin J. Jani & Co.
Chartered Accountants
Firm Regn. No. 106396W

Milin J Jani
Proprietor
Membership No. 44077

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

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

D. K. Sheth
Chief Financial Officer

M. N. Shah
Director
(DIN : 00021194)

R. J. Shah
Director
(DIN : 01982424)

Akshit Soni
Company Secretary

Place : Ahmedabad
Dated : 22/05/2015

Place : Ahmedabad
Dated : 22/05/2015

BHAGWATI AUTOCAST LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note No.	2014-15 Rupees	2013-14 Rupees
I INCOME			
Revenue from operations	15	644,343,655	819,264,751
II Other Income	16	<u>547,908</u>	<u>348,488</u>
III TOTAL REVENUE (I+II)		644,891,563	819,613,239
IV EXPENDITURE			
Cost of materials consumed	17	322,250,642	398,377,714
Purchases of Stock-in-Trade		4,320,933	2,306,220
Changes in inventories of finished goods, work-in progress and Stock-in Trade		4,799,624	(7,495,903)
Employee benefits expense	18	82,029,083	79,448,025
Finance costs	19	7,086,364	9,458,240
Depreciation and amortization expense		30,463,613	18,406,923
Other expenses	20	<u>229,213,250</u>	<u>251,698,128</u>
TOTAL EXPENDITURE		680,163,509	752,199,347
V (LOSS) / PROFIT BEFORE TAX (III-IV)		(35,271,946)	67,413,892
VI TAX EXPENSE :			
(1) Current tax		0	20,800,000
(2) Deferred tax		<u>(11,769,063)</u>	<u>1,086,667</u>
VII (LOSS)/ PROFIT FOR THE YEAR (V-VI)		(23,502,883)	45,527,225
VIII Add/(Less): Excess/(Short)Provision for Tax for earlier years		(2,282,338)	974,318
IX NET (LOSS)/ PROFIT FOR THE YEAR (VII+VIII)		(25,785,221)	<u>46,501,543</u>
X Earnings per equity share of face value of Rs. 10/- each Basic & Diluted		(8.95)	16.14

Significant Accounting Policies 21
The notes are an integral part of these financial statements

As per our separate report of even date attached

For Milin J. Jani & Co.
Chartered Accountants
Firm Regn. No. 106396W

Milin J Jani
Proprietor
Membership No. 44077

Place : Ahmedabad
Dated : 22/05/2015

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

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

D. K. Sheth
Chief Financial Officer

M. N. Shah
Director
(DIN : 00021194)

R. J. Shah
Director
(DIN : 01982424)

Akshith Soni
Company Secretary

Place : Ahmedabad
Dated : 22/05/2015

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

NOTE NO. 1 SHARE CAPITAL	As at 31 st March 2015		As at 31 st March 2014	
	Number	Rupees	Number	Rupees
Authorised				
Equity shares of Rs. 10/- each	3,000,000	30,000,000	3,000,000	30,000,000
Issued				
Equity shares of Rs. 10/- each	2,933,637	29,336,370	2,933,637	29,336,370
Subscribed & Paid up				
Equity shares of Rs. 10/- each fully paid up	2,880,684	28,806,840	2,880,684	28,806,840
T O T A L . . .	2,880,684	28,806,840	2,880,684	28,806,840

NOTE NO. 1.1

Particulars	Equity Shares As at 31 st March 2015		Equity Shares As at 31 st March 2014	
	Number	Rupees	Number	Rupees
Share outstanding at the beginning of the year	2,880,684	28,806,840	2,880,684	28,806,840
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	2,880,684	28,806,840	2,880,684	28,806,840

NOTE NO. 1.2

Name of Shareholder	As at 31 st March 2015		As at 31 st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ms. Reena P. Bhagwati	584,888	20.30	520,000	18.05
Dr. Pravin N. Bhagwati	450,432	15.64	0	0.00
Mrs. Mandakini P. Bhagwati	0	0.00	305,913	10.62
M/s. Bhagwati Spherocast Pvt. Ltd.	611,246	21.22	611,246	21.22

NOTE NO. 1.3

During last 5 years the Company has not issued any shares as bonus shares or for payment received otherwise than cash or bought back any share.

NOTE NO. 1.4

There are no unpaid calls from Directors or officers.

NOTE NO. 1.5

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015, the amount of dividend, per share, recognised as distributions to equity shareholders is Rs. 0.50 (Year ended 31st March 2014 Rs. 0.90)

NOTE NO. 2 RESERVES & SURPLUS	As at 31 st March, 2015		As at 31 st March, 2014	
		Rupees		Rupees
(a) Securities premium account				
As per Last Balance Sheet		24,970,640		24,970,640
(b) General reserve				
Opening Balance		79,524,819		79,520,319
(+) Transfer from Capital Reserves		0		4,500
Closing Balance		79,524,819		79,524,819
(c) Surplus in Statement of profit and loss				
Opening Balance		82,493,472		39,025,160
(+) Net (Loss) / Profit for the year		(25,785,221)		46,501,543
(-) Proposed dividend		1,440,342		2,592,616
(-) Corporate Tax on Dividend		293,254		440,615
(-) Carrying amount of fixed assets debited to retained earnings where remaining useful life of assets is Nil as on 01-04-2014		1,154,576		0
Closing Balance		53,820,079		82,493,472
T O T A L . . .		158,315,538		186,988,931

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

	As at 31 st March, 2015 Rupees	As at 31 st March, 2014 Rupees
NOTE NO. 3		
LONG TERM BORROWINGS		
SECURED		
Term Loans		
From Bank	15,260,992	14,850,000
(Secured against hypothecation of all fixed assets and equitable mortgage of the Land [being survey No. 816] & factory building and further guaranteed by Managing Director of the Company)		
(Rs. 244.50 Lacs repayable in 60 monthly installments starting from 30-04-14 and Rs. 13.50 Lacs repayable in 36 monthly installments starting from 05-12-14)		
(There is no continuing default in repayment of loans and interest.)		
TOTAL . . .	15,260,992	14,850,000
NOTE NO. 4		
OTHER LONG TERM LIABILITIES		
Retention money	1,333,098	1,333,098
TOTAL . . .	1,333,098	1,333,098
NOTE NO. 5		
LONG TERM PROVISIONS		
(a) Provision for employee benefits		
Leave encashment (unfunded)	3,380,295	3,587,979
(b) Others		
Provision for income tax	0	7,795,000
TOTAL . . .	3,380,295	11,382,979
NOTE NO. 6		
SHORT TERM BORROWINGS		
Secured		
(a) Loans repayable on demand		
Working capital loan from bank	38,620,852	50,342,430
(Secured against hypothecation of stock of raw materials, consumable stores, stock in process, finished goods & book debts, plant & machinery and equitable mortgage of the land [bearing survey No. 816] & factory building and further guaranteed by Managing Director)		
(There is no default as on the balance sheet date in repayment of loans and interest.)		
TOTAL . . .	38,620,852	50,342,430

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

	As at 31 st March, 2015 Rupees	As at 31 st March, 2014 Rupees
NOTE NO. 6 (Contd.)		
Unsecured		
Loans and advances (fixed deposits)		
(a) From related parties		
From Directors	3,870,000	4,070,000
From Company	2,950,000	2,950,000
(There is no default as on the balance sheet date in repayment of loans and interest.)	<u>6,820,000</u>	<u>7,020,000</u>
T O T A L . . .	<u>45,440,852</u>	<u>57,362,430</u>
 NOTE NO. 7		
OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	5,406,485	11,665,600
(b) Unpaid dividend	531,892	437,177
(c) Other payables		
Employee benefits	4,194,534	4,234,500
TDS payable	597,468	744,296
Others	1,633,366	2,008,003
T O T A L . . .	<u>12,363,745</u>	<u>19,089,576</u>
 NOTE NO. 8		
SHORT TERM PROVISIONS		
(a) Provision for employee benefits		
Salary & reimbursements	1,647,815	1,693,740
Gratuity (funded)	2,338,758	2,666,349
Leave encashment (funded)	540,144	346,771
Superannuation (funded)	720,000	720,000
(b) Provision for taxation	21,008,985	51,024,690
(c) Others		
Provision for dividend	1,440,342	2,592,616
Provision for corporate tax on dividend	293,254	440,615
Provision for Excise Duty (on Stock of Finished Goods)	2,572,036	0
T O T A L . . .	<u>30,561,334</u>	<u>59,484,781</u>

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015
NOTE NO. 9
FIXED ASSETS

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	Balance as at 1 April 2014 Rupees	Additions Rupees	Disposals Rupees	Balance as at 1 April 2014 Rupees	Depreciation charge for the year Rupees	On disposals Rupees	Balance as at 31 March 2015 Rupees	Balance as at 31 March 2015 Rupees
(a) Tangible Assets								
Land	1,654,143	0	0	0	0	0	0	1,654,143
Office buildings	5,617,872	0	0	835,390	90,233	0	925,623	4,692,249
Guest house building	1,072,000	0	0	39,343	17,251	0	56,594	1,015,406
Factory buildings	44,072,692	2,819,677	0	13,169,666	2,249,400	0	15,594,571	31,297,798
Plant and equipment	202,264,565	3,678,423	1,940,267	82,065,248	21,837,795	1,125,120	102,963,752	101,038,969
Electrical installations	10,242,327	160,410	0	2,747,068	1,013,130	0	3,871,197	6,531,540
Laboratory equipments	1,132,920	0	0	465,393	394,433	0	872,592	260,328
Furniture and fixtures	7,109,508	1,385,503	0	1,741,996	839,234	0	2,763,639	5,731,372
Vehicles	2,356,771	1,716,967	600,000	1,287,885	358,326	386,622	1,414,976	2,058,762
Office equipment	1,987,048	58,250	0	725,277	602,155	0	1,643,242	402,056
Computers	2,844,315	68,290	0	1,427,063	1,332,170	0	2,872,203	40,402
Moulding boxes, patterns & pattern plates	45,559,372	3,514,456	0	27,333,084	1,499,350	0	28,735,335	20,338,493
Total	325,913,533	13,401,976	2,540,267	131,837,413	30,233,477	1,511,742	161,713,724	175,061,518
(b) Intangible Assets								
(i) Computer Softwares	3,184,795	0	0	1,207,941	230,136	0	1,438,077	1,746,718
Total	329,098,328	13,401,976	2,540,267	133,045,354	30,463,613	1,511,742	163,151,801	176,808,236
PREVIOUS YEAR	289,453,402	40,869,422	1,224,496	114,644,628	18,406,923	6,197	133,045,354	196,052,974

Note No. 9.1

There is no impairment/revaluation during the year under review.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

	As at 31 st March, 2015 Rupees	As at 31 st March, 2014 Rupees
NOTE NO. 10		
LONG TERM LOANS AND ADVANCES		
(a) Capital Advances		
Considered good	0	1,038,415
(b) Security deposits		
Considered good	289,022	284,022
(b) Advance payment of taxes		
Advance income tax paid	750,000	9,445,020
T O T A L . . .	<u>1,039,022</u>	<u>10,767,457</u>

NOTE NO. 10.1

There is no advance or deposits due from Directors, officers or Company in which Directors are member.

NOTE NO. 11
INVENTORIES (Valued at lower of cost or net realisable value)

(a) Raw materials	7,666,606	12,072,214
(b) Work-in progress	3,427,208	10,100,294
(c) Finished goods	23,148,327	21,274,864
(d) Stores and spares	20,608,794	18,650,869
T O T A L . . .	<u>54,850,935</u>	<u>62,098,241</u>

NOTE NO. 12
TRADE RECEIVABLES

(a) Trade receivables outstanding for a period less than six months from the date they are due for payment considered good	170,170,335	203,763,978
(b) Trade receivables outstanding for a period exceeding six months from the date they are due for payment considered good	13,557,529	10,725,762
T O T A L . . .	<u>183,727,864</u>	<u>214,489,740</u>

NOTE NO. 12.1

There is no trade receivable due from Directors, officers or Company in which Directors are member.

NOTE NO. 13
CASH AND CASH EQUIVALENTS

(a) Balances with banks		
Earmarked balances (unpaid dividend accounts)	533,892	439,177
Margin money	1,250,000	1,050,000
Balances in current accounts	2,004,182	4,223,904
	<u>3,788,074</u>	<u>5,713,081</u>
(b) Cash on hand	268,907	166,009
T O T A L . . .	<u>4,056,981</u>	<u>5,879,090</u>

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

	As at 31 st March, 2015 Rupees	As at 31 st March, 2014 Rupees
NOTE NO. 14		
SHORT-TERM LOANS AND ADVANCES		
(a) Others		
Unsecured, considered good		
Advances recoverable in cash or in kind	1,502,572	6,726,963
Balance with statutory authorities	26,826,639	60,757,231
TOTAL . . .	<u>28,329,211</u>	<u>67,484,194</u>
NOTE NO. 14.1		
There is no loans / advances due from Directors, officers or Company in which Directors are member.		
NOTE NO. 15		
REVENUE FROM OPERATIONS		
	2014-15	2013-14
	Rupees	Rupees
Sale of products	727,410,963	924,680,298
Less : Excise duty	83,067,308	105,415,547
TOTAL . . .	<u>644,343,655</u>	<u>819,264,751</u>
NOTE NO. 16		
OTHER INCOME		
Interest income	120,715	156,812
Profit on sale of fixed assets	234,853	0
Interest on Sales Tax Refund	0	191,676
Sundry credit balances written back	192,340	0
TOTAL . . .	<u>547,908</u>	<u>348,488</u>
NOTE NO. 17		
COST OF MATERIAL CONSUMED		
Opening stock	12,072,214	11,958,530
Add : Purchases	317,845,034	398,491,398
Less : Closing stock	7,666,606	12,072,214
TOTAL . . .	<u>322,250,642</u>	<u>398,377,714</u>
NOTE NO. 17.1		
RAW MATERIAL CONSUMED		
(i) Scraps	250,495,539	311,996,733
(ii) Pig iron	34,151,315	37,937,227
(iii) Ferro silicon lumps/granules, ferro silicon mg. master and ferro manganese	21,810,899	26,588,724
(iv) Others	15,792,889	21,855,030
TOTAL . . .	<u>322,250,642</u>	<u>398,377,714</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

NOTE NO. 17.2	2014-15	2013-14
VALUE OF RAW MATERIAL CONSUMED	Rupees	Rupees
i) Imported	0	0
% of total consumptions	0%	0%
ii) Indigenous	322,250,642	398,377,714
% of total consumptions	100%	100%

NOTE NO. 17.3

All quantitative details are as certified by the Management and verified by internal Auditors, quantity of sales are based on standard weight basis and further test checked by Internal Auditors.

NOTE NO. 18
EMPLOYEE BENEFITS EXPENSES

a) Salaries and incentives	65,728,212	63,042,020
b) Contributions to provident fund	3,314,345	3,021,565
c) Gratuity fund contributions	2,338,758	2,666,349
d) Staff welfare expenses	1,615,530	1,691,986
e) Managerial Remuneration	9,032,238	9,026,105
TOTAL . . .	<u>82,029,083</u>	<u>79,448,025</u>

NOTE NO. 18.1
THE MANAGERIAL REMUNERATION CONSISTS OF :

a) Salary	6,000,000	6,000,000
b) House rent allowance	1,656,000	1,656,000
c) Contribution to provident funds	576,000	576,000
d) Contribution to superannuation funds	720,000	720,000
e) Reimbursement of expenses	80,238	74,105
TOTAL . . .	<u>9,032,238</u>	<u>9,026,105</u>

NOTE NO. 18.2

Company has received approval of Central Government vide letter No. SRN B61403025 /4 / 2012 - CL.VII dated 18-02-2013 for payment of Managerial Remuneration.

NOTE NO. 18.3
Employee defined benefits: Defined benefit plans-as per actuarial valuation on 31st March, 2015
I The amounts recognised in the balance sheet

1 Present value of funded obligations	29,387,405	26,413,956
2 Fair value of plan assets	27,048,647	23,747,607
3 Surplus/ (Deficit)	(2,338,758)	(2,666,349)
4 Current Liability	2,338,758	2,666,349
5 Non-current liability	27,048,647	23,747,607
6 Net asset / (liability) recognised in the Balance Sheet	(2,338,758)	(2,666,349)

II The amount recognised in the statement of profit & loss account

1 Current service cost	1,147,357	1,063,399
2 Interest on obligation	2,367,787	1,803,733
3 Expected return on plan assets	(2,270,346)	(1,953,563)
4 Actuarial losses (gains) recognised	1,093,960	1,636,573
5 Total, included in "employee benefit expense"	2,338,758	2,550,142

BHAGWATI AUTOCAST LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

	2014-15 Rupees	2013-14 Rupees
III Changes in the recent value of the benefit obligation representing reconciliation of opening and closing balance thereof		
1 Opening defined benefit obligation	26,413,856	22,808,295
2 Service cost	1,147,357	1,063,399
3 Interest cost	2,367,787	1,803,733
4 Actuarial losses (gains)	531,312	1,261,801
5 Benefits paid	(1,073,007)	(523,272)
6 Closing defined benefit obligation	29,387,405	26,413,956
IV Change in the fair value of plan assets representing reconciliation of the opening and closing balances thereof		
1 Opening fair value of plan assets	23,747,607	20,070,389
2 Expected return	2,270,346	1,953,563
3 Actuarial gains and (losses)	(562,648)	(374,772)
4 Contribution by employer	2,666,349	2,621,699
5 Benefits paid	(1,073,007)	(523,272)
6 Closing balance of fair value of plan assets	27,048,647	23,747,607
V Principal actuarial assumption at the balance sheet date		
1 Discount rate	9.15%	9.15%
2 Expected return on plan assets	9.25%	9.25%
3 Annual increase in salary cost	6.00%	6.00%

General description of the defined benefit plan:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, whichever is earlier. The benefit vests after five years of continuous service.

NOTE NO. 19

FINANCE COST

Interest expense	5,886,124	3,386,866
Other borrowing costs	1,200,240	6,071,374
TOTAL . . .	7,086,364	9,458,240

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015

	2014-15	2013-14
	Rupees	Rupees
NOTE NO. 20		
OTHER EXPENSES		
Stores & spares consumed	84,903,897	102,142,409
Power & fuel (Refer Note No. 7 of Schedule 21)	84,026,933	78,651,809
Processing charges	42,390,503	54,241,873
Repair to machinery	1,128,317	1,184,420
Repair to building	1,487,609	428,096
Rates & taxes	17,500	32,500
Travelling & conveyance	917,391	1,214,167
Vehicle expenses	732,505	894,635
Legal & professional charges	2,988,746	3,041,930
Sales expenses	2,381,344	3,193,710
Loss on sale of Fixed Assets	113,378	1,171
Donation	0	500,000
General charges	8,125,127	6,171,408
TOTAL . . .	<u>229,213,250</u>	<u>251,698,128</u>

NOTE NO. 20.1
PAYMENTS TO THE AUDITORS (INCLUDING SERVICE TAX)

(a) As Auditor	13,483	13,483
(b) For taxation matters	3,371	3,371
(c) For reimbursement of expenses	8,590	6,650
TOTAL . . .	<u>25,444</u>	<u>23,504</u>

NOTE NO. 20.2
EXPENDITURE IN FOREIGN CURRENCY

Foreign travelling	30,072	40,672
TOTAL . . .	<u>30,072</u>	<u>40,672</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2015**NOTE NO. 21****SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS****[A] SIGNIFICANT ACCOUNTING POLICIES****01. Basis of accounting :**

The financial statements have been prepared on historical cost convention in accordance with the generally accepted accounting principles, the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent they are applicable to the Company and the provisions of the Companies Act, 2013.

02. Use of estimates :

The presentation of financial statements in conformity with the generally accepted accounting principles requires, the management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets & liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

03. Fixed assets :

Fixed assets are stated at cost net of CENVAT / VAT to the extent applicable, less accumulated depreciation. Direct costs related to acquisition of fixed assets are capitalised when the assets are put to use. These costs include freight, installation cost, duties & taxes and other allocated expenses, including finance cost relating to specific borrowing incurred during the construction period. Moulding boxes, patterns / pattern plates & dies are considered as fixed assets.

04. Depreciation and Amortisation :

Depreciation on fixed assets is provided based on the useful life of the assets in the manner prescribed in schedule II to the Companies Act, 2013.

05. Inventories:

Inventories are valued at lower of cost or net realisable value on FIFO basis.

06. Employees Retirement benefit :

Short term employee benefits (which are payable within 12 months after the end of the period in which the employees render service) are measured at cost.

Long term employee benefits (which are payable after the end of 12 months from the end of the period in which the employees render service) and post employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit method on the basis of actuarial valuation.

Contribution to provident fund - a defined contribution plan are made in accordance with the statute.

The cost of providing leave encashment and gratuity defined benefit plans are determined using Projected Unit Credit method on the basis of actuarial valuation.

07. Borrowing cost :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

08. Revenue recognition:

Income and Expenditure are recognized and accounted on Accrual Basis. Revenue from sale of goods is recognized on delivery of the goods, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to customers & no effective ownership is retained. However;

- [a] Revenue in respect of insurance / other claims etc., is recognised only when it is reasonably certain that the ultimate collection will be made.
- [b] Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.
- [c] Interest subsidy is accounted for on accrual basis and prima facie when there is no uncertainty of final claim.

09. Research and development:

Revenue expenditure on research and development is charged to profit and loss account in the year in which it is incurred. Capital expenditure on assets acquired for research and development is added to the fixed assets.

10. Accounting of CENVAT:

CENVAT credit of excise duty is accounted on the basis of materials including capital goods purchased. CENVAT credit on capital goods, spares etc is accounted on the basis of their date of purchase. CENVAT credit of service tax is accounted on the payment basis of services obtained.

11. Excise duty:

Excise duty payable on finished goods is being accounted for on the basis of clearance of goods.

12. Earning per share:

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax (and includes the post tax effect of extra ordinary items.) The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

13. Taxation:

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit for the year.

A Provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and tax laws. A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted tax rates.

Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

14. Segment reporting:

The Company deals in only one product segment i.e. "Manufacturing of castings" and hence requirements of AS-17 "segment reporting" issued by ICAI are not applicable.

15. Contingent liabilities & Provisions:

A provision is recognised when the Company has a legal & constructive obligations as results of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not possible that an outflow of resources will be required to settle it, contingent assets are neither recognised nor disclosed.

16. Impairment of Assets:

The Company on an annual basis make an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the Company estimates recoverable amount of the assets. If such recoverable amount is less than the carrying amount, than the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to the profit & loss account.

17. Foreign currency transactions:

[a] Initial recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency of the date of the transaction.

[b] Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate of the date of the transaction; and non-monetary items which are carried of fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

[c] Exchange differences:

Exchange difference arising on the settlement of monetary items or on reporting Company's monetary items of rates different from those of which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

[d] Forward Exchange Contracts not intended for trading:

The premium or discount arising of the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

BHAGWATI AUTOCAST LIMITED

[B] NOTES FORMING PART OF THE ACCOUNTS

- 1 Previous year's figures have been regrouped/rearranged/recast wherever necessary so as to make them comparable with current year's figures.
- 2 Letters of balance confirmation have been sent to various parties, and are subject to confirmation and reconciliation if any.
- 3 In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.
- 4 In terms of Accounting Standard 28 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.
- 5 The Company has received demand for excise duty on sale of patterns & moulding boxes for financial years 2001-02, 2002-03, 2003-04, 2004-05 & 2005-06 against which the Company has preferred appeals before Commissioner of excise as well as CESTAT and also paid Rs. 1,153,239/- under protest which has been shown as balance with excise department in the accounts.
- 6 Interest cost for the year is after netting of interest subsidy received / receivable of Rs. 665,741/- (Previous Year Rs. 1,086,426/-)
- 7 As permitted by CERC & IERC (Regulating authorities), the company has opted for purchase of power through approved Power exchange which has resulted in to gain of Rs. 0.72 Lacs (Previous year Rs. 147.48 Lacs) and power and fuel expenses are reduced to that extent.
- 8 There are no long-term contracts as on 31.03.2015 including contracts for which there are any material foreseeable losses.
- 9 During the year the Company has not any unclaimed dividend for the financial year 2006-07. Hence question of transfer to Investor Education and Protection fund does not arise.
- 10 During the year, Company has provided depreciation on the basis of estimated useful lives as specified in schedule-II of the Companies act 2013. Accordingly, depreciation for the year is higher by Rs. 97.04 lacs as compared to the depreciation hitherto provided on the basis of percentage as prescribed in schedule-XIV of the Companies act, 1956 in earlier years.
- 11 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful life of particular assets. The written down value of fixed assets, useful life of which was completed as on 1st April 2014 have been adjusted (net of deferred tax), in the opening balance of Profit and Loss Account amounting to Rs. 11.55 Lacs.

12 Earnings per share :	2014-15	2013-14
Net profit attributable to shareholders (in Rupees)	(25,785,221)	46,501,543
Number of equity shares	2,880,684	2,880,684
Basic earnings per share of Rs. 10/- each (in Rupees)	(8.95)	16.14

13 Contingent liabilities and Commitments (to the extent not provided for)	2014-15	2013-14
	Rupees	Rupees
i Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	76,500	76,500
(b) Income Tax Demands	1,523,010	0
(b) Guarantees	12,500,000	10,500,000
(c) Other money for which the company is contingently liable	1,153,239	1,153,239
	15,252,749	11,729,739
ii Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	0	3,981,752
TOTAL ...	15,252,749	15,711,491

14 RELATED PARTY TRANSACTIONS

Disclosures in respect of transaction with related parties, as defined in Accounting Standard 18 issued by the Institute of Chartered Accountants of India, which have taken place during the year under review are given below:

A List of related parties :

I) Parties where control Exists :

- i) Bhagwati Spherocast Pvt Ltd
- ii) Bhagwati Filters Pvt Ltd

II) Other parties with whom Company entered in to transaction during the year :

- i) Joint ventures : Nil

- ii) Associate : Nil
- iii) Firm in which Director is a Partner
 - a) Mahendra N Shah & Co.
- iv) Firms in which Director's relative is proprietor
 - a) Harish N Shah & Co.
 - b) Chirag M Shah & Co.

III) Key management personnel and enterprises having common key management personnel or their relative
Key management personnel :

- 1) Dr. P N Bhagwati - Managing Director
- 2) Ms. Reena P Bhagwati - Jt. Managing Director

Relatives of key management personnel :

Mrs. M P Bhagwati, wife of Dr. P N Bhagwati

B During the year following transaction were carried out with related parties in the ordinary course of business and at arms length.

Sr. No.	Nature of Transaction	Key Management personnel (Rupees)	Enterprises/ Relatives of Key Management personnel & Other Directors (Rupees)
1	Managerial remuneration	9,032,238 (9,026,105)	0 (0)
2	Interest paid / Provided on fixed deposit	327,865 (328,838)	600,750 (514,371)
3	Fixed deposit received	2,370,000 (2,370,000)	4,450,000 (4,650,000)
4	Services obtained [Incl. of Service Tax]	0 (0)	19,456,139 (17,272,535)

Note : No amount has been provided as doubtful debt or advance/written off or written back in the year in respect of debts due from/to above related parties.

15 Amount due to Micro and small Enterprises are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows and No interest has been provided by the Company on the same.

Sr. No.	Particulars	2014-15 Rupees	2013-14 Rupees
1.	Principal amount due, remaining unpaid at the end of the year	10,028,341	10,802,623
2.	Interest thereon due, remaining unpaid at the end of the year	0	0
16. Additional Information			
Particulars	2014-15 Rupees	2013-14 Rupees	
A SALES			
I) S G Iron Castings	67,517,665	85,255,197	
II) C I Castings	683,800,197	865,310,797	
Sub Total ... [A]	<u>751,317,862</u>	<u>950,565,994</u>	
Less : Sales Returns [Re-used as raw materials]			
I) S G Iron Castings	0	13,670	
II) C I Castings	28,450,351	29,250,363	
Sub Total ... [B]	<u>28,450,351</u>	<u>29,264,033</u>	
Net Sale of Castings [A-B]			
I) S G Iron Castings	67,517,665	85,241,527	
II) C I Castings	655,349,846	836,060,434	
Sub Total ... [C]	<u>722,867,511</u>	<u>921,301,961</u>	
Add: Other Sales			
III) Patterns & Moulding Boxes	4,543,452	3,378,337	
Total Net Sales	<u><u>727,410,963</u></u>	<u><u>924,680,298</u></u>	

(Sales includes excise duty, education cess & higher secondary education cess)

BHAGWATI AUTOCAST LIMITED

	2014-15 Rupees	2013-14 Rupees
B STOCK OF FINISHED PRODUCTS		
I) SG Iron Castings		
Opening Stock	1,284,178	521,890
Closing Stock	1,048,185	1,284,178
II) CI Castings		
Opening Stock	19,990,686	15,117,650
Closing Stock	22,100,142	19,990,686
C TRADING GOODS (PATTERNS & MOULDING BOXES)		
Opening Stock	0	0
Purchases	3	2
Sales/ Consumed	3	2
Closing Stock	0	0
D C.I.F. VALUE OF IMPORTS	0	0
E DIVIDENDS		
(a) Dividends proposed to be distributed to equity shareholders	1,440,342	2,592,616
(Rupees per share)	0.50	0.90
F REMITTANCES IN FOREIGN CURRENCIES FOR DIVIDEND		
I) Number of non resident share holders	67	67
II) Number of shares held	42,791	42,791
III) Net amount of dividend - Current	38,512	29,954
Arrears	N.A.	N.A.

Signature to Notes 1 to 21

As per our separate report of even date attached

For Milin J. Jani & Co.
Chartered Accountants
Firm Regn. No. 106396W

Milin J Jani
Proprietor
Membership No. 44077

Place : Ahmedabad
Dated : 22/05/2015

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

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

D. K. Sheth
Chief Financial Officer

M. N. Shah
Director
(DIN : 00021194)

R. J. Shah
Director
(DIN : 01982424)

Akshit Soni
Company Secretary

Place : Ahmedabad
Dated : 22/05/2015

CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Particulars	[RS]	2014-15 [RS]	[RS]	2013-14 [RS]
[A] CASH FLOW FROM OPERATING ACTIVITIES :				
NET (LOSS) / PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		(35,271,946)		67,413,892
ADJUSTMENTS FOR :				
- Depreciation	30,463,613		18,406,923	
- Profit on Sale of Fixed Assets	(234,853)		-	
- Depreciation Reserve written back	(1,511,742)		(6,197)	
- Provision for Income Tax	-		(20,800,000)	
- Loss on Sale of Fixed Assets	113,378		-	
- Interest / Dividend (Net)	6,965,649		9,301,428	
		<u>35,796,045</u>		<u>6,902,154</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				74,316,046
ADJUSTMENTS FOR :				
- Trade And Other Receivables	70,950,273		(83,304,634)	
- Inventories	7,247,306		(8,901,351)	
- Trade Payables	(10,731,664)		23,371,376	
		<u>67,465,915</u>		<u>(68,834,609)</u>
CASH GENERATED FROM OPERATIONS		67,990,014		5,481,437
- Interest Paid		(7,086,364)		(9,458,240)
- Direct Taxes Paid		(29,115,685)		18,046,866
CASH FLOW BEFORE EXTRAORDINARY ITEMS		31,787,965		14,070,063
EXTRAORDINARY ITEMS				
Prior Period Adjustments		(2,282,338)		974,318
NET CASH FROM OPERATING ACTIVITIES		<u>29,505,627</u>		<u>15,044,381</u>
[B] CASH FLOW FROM INVESTING ACTIVITIES :				
- Purchase of Fixed Assets		(13,401,976)		(39,655,295)
- Sale of Fixed Assets with profit / (Loss)		2,661,742		10,369
- Interest Received		120,715		156,812
NET CASH USED IN INVESTING ACTIVITIES		<u>(10,619,519)</u>		<u>(39,488,114)</u>
[C] CASH FLOW FROM FINANCING ACTIVITIES :				
- Proceeds From Long Term/Short Term Borrowings		1,209,478		32,046,210
- Repayment of Long Term/Short Term Borrowings		(18,979,178)		(9,900,265)
- Dividend Paid		(2,938,517)		(2,285,095)
NET CASH USED IN FINANCING ACTIVITIES		<u>(20,708,217)</u>		<u>19,860,850</u>
NET CASH INCREASE IN CASH AND CASH EQUIVALENTS		<u>(1,822,109)</u>		<u>(4,582,884)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE YEAR		<u>5,879,090</u>		<u>10,461,974</u>
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR		<u>4,056,981</u>		<u>5,879,090</u>

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

D. K. Sheth
Chief Financial Officer

M. N. Shah
Director
(DIN : 00021194)

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

Akshiti Soni
Company Secretary

R. J. Shah
Director
(DIN : 01982424)

Place : Ahmedabad
Dated : 22/05/2015

BHAGWATI AUTOCAST LIMITED

MILIN J JANI & CO.
Chartered Accountants

306, Shital Varsha Arcade
3rd Floor, Girish Cold Drink Cross Road
C. G. Road, Ahmedabad – 380 009

AUDITOR'S CERTIFICATE

We have verified the attached Cash Flow statement of M/s BHAGWATI AUTOCAST LIMITED for the year ended 31st March, 2015. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges, which is based on and in agreement with the corresponding statement of Profit & Loss and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For Milin J Jani & Co.
Chartered Accountants
Firm Regn. No. 106396W

Place: Ahmedabad
Date : 22/05/2015

Milin J Jani
Proprietor
Membership No. 44077



BHAGWATI AUTOCAST LIMITED

CIN: L27100GJ1981PLC004718

Reg. Off.: Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad- 382220.
Phone: +91-2714-232283 Website: www.bhagwati.com E-mail: cs@bhagwati.com

ATTENDANCE SLIP

Name and Registered Address of Shareholder :

Registered Folio No. :

DP ID No. :

Client ID :

No. of Shares held :

I/We hereby record my/our presence at the 33rd Annual General Meeting of the Company held on Wednesday, 23rd September, 2015 at 11:00 a.m. at Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad- 382 220.

Name of Member / Proxy

Signature of Member / Proxy

Note:

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

BHAGWATI AUTOCAST LIMITED



BHAGWATI AUTOCAST LIMITED Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of
the Companies (Management and Administration) Rules, 2014]
CIN: L27100GJ1981PLC004718
Name of Company: BHAGWATI AUTOCAST LIMITED
Registered Office: Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad-382220.

Name of Member(s) : _____
Registered Address : _____
E-Mail Id : _____
Folio No/Client Id : _____
DP ID : _____
I/We, being the member(s) of _____ equity shares of Bhagwati Autocast Limited, hereby appoint:

- 1) Name: _____ Address: _____ e-Mail ID: _____
or failing him
- 2) Name: _____ Address: _____ e-Mail ID: _____
or failing him
- 3) Name: _____ Address: _____ e-Mail ID: _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Wednesday, 23rd September, 2015 at 11:00 a.m. at Survey No. 816, Village Rajoda, Nr. Bavla, Ahmedabad- 382220 and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Resolutions	For	Against
1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. Re-appointment of Dr. Pravin N. Bhagwati who retires by rotation		
4. Appointment of Auditors and fixing their remuneration		
5. Re-appointment of Dr. Pravin N. Bhagwati as Managing Director		
6. Re-appointment of Ms. Reena P. Bhagwati as a Joint Managing Director		

Signed this..... day of.....2015.

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Affix a
Revenue
Stamp

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate
- Also please refer to Note No. 1 of the Notice convening the Annual General Meeting.
- For resolutions, Explanatory Statement and Notes, please refer to the Notice of 33rd Annual general Meeting.

