



## BAGADIA COLOURCHEM LTD.

REGISTERED OFFICE

501, SHANIYA ENCLAVE, 5th FLOOR, V. P. ROAD,  
VILE - PARLE (W), MUMBAI 400056. TEL.: (022) 26111982  
CIN - L24221MH1985PLC205386

**BAGADIA**

BSE Ltd.  
[Bombay Stock Exchange Ltd.]  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

BCL/SEC/BSE/3798/2017-2018  
15<sup>th</sup> October, 2017

**By Online Submission**

Dear Sir,

**Subject: - Submission of Annual Report for the year ended 31<sup>st</sup> March, 2017**

Dear Sir,

Pursuant to regulation 34 of (Listing Obligations and Disclosure Requirements) Regulations 2015 we are forwarding herewith the Annual Report for the year ended on 31<sup>st</sup> March, 2017 which was approved and adopted by the Shareholders of the Company in the Annual General Meeting held on Thursday, 28<sup>th</sup> September, 2017 as per provisions of Companies Act, 2013.

You are requested to take the note of the same and place the same in your records.

Thanking You.

Yours faithfully,  
For Bagadia Colourchem Limited

*N.R. Bagadia*



N. R. Bagadia  
Chairman & Managing Director

Encl:- As above



**BAGADIA**

**Bagadia Colourchem Ltd**  
***32<sup>nd</sup> Annual Report***  
***'2016-2017'***

# BAGADIA COLOURCHEM LIMITED

CIN: L24221MH1985PLC205386

## THIRTY SECOND ANNUAL REPORT 2016-17

### BOARD OF DIRECTORS

Name of the Director	Designation	DIN
Mr. Natwarlal R. Bagadia	Chairman & Managing Director	00899960
Mrs. Sangeeta S. Bagadia	Director- Marketing	02487334
Mr. Vilas B. Jagtap	Independent Director	03217289
Mr. Dattatraya M. Mehta	Independent Director	01691582
Mr. Sashikant B. Kakade	Independent Director	02727180
Mrs. Sneha A. Tekriwal	Director	06657740

### CHIEF EXECUTIVE OFFICER

Mr. Sushil N. Bagadia

### AUDITORS

Amar Bafna & Associates  
Chartered Accountants

### BANKERS

Bank of Baroda

### REGISTRAR AND SHARE TRANSFER AGENT

Satellite Corporate Services Pvt. Ltd  
B- 302, Sony Apartments,  
Off. St. Jude High School,  
Off. Andheri Kurla Road, Jarimari Sakinaka,  
Mumbai 400072

### REGISTERED OFFICE

Shaniya Enclave, 5<sup>th</sup> Floor,  
V.P. Road, Vileparle (West)  
Mumbai – 400 056

### Information for Shareholders

#### 32<sup>nd</sup> Annual General Meeting

Date	Thursday, 28 <sup>th</sup> September, 2017
Time	02.30 P.M.
Venue	Hotel Samra Garden, Next to Vyas Vadi, Mudh Marve Road, Malad (West) Mumbai 400061
Date of Book Closure	22 <sup>nd</sup> September, 2017 to 28 <sup>th</sup> September, 2017 (both days inclusive)

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## NOTICE

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Shareholders of Bagadia Colourchem Limited will be held on Thursday 28<sup>th</sup> September, 2017 at 2.30 P.M. at the Conference Hall of Hotel Samra Garden, Next to Vyas Vadi, Mudh Marve Road, Malad (West) Mumbai 400061 to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017 together with the Report of the Board of Directors and the Auditor's Report thereon.
- 2) To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Ms. Sneha Tekriwal [DIN:06657740] Director, who retires by rotation and being eligible offers herself for reappointment, be and is hereby reappointed as the Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the resolution passed by the Members at the 31<sup>st</sup> Annual General Meeting (AGM) held on 28<sup>th</sup> September 2016, the Company hereby ratifies the appointment of Amar Bafna & Associates, Chartered Accountants, Mumbai, having Firm Registration No. 114854W as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 33<sup>rd</sup> Annual General Meeting to be held in the Year 2018 on such remuneration plus applicable taxes thereon and reimbursement of out of pocket expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

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By Order of the Board of Directors  
**For Bagadia Colourchem Limited**

Place: -Mumbai  
Date: - 12/08/2017

**N. R. Bagadia**  
Chairman & Managing Director  
[DIN: 00899960]

**NOTES:-**

1. A MEMBER ENTITLED TO ATTEND & VOTE AT THIS MEETING MAY APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received by the Company at its Registered Office, not later than 48 Hours before the commencement of the Meeting. A Person shall not act as Proxy for more than 50 Members and holding in the aggregate not more than 10% of the total voting share capital of the Company. However a single person may act as the Proxy, for a Member holding more than 10% of the total voting share capital of the Company, provided that such Person shall not act as a Proxy for any other Person. Proxy Holder shall prove his / her Identity at the time of attending the Meeting by producing the Photo Identity Card such as PAN Card, Aadhar Card, Passport or any other Photo Identity Card issued by Government Agency / Office. Proxies shall not have any right to speak at the Meeting.
3. Notice is also given that the Register of Members and Share Transfer Books in Respect of Equity Shares of the Company will remain closed from Friday, 22<sup>nd</sup> September, 2017 to Thursday, 28<sup>th</sup> September, 2017 (Both days inclusive).
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their E-mail addresses with Company or Depository.
5. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to the Members whose E-mail ID's are registered with the Company or Depositories, unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their E-mail ID's with the Company or Depositories. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at registration counter to attend the AGM.

**Voting through Electronic means:**

In compliance with the provisions of Section 108 and other applicable provisions of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendments, Rules 2015, Secretarial Standard -2 on General Meetings and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has provided the facility to the Members to exercise their votes electronically through E-voting service facility arranged by NSDL. The facility for voting through Ballot Paper will also be made available at the AGM and Members attending the AGM, who have not already cast their votes by Remote E-voting shall be able to exercise their right at the AGM through Ballot Paper. The Members, who have cast their votes by Remote E-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their votes again.

The Remote E-voting period commences on Monday, 25<sup>th</sup> September, 2017 (9:00 A.M.) and ends on Wednesday, 27<sup>th</sup> September, 2017 (5.00 P.M). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date/Cutoff date i.e. Thursday 21<sup>st</sup> September, 2017 may cast their votes electronically. The remote E-voting module shall be disabled by NSDL for voting thereafter. Once the votes on the resolutions are cast by a Member, he or she will not be allowed to change it.

The instructions for remote E-voting are as follows:

1. Members whose E-mail addresses are registered with the Company / Depository Participant(s) will receive an E-mail from NSDL informing them of their UserID and Password. Once the Member receives the E-mail, he or she will need to go through the following steps to complete the E-voting process:
  - a. Open E-mail and open the PDF file titled 'Bagadia E-voting.pdf' using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote E-voting. Please note that this password is an initial password.
  - b. Launch your internet browser and type the following URL: <https://www.evoting.nsdl.com>

- c. Click on Shareholder — Login.
  - d. Enter the user ID and password [the initial password noted in step (a) above].  
Click on Login.
  - e. The Password change menu will appear. Change the password to a password of your choice. The new password should have a minimum of 8 digits / characters or a combination thereof. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
  - f. The homepage of E-voting will open. Click on E-voting: Active Voting Cycles.
  - g. Select 'EVEN/ (E Voting Event Number) of Bagadia Colourchem Ltd.
  - h. Now you are ready for remote E-voting as the Cast Vote page opens.
  - i. Cast your vote by selecting the option of your choice and click on 'Submit', and also remember to 'Confirm' when prompted.
  - j. On confirmation, the message 'Vote cast successfully' will be displayed.
  - k. After you have voted on a resolution once, you will not be allowed to modify your vote.
  - l. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF /JPG Format) of the relevant Board resolution / authorization letter etc., together with attested specimen signature of the authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer via E-mail to bagadiacolourchem@rediffmail.com with a copy marked to evoting@nsdl.co.in.
2. For Members whose E-mail IDs are not registered with the Company / Depository Participant(s) and who receive the physical Ballot Forms, the following instructions may be noted:
    - a. The initial password is provided on the Ballot Form.
    - b. Please follow the instructions from 'b' to 'l' as mentioned in step 1 to cast your vote.

**General Instructions for E-voting:**

1. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and E-voting user manual for Members available in the 'Downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
2. Login to the E-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
3. If you are already registered with NSDL for E-voting, then you can use your existing user ID and password for casting your vote.
4. 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 relevant date/ Cutoff date i.e. Thursday, 21<sup>st</sup> September, 2017.
5. The Members can opt for only one mode of voting, i.e. either by physical Ballot or remote E-Voting. In case Members cast their votes through both the modes, voting done by remote E-Voting shall prevail and votes cast through physical Ballot Forms will be treated as invalid.

**Procedure & Instructions for Ballot Voting:**

1. Members who do not have access to E-voting facility, may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company - Mr. Shekhar S. Ghatpande, Practicing Company Secretary (Membership No. FCS.1659 and CP No.782), at the Registered Office of the Company at Shaniya Enclave, 5<sup>th</sup> Floor, V. P. Road, Vileparle (W), Mumbai 400056 not later than Wednesday, 27<sup>th</sup> September, 2017, upto 5.00 P.M.
2. The Chairman shall at the Annual General Meeting, at the end of the discussions on the Resolutions on which the voting is to be held, allow voting with the assistance of Scrutinizer, by use of 'Ballot Paper' /

'Polling Paper' for all those Members who are present at the AGM but have not cast their Vote by availing the facility of e-Voting.

**Scrutinizer and Scrutinizer's Report:**

1. Mr. Shekhar S. Ghatpande, Practicing Company Secretary (FCS No: 1659, Certificate of Practice Number: 782) has been appointed as the Scrutinizer to scrutinize E-voting / Ballot Voting process in a fair and transparent manner.
2. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast in the meeting and thereafter unblock the votes cast through E-voting in the presence of at least two witnesses who are not in the employment of the Company and shall make, not later than forty-eight hours 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.
3. The Results declared along with the Report of the Scrutinizer shall be placed 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 Ltd.

## DIRECTOR'S REPORT

To,  
The Members,  
Bagadia Colourchem Limited

The Board of Directors have pleasure in presenting before you the 32<sup>nd</sup> Annual Report and Audited Statements of Accounts for the financial year ended as on 31<sup>st</sup> March, 2017.

### 1. FINANCIAL RESULTS

The Financial Results for the year ended on 31<sup>st</sup> March, 2017 are briefly given below:-

PARTICULARS	2016-2017 (₹)	2015-2016 (₹)
Sales (Net of Tax) & Other Income	46,08,252	24,96,700
Profit before Interest, Depreciation & Income Tax	6,44,009	(9,56,809)
Less : Interest	6,11,056	-
Depreciation	37,332	68,742
Profit/ (Loss) for the Year before tax	(4,379)	(10,25,551)
Less : Provision for Tax Deferred Tax	(8,536)	(12,69,278)
Earlier Year	133,748	96,996
Profit/(Loss) after Tax	(1,29,591)	1,46,731

### 2. MANAGEMENT DISCUSSION & ANALYSIS REPORT

During the year under review the Revenue from Operations of the Company was Rs. Nil. The Company has incurred the Loss before Tax of Rs. 0.04 Lakh as against the Loss of Rs. 10.25 Lakh of the previous year.

As reported in the Directors Report of the last Year the Company has sold its manufacturing Plant situated at Mahad, Dist. Raigad, in the State of Maharashtra. As such the Company is left with no Manufacturing Facilities / Units. The Company is in process of identifying various other avenues to commence other line of business. During the Year under Report the Company has explored the Domestic and International markets for various Chemical Products like Pigment Paste and Antioxidants by attending various Chemical Trade Exhibitions. However the Company could not finalize any other line of business during the Year under Report.

### 3. CAUTIONARY STATEMENT

Statements in this report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations actual results might differ materially from those either expressed or implied.

### 4. TRANSFER TO RESERVES

Your Company has not proposed to transfer any amount to the General Reserve.

### 5. DIVIDEND

Considering the present depressed working, and the fact that the Company is in the process of identifying new Project/ Chemical Product, and with a view to augment the long term resources for the same, your

Directors do not recommend any Dividend on the Shares of the Company.

**6. PUBLIC DEPOSITS**

During the Financial Year 2016-17, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

**7. INTERNAL CONTROL SYSTEMS AND IT'S ADEQUACY**

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. An Internal Auditor has been appointed for this purpose.

The Audit Committee of the Board reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically.

**8. LISTING AGREEMENT & FEES**

The annual listing fees for the Financial Year 2016-2017 as well as for the Financial Year 2017-2018 have been paid to BSE Limited, where your Company's shares are listed.

**9. HOLDING COMPANIES, SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES**

Company does not have any Holding Company, Subsidiary Company and Associate Company.

**10. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as Annexure I to this Report.

**11. NUMBER OF MEETINGS OF THE BOARD**

During the year under review, Eight (8) Board Meetings were convened and held including the Meeting of the Independent Directors held on 31<sup>st</sup> March, 2017, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**12. DIRECTOR'S RESPONSIBILITY STATEMENT**

Directors' Responsibility Statement prepared pursuant to the provisions of Section 134(5) of the Companies Act, 2013, is furnished below as required under Section 134(3) (c).

Directors state that:-

- a) In the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2017 the applicable Accounting Standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;
- b) Accounting Policies as mentioned in Part-B to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and of the loss of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Annual Accounts have been prepared on a going concern basis;

- e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

### **13. DECLARATION BY INDEPENDENT DIRECTOR**

All Independent Directors have given declarations under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **14. AUDITORS AND AUDITORS' REPORT**

#### **a) Internal Auditor**

The Internal Auditor, Satyendra Jain, Chartered Accountants, Mumbai have conducted internal audits periodically and submitted their reports to the Audit Committee. Their Reports have been reviewed by the Statutory Auditors and the Audit Committee.

#### **b) Statutory Auditor**

In the 31<sup>st</sup> Annual General Meeting held on 28<sup>th</sup> September, 2016, the Company had appointed Amar Bafna & Associates, Chartered Accountants, Mumbai, having Firm Registration No. 114854W as the Auditors of the Company from the conclusion of the 31<sup>st</sup> Annual General Meeting till the Conclusion of 36<sup>th</sup> Annual General Meeting to be held in the year 2021. Accordingly the Auditors have furnished their Report dated 26<sup>th</sup> May, 2017.

The qualifications of the Auditors and the replies given in the Notes to Accounts are self explanatory.

No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in Board's Report.

In terms of Section 139(1) of the Companies Act, 2013 the necessary resolution for ratification of their appointment as the Statutory Auditors to hold the office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting is placed for your approval.

In this regard, the Company was received a Certificate from the Auditors to the effect that if their appointment is ratified it would be in accordance with the provisions of Section 141 of the Companies Act 2013.

#### **c) Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Shekhar Ghatpande, Practicing Company Secretaries having Membership No FCS: 1659 CP No: 782 to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as Annexure - II to this Report which is qualified by the Secretarial Auditors on certain points.

In this Connection the Directors state that Company is Non operational and functional, and as such the qualification of the Secretarial Auditor as appeared in their Report are inevitable.

#### **d) Cost Audit**

For the Financial Year under Report the appointment of Cost Auditor and obtaining of their Report was not applicable to the Company.

### **15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

During the Financial Year 2016-2017, Company has not provided any Loans or Guarantees and made Investment under Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014.

The Details of Investments made as on 31<sup>st</sup> March, 2017 are as follows:

Name of Entity	Amount As at 31 <sup>st</sup> March, 2017 (₹)
<b>1. Quoted (Equity Shares)</b>	
(a) 10,000 Shares of FV Rs. 2/- each of Bank of Baroda	1,70,000/-
(b) 940 Shares of FV Rs. 2/- each of Punjab National Bank	73,320/-
<b>2. Unquoted</b>	
(a) 500 Capital Gain Saving Bonds of Rs. 10,000 each of Rural Electrification Corporation Ltd.	50,00,000/-
<b>TOTAL:-</b>	<b>52,43,320/-</b>

#### 16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to provision of Companies Act, 2013, the particulars of contracts or arrangements entered into by the Company with Related parties have been done at Arm's Length basis and are in ordinary course of business and particulars of which are being provided in Form AOC - 2 in terms of Section 134 (3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014 attached herewith as **Annexure III**.

#### 17. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments 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.

#### 18. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

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

The Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is as follows:

##### A. Conservation of Energy and Technology Absorption:

- a) As the Company has since sold its manufacturing Plant at Mahad and has left with no manufacturing facilities, conservation of Energy at present is not applicable.
- b) The Company has not imported any technology and there is no technical collaboration, with any party.

##### B. Foreign Exchange Earnings and Outgo

Sr. No.	Particulars	Amount in (₹)
1	Foreign Exchange earned in terms of actual inflows during the year	<b>Nil</b>
2	Foreign Exchange outgo during the year in terms of actual outflows	<b>1,15,912/-</b>

#### 20. RISK MANAGEMENT POLICY

At present the Company has not formulated any Policy for Risk Management, however during the course of business the Management looks after and study the Risks involved.

**21. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 in respect of CSR activities are not applicable to the Company. The Company voluntarily also has not undertaken any CSR activity.

**22. BOARD EVALUATION**

Pursuant to the provisions of the Section 134 (3) (p) Companies Act, 2013, Rules there under and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other statutory committees. Performance evaluation has been carried out as per the Nomination and Remuneration Policy.

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

There has been no change in the nature of business during the Financial Year under review.

**24. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

During the year there is no Appointment and Resignation of any Directors or Key Managerial Personnel.

**25. DIRECTORS PROPOSED TO BE RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING**

Ms. Sneha Tekriwal [DIN:06657740] who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment

The necessary resolution for her appointment as the Director of the Company is proposed for the approval of the Members in the ensuing Annual General Meeting.

**26. COMPOSITION OF AUDIT COMMITTEE**

The composition of the Audit Committee under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been mentioned in the Corporate Governance Report annexed to this Report.

**27. PARTICULARS OF EMPLOYEES**

No employee of the Company was in receipt of remuneration aggregating to Rs. 102/- Lakh or more per year or Rs. 8.50/- Lakh or more per month when employed for a part of the year and the particulars as required under Section 197 (12) read with the Rule 5(2) and 5 (3) of Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014.

**28. CASH FLOW**

A Cash Flow Statement for the financial year ended 31<sup>st</sup> March 2017 is attached to the Financial Statement.

**29. CORPORATE GOVERNANCE**

Pursuant to Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 report on the Corporate Governance is not applicable to the Company. However as a good Corporate Governance practice the Company furnishes the report on the Corporate Governance along with the certificate of compliance from the Practicing Company Secretary, forms part of the Annual Report.

**30. ACKNOWLEDGMENT**

The Directors place on record their appreciation for the cooperation and support extended by the Bankers of the Company viz. Bank of Baroda and Employees of the Company all the times.

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By Order of the Board of Directors  
**For Bagadia Colourcheem Limited**

Place: -Mumbai  
Date: - 12/08/2017

**N. R. Bagadia**  
Chairman & Managing Director  
[DIN: 00899960]

**ANNEXURE-I**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on Financial Year ended on 31<sup>st</sup> March, 2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management & Administration) Rules, 2014

**I. Registration & Other Details**

1.	CIN	L24221MH1985PLC205386
2.	Registration Date	27/04/1985
3.	Name of the Company	Bagadia Colourchem Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	Shaniya Enclave, 5 <sup>th</sup> Floor, V. P. Road, Vileparle (West), Mumbai-400056 E-mail ID :- bagadiacolourchem@rediffmail.com Phone No: 022 26111982
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Satellite Corporate Services Pvt. Ltd Add: B- 302, Sony Apartments, Off. St. Jude High School, Off. Andheri Kurla Road, Jarimari Sakinaka, Mumbai 400072. Email Id:- service@satellitecorporate.com Phone No: 022 28524061

**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
During the year Company had not undertaken any manufacturing Activity. Revenue from Sale of Products is Nil. All Income comprises of Other Income.			

**III. Particulars of Holding, Subsidiary and Associate Companies**

The Company is not having any Holding, Subsidiary and Associate Company. Thus this Clause is not applicable.

## IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

## A) Category-Wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	17,53,852	-	17,53,852	47.53	17,53,852	-	17,53,852	47.53	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>17,53,852</b>	<b>-</b>	<b>17,53,852</b>	<b>47.53</b>	<b>17,53,852</b>	<b>-</b>	<b>17,53,852</b>	<b>47.53</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	24,900	24,900	0.67	-	24,900	24,900	0.67	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>24,900</b>	<b>24,900</b>	<b>0.67</b>	<b>-</b>	<b>24,900</b>	<b>24,900</b>	<b>0.67</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	91,915	72,200	1,64,115	4.45	1,29,388	72,200	2,01,588	5.46	1.01
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,60,267	8,19,700	11,79,967	31.98	4,39,474	7,99,600	12,39,074	33.58	1.60

**BAGADIA COLOURCHEEM LIMITED**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	76,800	29,200	1,06,000	2.87	20,900	29,200	50,100	1.36	-1.51
c) Others (HUF)	1,00,966	4,000	1,04,966	2.85	64,586	4,000	68,586	1.86	-0.99
Non Resident Indians	52,300	3,03,900	3,56,200	9.65	47,800	3,03,900	3,51,700	9.53	-0.12
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	200	-	200	0.01	0.01
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>6,82,248</b>	<b>12,29,000</b>	<b>19,11,248</b>	<b>51.80</b>	<b>7,02,348</b>	<b>12,08,900</b>	<b>19,11,248</b>	<b>51.80</b>	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6,82,248</b>	<b>12,53,900</b>	<b>19,36,148</b>	<b>52.47</b>	<b>7,02,348</b>	<b>12,33,800</b>	<b>19,36,148</b>	<b>52.47</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>24,36,100</b>	<b>12,53,900</b>	<b>36,90,000</b>	<b>100</b>	<b>24,56,200</b>	<b>12,33,800</b>	<b>36,90,000</b>	<b>100</b>	-

**B) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Mr. Natwarlal Radheshyam Bagadia	61,300	1.66	-	61,300	1.66	-	-
2	Mr. Sushil Natwarlal Bagadia	9,57,452	25.95	-	9,57,452	25.95	-	-
3	Ms. Sangeeta Sushil Bagadia	7,34,900	19.92	-	7,34,900	19.92	-	-
4	Ms. Sneha Aman Tekriwal	100	-	-	100	-	-	-
5	Mr. Mohit Sushil Bagadia	100	-	-	100	-	-	-

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

During the Financial Year 2016-2017, there were No Changes in the Promoter's Shareholding.

**D) Shareholding Pattern of top ten Shareholders:****(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2016)	
		No. of shares	% of Total Shares of the Company
1	Upsurge Investment & Finance Ltd	61,292	1.66
2	Prime Housing & Finance (P) Ltd.	53,000	1.44
3	Ms. Urmila Seetha	50,000	1.36
4	Mr. Shamlal Tikamdas Chhabria	50,000	1.36
5	Mr. Dinesh Seetha	50,000	1.36
6	Hargovind Gupta (HUF)	36,080	0.98
7	Sureshchand Chhotelal Jain (HUF)	35,000	0.95
8	Ms. Priyavadan Rawal	29,200	0.79
9	Mr. Sandip Bipin Shah	25,000	0.68
10	Ms. Seema Sajid Chasmawala	20,900	0.57

Sr. No.	Name of Shareholders	Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2017)	
		No. of shares	% of Total Shares of the Company
1	Upsurge Investment & Finance Ltd	95,000	2.57
2	Sureshchand Chhotelal Jain (HUF)	35,000	0.95
3	Surjeet Jain	27,000	0.73
4	Mr. Dinesh Seetha	50,000	1.36
5	Ms. Seema Sajid Chasmawala	20,900	0.57
6	Prime Housing & Finance (P) Ltd.	53,000	1.44
7	Ms. Priyavadan Rawal	29,200	0.79
8	Mr. Sandip Bipin Shah	25,000	0.68
9	Mr. Shamlal Tikamdas Chhabria	50,000	1.36
10	Ms. Urmila Seetha	50,000	1.36

**E) Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Name of Director and Key Managerial Personnel	Shareholding as at the beginning of the year		Shareholding as at the End of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Natwarlal Radheshyam Bagadia	61,300	1.66	61,300	1.66
2.	Mrs. Sangeeta Sushil Bagadia	7,34,900	19.92	7,34,900	19.92
3.	Ms. Sneha Aman Tekriwal [Ms. Sneha Sushil Bagadia]	100	-	100	-
4.	Mr. Vilas Bajirav Jagtap	2,500	0.07	2,500	0.07
5.	Mr. Dattatraya Mahadev Mehta	100	-	100	-
6.	Mr. Shashikant Bhikoba Kakade	100	-	100	-
7.	Mr. Sushil Natwarlal Bagadia	9,57,452	25.95	9,57,452	25.95

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

(Amount in ₹)

Paticulars	Secured Loans excluding deposits	Unsecured Loans (*)	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	40,02,889	-	-	40,02,889
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>40,02,889</b>	<b>-</b>	<b>-</b>	<b>40,02,889</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	20,67,124	-	-	20,67,124
<b>Net Change</b>	<b>20,67,124</b>	<b>-</b>	<b>-</b>	<b>20,67,124</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	19,35,765	-	-	19,35,765
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>19,35,765</b>	<b>-</b>	<b>-</b>	<b>19,35,765</b>

\*Against fixed Deposits kept with the Bank

**VI. Remuneration of Directors and Key Managerial Personnel****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Natwarlal Radheshyam Bagadia	Ms. Sangeeta S. Bagadia	
	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	6,00,000/-	6,00,000/-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-
1	(c) Profits in lieu of salary under Section 17(3) of Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
	Commission - as % of profit - others, specify...	-	-	-
4		-	-	-
5	Others, please specify	-	-	-
	<b>Total:</b>	-	<b>6,00,000/-</b>	<b>6,00,000/-</b>
	Ceiling as per the Act: The Salary is paid within the limit of the Section 196 and 197 read with Schedule V of the Companies Act, 2013.			

**B. Remuneration to KMP other than MD/Manager/ WTD**

Remuneration paid to Key Managerial Personnel (KMP) is as follows:-

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of KMP
		Mr. Sushil Bagadia (CEO)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,40,000/-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) of Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others,	-
		-
5	Others,	-
	<b>Total:</b>	<b>2,40,000/-</b>

**VII. Penalties / Punishment/ Compounding of Offences:**

During the Financial Year, there is no instant of any Penalty/ Punishment / Compounding of Offences under Companies Act, 2013 against any Director, Key Managerial Personnel and other Officer in Default.

**ANNEXURE II**

**[FORM MR-3]**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED  
31<sup>ST</sup> MARCH 2017**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Bagadia Colourchem Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bagadia Colourchem Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my limited verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2017 ('Audit Period') 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:

I report that the maintenance of proper and updated Books, Papers, Minute Book, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is the responsibility of the management and of the Company. My responsibility is to verify the contents of the Documents produced before me, make objective evaluation of the contents, in respect of compliance and report thereon. I have examined on test check basis the Registers, Books, Papers, Minutes Book, Forms and Returns filed and other records maintained by the Company and produced before me for the Audit Period i.e. Financial year ended as on 31<sup>st</sup> March, 2017 as per the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (\*)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;(\*)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (\*)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (\*)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (\*)
  - (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; (\*)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (\*)

(\*) There were no events/ actions occurred during the year under the report which attracts the provisions of these Act/Regulations/Guidelines, hence the same were not applicable.

I have also examined compliance with the applicable Clauses of the following and have to report that:-

- (i) Secretarial Standards with regard to Meeting of the Board of Directors [SS-1] and General Meetings [SS-2] issued by the Institute of Company Secretaries of India, have been complied with.
- (ii) I have checked the compliance with the provisions of The Listing Agreement entered into by the Company with BSE Ltd., [Bombay Stock Exchange] and SEBI [Listing Obligations and Disclosure Requirements] Regulations 2015, to the extent applicable during the Year under Review and to the best of my knowledge, belief and understanding I am of the view that Company has complied with the Secretarial functions and Board processes to comply with the applicable provisions thereof.

I report that, during the Audit 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:

- i) Company has not appointed a Chief Financial Officer (CFO) and a Company Secretary (CS) as the Key Managerial Personnel of the Company as required by the provision of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- ii) As per the requirements of the Listing Agreement and SEBI (LODR) Regulations 2015 the Company has not maintained the Official Website to upload the Data for Investors.

I further report that, as the Company had sold its Manufacturing Unit at Mahad, and as there were no operation/ activities undertaken by the Company during the year under report, we were informed that, the Company has surrendered/ transferred all the applicable Licences, Registrations, Approvals, Permissions etc.

Hence no other laws were specifically applicable to the Company during the Audit Period.

I further report that the Compliance by the Company of applicable Financial Laws, like Direct and Indirect Tax Laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and other designated Professionals.

I 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. There was no change in the composition of the Board of Directors that took place during the Audit Period under review.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally 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.

All the decisions in the Board Meetings were carried through by the majority and it was informed to us while there were no dissenting views of the Members and hence not captured and recorded as part of the Minutes.

I 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.

I further report that during the Audit Period there was no event/ action having major bearing on the Companies affairs. The Company during the earlier audit period had disposed off its plant at Mahad Dist-Raigad, State of Maharashtra and it is left with no manufacturing unit/facility. We were informed that the Directors are looking for new business opportunities, however could not finalise the same during the Audit Period.

Date: 12/08/2017  
Place: Pune

**Shekhar S. Ghatpande**  
Practicing Company Secretary  
FCS No. 1659/CP No. 782

**Annexure 'A' to the Secretarial Audit Report of Bagadia Colourchem Limited**

To,  
The Members  
**Bagadia Colourchem Limited,**  
Shaniya Enclave, 5<sup>th</sup> Floor, V. P. Road,  
Vileparle (West), Mumbai-400056

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

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes and practices, followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date: 12/08/2017  
Place: Pune

**Shekhar S. Ghatpande**  
Practicing Company Secretary  
FCS No. 1659/CP No. 782

**ANNEXURE III**  
**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 Arms' Length transaction under third proviso thereto

**1. Details of Contracts or Arrangements or transactions not at Arm's Length basis.**

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
-- Nil --								

**2. Details of Contracts or Arrangements or transactions at Arm's Length basis**

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any [₹ (*)]	Date of approval by the Board	Amount paid as advances, if any
1(*)	Mrs. Sangeeta Sushil Bagadia	1. Office Rent 2. Remuneration 3. Rent Deposit(**)	For the FY 2016-2017	3,60,000 6,00,000 6,00,000	08/04/2016	N.A
2(*)	Mr. Shashikant Kakade	1. Office Rent 2. Rent Deposit (**)	For the FY 2016-2017	96,000 50,000	08/04/2016	N.A.
3(*)	Mr. Sushil Bagadia	Remuneration as CEO	For the FY 2016-2017	2,40,000	08/04/2016	N.A.

(\*) All the Transactions are on Arm's Length basis during the normal course of business

(\*\*) Rent Deposit Paid in earlier years

## ANNEXURE TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### REPORT ON CORPORATE GOVERNANCE

#### Pursuant to Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

The Corporate Governance provisions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are applicable to those companies whose Paid up Equity Share Capital exceeds Rs. 10/- Crs AND the Net Worth of those companies exceeds Rs. 25/- Crs., as on the last day of the previous Financial Year.

As the Paid up Equity Share Capital and Net Worth of the Company does not exceed the Limits as specified above, therefore the Corporate Governance provisions are not applicable to the Company and as such the furnishing of Report on Corporate Governance is not applicable to the Company.

However as an additional disclosure we are furnishing below the said Report, as a good Corporate Governance practice.

#### 1. The Company's Philosophy on the Code of Corporate Governance

The Company strongly believes that the system of Corporate Governance protects the interest of all the Shareholders by calculating transparent business operations and accountability from management and monitor and ensures compliance with Law and Regulations.

#### 2. Board of Directors, Composition of Board and its Meetings

The Composition of the Board is in conformity with Regulation 17 of Listing Regulations and the Companies Act, 2013. The Company has a Executive Chairman who is not drawing any remuneration. The Company has equal representation of the Independent Directors on the Board of Directors of the Company.

The Total Strength of the Board at the beginning of the Financial Year was Six (6) Directors. There were no changes in the composition of Board during the year under review and as such at the close of the Financial Year 2016-2017, the total strength of the Board remain at Six (6) Directors, comprising of Two (2) Executive Director and Four (4) Non-Executive Directors.

During the Financial year ended 31<sup>st</sup> March, 2017, Eight (8) meetings of the Board of Directors (Including separate meeting of Independent Directors held on 31<sup>st</sup> March, 2017) were held and maximum time Gap between two Meetings did not exceed 120 Days. The Dates of the Board Meetings are 8<sup>th</sup> April, 2016, 27<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 28<sup>th</sup> September, 2016, 10<sup>th</sup> November, 2016, 14<sup>th</sup> February, 2017 and 31<sup>st</sup> March, 2017.

Details of Attendance of each Director at the Board Meeting, the Last AGM and other Indian Companies Directorships and Committee Memberships held by them and No. of Shares held by the Non Executive Directors as on date are as follows.

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM	No. of other Directorships held	No. of Committees of which Member of other companies	No. of Shares held in the Company
Mr. Natwarlal R. Bagadia (#)	Chairman & Managing Director (ED) (*) (P)	7	Yes	Nil	Nil	61,300

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM	No. of other Directorships held	No. of Committees of which Member of other companies	No. of Shares held in the Company
Mrs. Sangeeta S. Bagadia (#)	Director – Marketing (ED)(P)	7	Yes	Nil	Nil	7,34,900
Mr. Vilas Bajirao Jagtap	Director (NED)(I)	8(**)	Yes	Nil	Nil	2,500 (As Joint Shareholder)
Mr. Dattatraya M. Mehta	Director (NED)(I)	6(**)	No	Nil	Nil	100
Mr. Shashikant B. Kakade	Director (NED)(I)	8(**)	Yes	Nil	Nil	100
Ms. Sneha Aman Tekriwal(#)	Director (NED)(P)	6	No	Nil	Nil	100

[ED= Executive Director, NED= Non Executive Director, P = Promoter Director, I= Independent Director]

(\*) Mr. Natwarlal Bagadia is designated as the Managing Director, but he is not paid any remuneration.

(\*\*) Includes One Separate Meeting of the Independent Director

(#) Mr. Natwarlal R. Bagadia, Mrs. Sangeeta S. Bagadia & Ms. Sneha Aman Tekriwal have Inter-se Relation between them.

### 3. Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 26 of the Listing Regulations a separate meeting of the Independent Directors of the Company was held on 31<sup>st</sup> March, 2017, without the attendance of Non-Independent Directors and Members of the Management.

### 4. Committees of the Board

To enable better and more focused attention on the affairs of the Company, the Board delegates particular matters to the Committees of the Directors set up for the purpose. The Committees constituted by the Board plays a very important role in the Governance structure of the Company.

Currently, Board is assisted by various Committees viz., Audit Committee, Nomination & Remuneration Committee, and Stakeholders Relationship Committee all chaired by an Independent Director.

#### a) Audit Committee

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee was constituted in June 2002. At close of Financial Year 2016-2017 i.e. as on 31<sup>st</sup> March, 2017 it comprises of Mr. Shashikant B. Kakade, Mr. Vilas Bajirao Jagtap, and Mr. Dattatray Mehta. Mr. Shashikant B. Kakade was Chairman of Audit Committee, since he was appointed as the Director.

Audit Committee held total Four (4) Meetings during the Financial Year under review on 27<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 10<sup>th</sup> November, 2016 and 14<sup>th</sup> February, 2017. The Members were present to all the Meetings.

#### b) Nomination & Remuneration Committee

The composition of the Nomination & Remuneration Committee is in alignment with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Nomination

& Remuneration Committee was constituted in June 2002. At close of Financial Year 2016-2017 i.e. as on 31<sup>st</sup> March, 2017 it comprises of Mr. Shashikant B. Kakade, Mr. Vilas Bajirao Jagtap, and Mr. Dattatray Mehta. Mr. Shashikant B. Kakade was appointed as the Chairman of Nomination & Remuneration Committee.

During the Year under Report, there was no Meeting of the said Committee.

#### **Evaluation of Board Effectiveness**

In terms of provisions of the Companies Act, 2013 read with Rules framed there under and Regulation 17 (10) & 19 (4) Part D of Schedule II of the Listing Regulations, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board.

The Board of Directors have put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director to be carried out on an annual basis.

The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their Roles and Responsibilities, Business of the Company along with the Environment and effectiveness of their contribution.

#### **Details of Remuneration paid to Directors**

Details of Remuneration paid/payable to all the Directors for the Financial Year 2016-2017 was as follows:

<b>Name of The Director</b>	<b>Remuneration (₹)</b>	<b>Sitting Fees (₹)</b>	<b>Total (₹)</b>
Mr. Natwarlal R. Bagadia	Nil	Nil	Nil
Mrs. Sangeeta S. Bagadia	6,00,000/-	Nil	6,00,000/-
Mr. Vilas Bajirao Jagtap	Nil	3,750/-	3,750/-
Mr. Dattatraya M. Mehta	Nil	3,750/-	3,750/-
Mr. Shashikant B. Kakade	Nil	3,750/-	3,750/-
Mrs. Sneha Tekriwal	Nil	2,500	2,500/-

#### **c) Stakeholder's Relationship Committee**

The composition of the committee is in alignment with Stakeholder's Relationship Committee provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Stakeholder's Relationship Committee was constituted in June 2002. At close of Financial Year 2016-2017 i.e. as on 31<sup>st</sup> March, 2017 it comprises of one Executive Promoter Director Mr. N. R. Bagadia and two Independent Directors Mr. Vilas Jagtap and Mr. Shashikant Kakade, Chairman.

The details of complaints received and resolved are Nil. The numbers of pending share transfers are Nil.

#### **5. General Body Meetings**

Details of Last Three Annual General Meetings held are as follows:

<b>Financial Year</b>	<b>Venue</b>	<b>Date and Time</b>	<b>Special Resolution Passed</b>
2013-2014	At Hotel Sagar Kharodi Marve Road Malad (W) Mumbai	14 <sup>th</sup> August, 2014	Resolution for Re-appointment of Mr. N R. Bagadia & Mrs. Sangeeta S. Bagadia for Five Years.
2014-2015	At Hotel Sagar Kharodi Marve Road Malad (W) Mumbai	29 <sup>th</sup> September, 2015	None

Financial Year	Venue	Date and Time	Special Resolution Passed
2015-2016	At Conference Hall of Hotel Samra Garden, Next to Vyas Vadi, Mudh, Marve Road, Malad (West) Mumbai-400061	28 <sup>th</sup> September, 2016	1. Resolution under Section 180 (1) (a) for Mortgaging and Charging of Movable & Immovable Property for securing loans not exceeding Rs. 20/- crores of the Company. 2. Resolution under Section 180 (1) (c) for Borrowing not exceeding Rs. 20/- Crores.

During the year under report no Extra Ordinary General Meeting was held and also no resolution was passed through Postal Ballot.

## 6. Disclosures

### i. Related Party Transactions

There are no materially significant transactions made by the Company with its Promoters, Directors, Relatives or the Management which have potential conflict with the Interest of the Company at large.

### ii. Statutory Compliances, Penalties & Strictures

There were no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter relating to Capital markets during the last three years.

### iii. Vigil Mechanism and Whistle Blower Policy

The Company promotes ethical behavior in all its business activity and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employee's are free to report violation of applicable laws and regulations and code of conduct.

## 7. Code of Conduct

Your Company has adopted a Code of Conduct for all the employees including Board Members and Senior Management Personnel of the Company in accordance with the Listing Regulations and in accordance with Provision of Companies Act, 2013.

Code of Conduct for Prevention of Insider Trading covers all the Directors, senior management personnel, persons forming part of Promoter(s)/ Promoter Group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company.

The Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration to that effect is signed by Mr. N. R. Bagadia, Chairman & Managing Director of the Company forms part of this Report.

**8. Particulars of Director eligible for Re-appointment**

Ms. Sneha Tekriwal retires by rotation and being eligible offers herself for reappointment.

The brief Resume of the said Director is as follows:

<b>Name of the Director</b>	Ms. Sneha Tekriwal
Director Identification Number	06657740
Date of Joining the Board	12/08/2013
Profile of the Director	Ms. Sneha Tekriwal is a Bachelor in Engineering and has completed her Graduation from D. J. Sanghavi College, University of Mumbai. There after she has also undergone Post Graduate Degree- MSC in Management from Warwick Business School, University of Warwick, UK.  During the period 2008-2010 she has also assisted in Company working as trainee and has in-depth knowledge of the working of the Company.
Relationship with Directors	Relative (Grand Daughter) of Mr. Natwarlal Bagadia and Relative (Daughter) of Ms. Sangeeta Bagadia
No. of Shares held in the Company	100

**9. Means of Communication**

- Half yearly / Quarterly Results: Since the results of the Company are published in the newspapers; half yearly / Quarterly results are not sent to each household of shareholders. Normally Company publishes these results in 'The Asian Age' and 'Navrashtira'.
- Website: The Company does not have any Website.
- Presentation to Institutional Investors or Analysts:  
No presentations were made to Institutional Investors or to Analysts during the year under review.
- Management Discussion and Analysis Report:  
The Management Discussion and Analysis Report is a part of the Director's Report.

**10. General Shareholder Information**

AGM (Date Time and Venue)	32 <sup>nd</sup> Annual General Meeting on Thursday, 28 <sup>th</sup> September, 2017 at 2.30 P. M at Conference Hall, Hotel Samra Garden, Next to Vyas Vadi, Mudh Marve Road, Malad (West) Mumbai 400061.
Financial Calendar	April – March
Date of Book Closure	Friday, 22 <sup>nd</sup> September, 2017 to Thursday, 28 <sup>th</sup> September, 2017 (Both days inclusive)
Dividend Payment Date	Not Applicable since Company has not declared any Dividend
Listing on Stock Exchanges	The Company's Shares are presently listed on BSE Ltd [Bombay Stock Exchange] The Annual Listing Fee has been paid up to date.
BSE Stock Code	530197
ISIN Number	INE 365H01014
Market Price Data & Price performance in comparison To BSE Sensex	During the Financial Year under Report, no major transactions were recorded on the Stock Exchange at Mumbai, during the Period April, 2016 to March, 2017.
Plant Location	Company sold its plant during the Financial Year 2015-2016

**11. Distribution of Shareholding & Shareholding Pattern**

The Shareholding Pattern as of 31<sup>st</sup> March, 2017 is as follows:

Category	No. of Shares	%
Promoters & their Relatives	17,53,852	47.53
Resident Individuals & HUF	13,57,960	36.80
Mutual Funds & UTI	24,900	0.68
Private Corporate Bodies	2,01,588	5.46
Banks / Financial Institutions	-	-
NRIs	3,51,700	9.53
<b>TOTAL</b>	<b>36,90,000</b>	<b>100.00</b>

**12. Monthly High and low quotations along with the volume of shares traded at BSE Ltd [Bombay Stock Exchange], during 2016-2017:**

Month & Year	BSE		
	High (₹)	Low (₹)	Volume (Nos.)
April, 2016	-	-	-
May, 2016	5.73	5.20	11,196
June, 2016	5.72	5.72	13,138
July, 2016	7.23	6.00	1,20,947
August, 2016	8.82	7.39	1,90,106
September, 2016	10.35	6.08	3,96,272
October, 2016	12.03	9.72	5,70,639
November, 2016	14.88	11.41	2,81,319
December, 2016	12.06	9.98	1,18,871
January, 2017	10.09	8.50	1,05,546
February, 2017	9.35	7.40	1,25,616
March, 2017	9.41	6.72	1,99,031

**13. Share Transfer Agents** Satellite Corporate Services Pvt. Ltd

B- 302, Sony Apartments,  
Off. St. Jude High School,  
Off. Andheri Kurla Road, Jarimari Sakinaka,  
Mumbai 400072.  
CIN: U65990MH1994PTC077057  
Email Id: - service@satellitecorporate.com  
Phone: - 022 28524061/62, Fax: 022 28511809

**14. Share Transfer System**

The transactions of the shares held in Demat and physical form are handled by the Company's Depository/Registrar.

**The Shares transferred (in physical Form) during 2016-2017**

Particulars	2016-2017
Shares Transferred (including Transmission)	1,100
Total No. of Shares as on 31 <sup>st</sup> March, 2017	36,90,000
% on Share Capital	0.03

**15. Categories of Shareholders as on 31<sup>st</sup> March, 2017**

Category	No. of Shareholders	Voting Strength %	No. of Shares held
Individuals	3,639	34.94	12,89,374
Companies	40	5.46	2,01,588
FIIIs	-	-	-
OCBs and NRIs	74	9.53	3,51,700
Promoters	5	47.53	17,53,852
Mutual Funds, Banks, FIs	3	0.68	24,900
Hindu undivided Families	20	1.86	68,586
<b>TOTAL</b>	<b>3,781</b>	<b>100</b>	<b>36,90,000</b>

**16. Distribution of Share Holdings:**

No. of Equity Shares held	As on 31.03.2016			
	No. of Share holders	% of Shares holders	No. of Shares	% of Share holding
Up to- 250	2,814	74.42	3,52,525	9.55
251- 500	450	11.90	1,75,152	4.75
501- 1,000	247	6.53	2,10,719	5.71
1,001-2,000	118	3.12	1,84,324	5.00
2,001-3,000	81	2.14	2,05,540	5.57
3,001-4,000	15	0.40	49,641	1.35
4,001-5,000	17	0.45	80,471	2.18
5,001-10,000	21	0.56	1,50,900	4.09
10,001 and above	18	0.48	22,80,728	61.80
<b>TOTAL</b>	<b>3,781</b>	<b>100</b>	<b>36,90,000</b>	<b>100</b>

17. Dematerialization of Shares: 24,56,200 Shares working out to 66.56% of the total Shares have been Dematerialized up to 31<sup>st</sup> March 2017 and balance 12,33,800 shares working out to 33.44% are in physical form.

18. The Company has not issued any GDR/ ADR/ Warrants or any convertible instruments.

**19. CEO/CFO Certification**

As required under Regulation 17 (8) of Listing Regulations the CEO/CFO certificate for the Financial Year 2016-2017 signed by Mr. Sushil Natwarlal Bagadia CEO and Mr. N. R. Bagadia Chairman & Managing Director of the Company was placed before the Board of Directors of your Company at their meeting held on 12<sup>th</sup> August, 2017.

**ANNEXURE TO REPORT ON CORPORATE  
GOVERNANCE FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017  
DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby confirm that:

As provided under Clause 49 of the Listing Agreement and Pursuant to Regulation 34 (3) read with Schedule V Para D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all Board Members and senior management personnel are aware of the provisions of the code of conduct laid down by the Board. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

Place: Mumbai  
Date: 12/08/2017

**N. R. Bagadia**  
Chairman & Managing Director  
[DIN:0089960]

**CEO/CFO CERTIFICATE UNDER REGULATIONS 17 (8) OF LISTING REGULATIONS**

The Board of Directors  
Bagadia Colourchem Limited

We Natwarlal Bagadia, Chairman & Managing Director and Sushil Bagadia, CEO hereby certify to the Board of Directors that:-

- a) We have reviewed Financial Statements and Cash Flow Statement for the year and that to the best of our knowledge and believe:
  - i) That the statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading.
  - ii) These statements together present a true and fair view of Companies affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by Company during the year which is fraudulent, illegal or violating of the Companies code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and We have disclosed to the Auditor and Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which we were aware and steps We have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the Auditor and Audit committee:
  - i) Significant change, if any, in the Internal Control over financial reporting during the year;
  - ii) Significant change, if any, in Accounting Policies during the year and that the same has been disclosed in the Notes to the Financial Statement; and
  - iii) Instance of significant fraud, of which we have become aware and involvement there in, if any, of the management or employee having a significant roles in the Company's Internal Control System over financial reporting.

Place: Mumbai  
Date: 12/08/2017

**Natwarlal Bagadia**  
Chairman & Managing Director

**Sushil Bagadia**  
Chief Executive Officer

**CERTIFICATE ON COMPLIANCE OF REGULATIONS OF  
CORPORATE GOVERNANCE**

To,

The Members

Bagadia Colourchem Limited

We were informed by the management that The Corporate Governance provisions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are not applicable to the Company as the Paid up Equity Share Capital does not exceed Rs. 10/- Crs AND the Net Worth of the Company does not exceed Rs. 25/- Crs., as on the last day of the Financial Year under Report. However as an additional disclosure the Company opted for furnishing the said Report, as a good Corporate Governance practice.

We have examined the compliance of the regulations of Corporate Governance by Bagadia Colourchem Limited ('the Company') for the year ended 31<sup>st</sup> March, 2017, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (' Listing Regulations').

The Compliance of regulations of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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Place: Pune

Date: 12/08/2017

**Shekhar Ghatpande**  
Practicing Company Secretary  
FCS No. 1659 CP No. 782

## INDEPENDENT AUDITOR'S REPORT

To the Members of

### **Bagadia Colourchem Limited**

#### **Report on the Financial Statements**

We have audited the accompanying (Standalone) financial statements of Bagadia Colourchem Limited ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) 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 thereunder.

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. 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 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 March 31, 2017, and its Loss and its Cash Flow for the year ended on that date.

**Emphasis of Matters**

We draw attention to the fact that the Company has completed the sale of entire undertaking including Factory Building, Lease hold assignment of Land, Plant Machinery situated at B-34 & B-35, MIDC Industrial Area, Mahad Dist. Raigad on 15-Jan-2016 and discontinued with the manufacturing operations. The financial statements of the Company have been prepared on a going concern basis for the reasons that the company is looking for new business prospects in near future.

Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss 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 written representations received from the Directors as on March 31, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. 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 does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer No. 30 to the financial statements.

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**For Amar Bafna & Associates**  
Chartered Accountants  
FRN. 114854W

**Mahaveer Chand**  
Partner

Place: Mumbai  
Date: 26/05/2017

Membership No. 159297

## “ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

**Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our Report of even date to the financial statements of the Company for the year ended March 31, 2017:**

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management at a reasonable interval and no material discrepancies between the books records and the physical fixed assets have been noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- 2) The Company does not possess inventory as on Balance Sheet date in view discontinued manufacturing operations in the previous year.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the Company has not granted loans, guarantees and security covered u/s 185 and 186 ; the investment made by the company is in compliance with the provisions of Section 186 of the Companies Act, 2013
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, wherever applicable, and any other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as mentioned below:

Sr. No.	Name of Statute	Nature of Dues	Forum where Dispute is pending	Financial Year	Amount in Rs.
1	Customs Act 1962	Penalty	Customs Kandla	2010-11 to 2012-13	10,00,000

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year.
- 10) During the course of our examination of the books and records of the Company, carried in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the management.

- 11) As explained to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

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**For Amar Bafna & Associates**  
Chartered Accountants  
FRN. 114854W

**Mahaveer Chand**

Partner

Place: Mumbai

Date: 26/05/2017

Membership No. 159297

## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENT OF BAGADIA CLOURCHEM LIMITED**

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

We have audited the internal financial controls over financial reporting of Bagadia Colourchem Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Amar Bafna & Associates**

Chartered Accountants

FRN. 114854W

**Mahaveer Chand**

Partner

Membership No. 159297

Place: Mumbai

Date: 26/05/2017

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

Particulars	Note No.	As at 31/03/2017 ₹	As at 31/03/2016 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	3	3,69,00,000	3,69,00,000
(b) Reserves and Surplus	4	1,76,26,903	1,77,56,494
<b>(2) Non-current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	5	1,61,523	1,70,059
(b) Long-term Provisions	6	1,03,477	85,385
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	7	19,35,765	40,02,889
(b) Trade Payables	8	8,936	8,936
(c) Other Current Liabilities	9	3,16,496	3,56,285
(d) Short-term Provisions	10	72,850	8,36,210
<b>Total</b>		<u>5,71,25,950</u>	<u>6,01,16,258</u>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	8,27,668	8,65,000
(ii) Intangible assets		-	-
(b) Non-current investments	12	52,43,320	52,43,320
<b>(2) Current assets</b>			
(d) Cash and cash equivalents	13	4,73,41,074	5,13,26,042
(e) Short-term loans and advances	14	24,77,864	20,30,022
(f) Other current assets	15	12,36,024	6,51,874
<b>Total</b>		<u>5,71,25,950</u>	<u>6,01,16,258</u>
See accompanying notes to the financial statements	1 to 31		

In witness & confirmation of facts  
For & on behalf of Board of Directors  
For Bagadia Colourchem Limited.

**N. R. Bagadia**  
Chairman &  
Managing Director  
DIN:00899960

**Sangeeta Sushil Bagadia**  
Whole Time Director  
DIN:02487334

Place : Mumbai  
Date : 26/05/2017

As per our Report attached  
**For Amar Bafna & Associates**  
Chartered Accountants  
FRN : 114854W

**Mahaveer Chand**  
Partner  
Membership No. 159297

Place : Mumbai  
Date : 26/05/2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**

Particulars	Note No.	Current Year	Previous Year
		2016-17 ₹	2015-16 ₹
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations		-	-
2 Other income	16	<b>46,08,252</b>	24,96,700
<b>3 Total revenue (1+2)</b>		<b>46,08,252</b>	24,96,700
<b>4 Expenses</b>			
(a) Cost of materials consumed		-	-
(b) Changes in inventories of finished goods		-	-
(c) Employee benefits expense	17	<b>13,41,342</b>	12,11,960
(d) Finance costs	18	<b>6,11,056</b>	-
(e) Depreciation, amortisation and impairment	11	<b>37,332</b>	68,742
(f) Other expenses	19	<b>26,22,901</b>	22,41,549
<b>Total expenses</b>		<b>46,12,631</b>	35,22,251
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>(4,379)</b>	(10,25,551)
6 Exceptional items	-	-	-
<b>7 Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		<b>(4,379)</b>	(10,25,551)
8 Extraordinary items	-	-	-
<b>9 Profit / (Loss) before tax (7 + 8)</b>		<b>(4,379)</b>	(10,25,551)
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		-	-
(b) Current tax expense relating to prior years		<b>1,33,748</b>	96,996
(c) Deferred tax		<b>(8,536)</b>	(12,69,278)
<b>11 Profit after tax from continuing operations (9 -10)</b>		<b>(1,29,591)</b>	1,46,731
<b>B DISCONTINUING OPERATIONS</b>			
12 (i) Profit / (Loss) from discontinuing operations (before tax)	20	-	(57,99,761)
12 (ii) Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations	21	-	2,53,81,836
<b>12 (iii) Add / (Less): Tax expense of discontinuing operations</b>			
(a) on ordinary activities attributable to the discontinuing operations		-	-
(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	(44,60,000)
<b>13 Profit from discontinuing operations (12.i ± 12.ii ± 12.iii)</b>		-	1,51,22,075
<b>C TOTAL OPERATIONS</b>			
<b>14 Profit for the year (11 ± 13)</b>		<b>(1,29,591)</b>	1,52,68,806
<b>15 Earnings per share (of ₹ 10/- each):</b>	30	<b>(0.04)</b>	4.14
Basic = Diluted			
See accompanying notes to the financial statements	1 to 31		

In witness & confirmation of facts  
For & on behalf of Board of Directors  
For Bagadia Colourchem Limited.

As per our report attached  
**For Amar Bafna & Associates**  
Chartered Accountants  
FRN : 114854W

**N. R. Bagadia**  
Chairman &  
Managing Director  
DIN:00899960

**Sangeeta Sushil Bagadia**  
Whole Time Director  
DIN:02487334

**Mahaveer Chand**  
Partner  
Membership No. 159297

Place : Mumbai  
Date : 26/05/2017

Place : Mumbai  
Date : 26/05/2017

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017

Particulars	Current Year 31/03/2017 ₹	Previous Year 31/03/2016 ₹
<b>A. Cash Flow from Operating Activities</b>		
Net profit before tax from continueing operation	(4,379)	(10,25,551)
Loss From discontinuing operations (before tax)	-	1,95,82,075
Gain on disposal of assets discontinuing operations	-	(2,53,81,836)
Adjusted for		
Depreciation and amortisation	37,332	13,37,019
Sundry balances Written off	7,644	-
Finance costs	6,11,056	1,83,316
Interest income	(40,76,390)	(26,55,403)
Dividend income	-	(35,102)
Net unrealised exchange (gain) / loss	-	(25,769)
<b>Operating profit / (loss) before working capital changes</b>	<b>(34,24,737)</b>	<b>(80,21,251)</b>
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	-	7,64,405
Trade receivables	-	29,85,694
Short-term loans and advances	(72,903)	62,58,007
Other current assets	(5,91,794)	(1,06,182)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	-	(25,000)
Other current liabilities	(39,789)	(9,479)
Other long-term liabilities	-	(11,68,557)
Short-term provisions	4,377	(14,909)
Long-term provisions	18,092	(94,323)
<b>Cash generated from operations</b>	<b>(41,06,754)</b>	<b>5,68,405</b>
Net income tax (paid) / refunds	(12,76,424)	(36,92,263)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(53,83,178)</b>	<b>(31,23,858)</b>
<b>B Cash flow from Investing Activities</b>		
Addition to Deposits with Banks not Considered as Cash Equivalent	(2,46,098)	39,61,339
Proceeds from sale of Fixed Assets	-	3,86,00,000
(Purchase)/Proceeds from Investments	-	(50,00,000)
Interest received	40,76,390	26,55,403
Dividend received	-	35,102
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>38,30,292</b>	<b>4,02,51,844</b>

Particulars	Current Year 31/03/2017 ₹	Previous Year 31/03/2016 ₹
<b>C Cash flow from Financing Activities</b>		
Addition / (Repayment) of long-term borrowings	-	-
Net increase / (decrease) in other short-term borrowings	<b>(20,67,125)</b>	39,14,857
Finance cost	<b>(6,11,056)</b>	(1,83,316)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(26,78,180)</b>	37,31,541
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(42,31,066)</b>	4,08,59,527
Cash and cash equivalents at the beginning of the year	<b>4,27,25,389</b>	18,40,093
Effect of exchange differences on restatement of foreign currency	-	(25,769)
Cash and cash equivalents	<b>3,84,94,323</b>	4,27,25,389
<b>Cash and cash equivalents at the end of the year</b>	<b>(42,31,066)</b>	4,08,59,527
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 13)	<b>4,73,41,074</b>	5,13,26,042
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements - Bank FDs	<b>88,46,751</b>	86,00,653
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 13	<b>3,84,94,323</b>	4,27,25,389
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 13 Current investments)	-	-
<b>Cash and cash equivalents at the end of the year *</b>	<b>3,84,94,323</b>	4,27,25,389
* Comprises:		
(a) Cash on hand	<b>9,84,016</b>	12,96,566
(b) Balances with banks		
(i) In current accounts	<b>11,398</b>	14,300
(ii) In EEFC accounts	<b>6,508</b>	6,650
(iii) In deposit accounts	<b>3,74,92,400</b>	4,14,07,873
(c) Current investments considered as part of Cash and cash equivalents	-	-
	<b>3,84,94,323</b>	4,27,25,389

In witness & confirmation of facts  
For & on behalf of Board of Directors  
For Bagadia Colourchem Limited.

**N. R. Bagadia**  
Chairman &  
Managing Director  
DIN:00899960

**Sangeeta Sushil Bagadia**  
Whole Time Director  
DIN:02487334

Place : Mumbai  
Date : 26/05/2017

As per our report attached  
**For Amar Bafna & Associates**  
Chartered Accountants  
FRN : 114854W

**Mahaveer Chand**  
Partner  
Membership No. 159297

Place : Mumbai  
Date : 26/05/2017

**NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT AND THE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017****1 CORPORATE INFORMATION**

Bagadia Colourchem Limited is a Public Limited Company listed on BSE Limited.

It is in the field of manufacturing of dye intermediates, having its manufacturing facilities at MIDC, Mahad, which has been discontinued during the Previous financial year 2015-16.

**2 SIGNIFICANT ACCOUNTING POLICIES****2.1.a. Basis of accounting and preparation of Financial Statements**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspect with the Accounting Standards notified under Section 211(3C) of Companies Act, 1956 [ Companies (Accounting Standards), 2006 as amended ] and other relevant provisions of the Companies Act, 2013.

- b. The Company has completed the sale of entire undertaking including Factory Building, Lease hold assignment of Land, Plant Machinery situated at B-34 & B-35, MIDC Industrial Area, Mahad Dist. Raigad on 15-Jan-2016 and discontinued with the manufacturing operations. In spite of this fact the financial statements of the Company have been prepared on a going concern basis for the reasons that the Company is looking for new profitable business prospects in near future.
- c. All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be twelve months for the purpose of current – non-current classification of assets and liabilities.
- d. Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.

**2.2 Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.3 Inventories**

Raw Materials are valued at lower of cost price on FIFO basis or net realisable value.

Finished Goods are valued at cost or net realisable value whichever is lower.

Work in Process is treated as respective raw materials since they are in a mixed state and is valued lower of cost or net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**2.4 Cash and Cash Equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents includes term-deposits with banks since these are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **2.5 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **2.6 Fixed Assets**

- a. Tangible Assets are stated at cost of acquisition or cost of construction less depreciation. All costs, relating to the acquisition and installation of fixed assets have been capitalised and include financing costs relating to borrowed funds upto the date the assets are ready and put to use. The said expenditure is capitalised by allocating the same to the various Fixed Assets, except land, on the basis of cost of the assets before such allocation.
- b. There are no intangible assets.

## **2.7 Depreciation & Amortisation**

- a. Depreciation on fixed assets acquired prior to 31.03.2014 is provided to the extent of written down value on Straight-Line-Method (SLM) at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 over their remaining useful life.
- b. Depreciation on fixed assets acquired after 31.03.2014 is provided on Straight-Line-Method (SLM) prescribed in Schedule II in the manner to the Companies Act, 2013 over their useful life.
- c. Premium paid on leasehold land is amortised equally over the period of lease.

## **2.8 Impairment of Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of asset that generates cash inflows from continuing use that are largely independent of the cash inflow from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

## **2.9 Revenue Recognition**

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude excise duty, sales tax and value added tax.

There is no income from services

## **2.10 Other Income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

## **2.11 Foreign Currency Transactions**

Transactions in foreign currency are accounted for at exchange rates prevailing at the time of the transactions. All exchange gains/losses arising out of such transaction are taken to profit and Loss account. Foreign currency monetary assets and liabilities are translated at the exchange rates prevailing on the last working day of the accounting year.

**2.12 Export Incentives**

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

**2.13 Investments**

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

**2.14 Employee Benefits**

## a) Defined Benefit Plan

## 1 Gratuity

Gratuity has been provided for on the basis of full value of company's liability on the year end day.

## 2 Leave Salary / Wages

No leave is accumulated beyond one year. Provision is made for leave accumulated at the end of every year and is paid generally in the next year.

## 3 Bonus

Provision for bonus is made for every year and is paid generally in the next year.

## 4 Medical Allowance

A pre determined allowance for Medical Expenses is paid / provided on a monthly basis.

## b) Defined Contribution Plan

The Company incurs no expenditure under any defined contribution plan.

**2.15 Segment Reporting**

The Company operates in single segment of manufacturing and sale of dye intermediates, which has been discontinued in the previous financial year.

**2.16 Leases**

There are no transactions where the Company is a lessor.

Premium paid on leasehold land is amortised equally over the period of lease.

In case of other assets taken on lease where lease arrangements are such that the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on accrual basis.

**2.17 Taxes on Income**

Tax expense for the year comprises of current tax and deferred tax. Current taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been or substantively enacted as of balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the profit and loss account in the year of change.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards.

**2.18 Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (including retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

### 3 SHARE CAPITAL

3.1 Particulars	Par Value ₹	As at	As at	As at	As at
		31/03/2017	31/03/2016	31/03/2017	31/03/2016
		Nos	Nos	₹	₹
Authorised					
Equity Shares	10	<b>37,50,000</b>	37,50,000	<b>3,75,00,000</b>	3,75,00,000
Issued, Subscribed & Fully Paid Up					
Equity Shares	10	<b>36,90,000</b>	36,90,000	<b>3,69,00,000</b>	3,69,00,000
Total		<b>36,90,000</b>	36,90,000	<b>3,69,00,000</b>	3,69,00,000

Out of the above, 180,000 (Previous year same) Equity Shares of Rs. 10/- each were allotted as fully paid bonus Shares by capitalisation of profits.

### 3.2 The reconciliation of the number of Shares outstanding is set out below:

Particulars	Par Value ₹	As at	As at	As at	As at
		31/03/2017	31/03/2016	31/03/2017	31/03/2016
		Nos	Nos	₹	₹
<b>Equity Shares</b>					
Shares outstanding at the beginning of the year	10	<b>36,90,000</b>	36,90,000	<b>3,69,00,000</b>	3,69,00,000
Shares Issued during the year	10	-	-	-	-
Shares bought back during the year	10	-	-	-	-
Shares outstanding at the end of the year	10	<b>36,90,000</b>	36,90,000	<b>3,69,00,000</b>	3,69,00,000

3.3 The Company has only one class of Shares referred to as Equity Shares having a par value of ₹10/- each. Each holder of Equity Shares is entitled to one vote per share.

3.4 In case any dividend is declared and paid it is done in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3.5 The Company has not declared or paid any dividend during the year or in respect of the year ended on 31<sup>st</sup> March, 2017

3.6 In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

3.7 The Company is neither a Holding Company nor a Subsidiary Company of any other Company.

**3.8 The details of shareholder holding more than 5% Shares are set out below :**

Name of the Shareholder	Equity Shares				
	Par Value	As at 31/03/2017	As at 31/03/2017	As at 31/03/2016	As at 31/03/2016
	₹	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ms. Sushil Natwarlal Bagadia	10	<b>9,57,452</b>	25.95	<b>9,57,452</b>	25.95
Ms. Sangeeta Sushil Bagadia	10	<b>7,34,900</b>	19.92	<b>7,34,900</b>	19.92

**4 RESERVE AND SURPLUS**

Particulars	As at 31/03/2017	As at 31/03/2016
	₹	₹
<b>a. Capital Reserve</b>	<b>40,00,000</b>	40,00,000
<b>b. General Reserve</b>		
Opening Balance	<b>23,13,447</b>	23,13,447
<b>Total</b>	<b>23,13,447</b>	23,13,447
<b>c. Surplus- Opening Balance</b>	<b>1,14,43,047</b>	(38,25,759)
Add: Net profit after tax transferred from Statement of Profit and Loss	<b>(1,29,591)</b>	1,52,68,806
Amount available for appropriation	<b>1,13,13,456</b>	1,14,43,047
Appropriations:		
Amount transferred to General Reserve	-	-
Surplus- Closing Balance	<b>1,13,13,456</b>	1,14,43,047
<b>Grand Total</b>	<b>1,76,26,903</b>	1,77,56,494

**5 DEFERRED TAX LIABILITIES**

Particulars	As at 31/03/2017	As at 31/03/2016
	₹	₹
<b>a. Tax effect of items constituting deferred tax liability</b>		
(i) Depreciation	<b>1,92,659</b>	1,95,751
<b>b. Tax effect of items constituting deferred tax assets</b>		
(i) Gratuity	<b>31,136</b>	25,692
<b>Total</b>	<b>1,61,523</b>	1,70,059

**6 LONG TERM PROVISIONS**

Particulars	As at 31/03/2017	As at 31/03/2016
	₹	₹
<b>Provision for employee benefits</b>		
Provision for gratuity (net) Refer Note No. 26	<b>1,03,477</b>	85,385
<b>Total</b>	<b>1,03,477</b>	85,385

**7 SHORT-TERM BORROWINGS**

Particulars	As at	As at
	31/03/2017	31/03/2016
	₹	₹
<b>Secured</b>		
Loans repayable on demand		
From Banks		
From Bank of Baroda	19,35,765	40,02,889
(Overdraft secured by fixed deposit receipts with Bank)		
<b>Total</b>	<b>19,35,765</b>	<b>40,02,889</b>

**8 TRADE PAYABLES**

Particulars	As at	As at
	31/03/2017	31/03/2016
	₹	₹
Trade Payables	8,936	8,936
<b>Total</b>	<b>8,936</b>	<b>8,936</b>

Refer Note No. 23 for disclosure under the Micro, Small and Medium Enterprises Act, 2006

**9 OTHER CURRENT LIABILITIES**

Particulars	As at	As at
	31/03/2017	31/03/2016
	₹	₹
Other payables		
(i) Others - Liabilities for Expenses	3,16,496	3,56,285
<b>Total</b>	<b>3,16,496</b>	<b>3,56,285</b>

**10 SHORT-TERM PROVISIONS**

Particulars	As at	As at
	31/03/2017	31/03/2016
	₹	₹
<b>a. Provision for employee benefits:</b>		
(i) Provision for bonus (refer Note 26)	34,200	32,200
(ii) Provision for compensated absences (refer Note 26)	38,650	36,273
<b>b. Provision - Others:</b>		
(i) Provision for tax (net of advance tax & TDS)	-	7,67,737
<b>Total</b>	<b>72,850</b>	<b>8,36,210</b>

(All Figures are in ₹)

**11 Fixed Assets**

Tangible Assets | Current Year

Particulars	Gross Block			Depreciation/Impairment/Amortisation			Net Block			
	As at 31/03/2016	Addition	Adjustment Impairments Sale	As at 31/03/2017	For the year	Impairment Adjustments	Sale	As at 31/03/2017	As at 31/03/2016	
Building	10,44,000	-	-	10,44,000	15,156	-	-	2,86,680	7,57,320	7,72,476
Furniture	1,69,547	-	-	1,69,547	20,953	-	-	99,207	70,340	91,293
Vehicle	87,497	-	39,997	47,500	-	-	39,997	47,500	-	-
Computer	1,13,170	-	-	1,13,170	1,223	-	-	1,13,162	8	1,231
<b>Total</b>	<b>14,14,214</b>	<b>-</b>	<b>39,997</b>	<b>13,74,217</b>	<b>37,332</b>	<b>-</b>	<b>39,997</b>	<b>5,46,549</b>	<b>8,27,668</b>	<b>8,65,000</b>

Note: Depreciation & Impairments for the year attributable to the discontinuing operation for which the assets is completely sold is ₹ 1268277/- is reflected in the note 20 Profit from discontinuing operations and the remaining amount of ₹68742/-has been attributed to continuing operation and reflected in the face of statement of Profit & Loss.

Tangible Assets | Previous Year

Particulars	Gross Block			Depreciation			Net Block			
	As on 31/03/2015	Addition	Adjustment Impairments	As at 31/03/2016	For the year	Sale	Adjustment Impairments	Sale	As at 31/03/2016	As on 31/03/2015
Leasehold Land	12,24,200	-	-	12,24,200	10,686	-	-	1,49,243	-	10,85,643
Building	2,29,39,830	-	-	2,18,95,830	5,95,649	-	-	1,19,00,752	2,71,524	7,72,476
Plant & Machinery	4,90,67,416	-	-	4,90,67,416	6,57,153	-	-	4,69,19,287	-	28,05,282
Electric Installation	27,22,249	-	27,22,249	-	6,641	13,295	27,22,248	0	-	19,937
Furniture	9,13,868	-	7,44,321	1,69,547	21,158	15	7,44,321	-	78,254	1,12,466
Vehicle	1,19,822	-	32,325	87,497	-	-	32,325	-	87,497	-
Computer	3,99,795	-	2,86,625	1,13,170	32,422	-	2,86,625	-	1,11,939	33,653
<b>Total</b>	<b>7,73,87,180</b>	<b>-</b>	<b>37,85,520</b>	<b>7,21,87,446</b>	<b>13,23,709</b>	<b>13,310</b>	<b>37,85,519</b>	<b>5,89,69,282</b>	<b>5,49,214</b>	<b>8,65,000</b>

Note: Depreciation & Impairments for the year attributable to the discontinuing operation for which the assets is completely sold is Rs. 1268277/- is reflected in the note 20 Profit from discontinuing operations and the remaining amount of Rs.68742/-has been attributed to continuing operation and reflected in the face of statement of Profit & Loss.

**12 NON-CURRENT INVESTMENTS**

Particulars			As at	As at
			31/03/2017	31/03/2016
			₹	₹
<b>Non trade / Quoted / At Cost</b>				
Fully Paid Equity Shares in	No of Shares	Cost per Share		
Bank of Baroda of ₹ 2/- each	10,000	17.00	<b>1,70,000</b>	1,70,000
Punjab National Bank of ₹ 2/- each	940	78.00	<b>73,320</b>	73,320
<b>Non trade / Unquoted / At Cost</b>				
Fully paid Bond in				
Rural Electrification Corporation Ltd of ₹ 10,000/- each	500	10,000.00	<b>50,00,000</b>	50,00,000
			<b>Total</b>	
			<b>52,43,320</b>	<b>52,43,320</b>
<b>Agregate Market Value of Quoted Investment</b>			<b>18,71,158</b>	15,49,618

**13 CASH AND CASH EQUIVALENTS**

Particulars			As at	As at
			31/03/2017	31/03/2016
			₹	₹
a. Cash on hand			<b>9,84,016</b>	12,96,566
b. Balances with banks				
(i) In current accounts			<b>11,398</b>	14,300
(ii) In EEFC accounts			<b>6,508</b>	6,650
(iii) In deposit accounts (Refer Notes below)			<b>4,63,39,151</b>	5,00,08,526
			<b>Total</b>	
			<b>4,73,41,074</b>	<b>5,13,26,042</b>

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is

**Note:**

(i) Balances with banks in deposit account include				
Security against borrowings			<b>88,46,751</b>	86,00,653

## 14 SHORT-TERM LOANS AND ADVANCES

Particulars	As at	As at
	31/03/2017	31/03/2016
	₹	₹
a. Loans and advances to related parties Refer Note No. 28		
Unsecured, considered good		
Tenancy deposits - Directors	6,50,000	6,50,000
b. Balances with Government Authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	75,000	-
(ii) VAT credit receivable	13,77,925	13,77,925
(iii) Income-tax refund receivable	3,74,939	-
c. Other Deposits, Loans & Advances		
Unsecured, considered good		
Advances to Suppliers	-	2,097
<b>Total</b>	<b>24,77,864</b>	<b>20,30,022</b>

## 15 OTHER CURRENT ASSETS

Particulars	As at	As at
	31/03/2017	31/03/2016
	₹	₹
Interest accrued but not due	12,36,024	7,644
Others Receivable (from sale of assets)	-	6,44,230
<b>Total</b>	<b>12,36,024</b>	<b>6,51,874</b>

## 16 OTHER INCOME

Particulars	Currenrnt Year	Previous Year
	2016-17	2015-16
	₹	₹
a. Interest income (Refer Note (i) below)	40,76,390	24,35,829
b. Dividend income:		
from long-term investments	-	35,102
c. Net gain on sale of:		
Fixed Assets	7,500	-
d. Net gain on foreign currency transactions and translation (other than considered as finance cost)	-	25,769
e. Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	5,24,362	-
<b>Total</b>	<b>46,08,252</b>	<b>24,96,700</b>

**Notes:****(i) Interest income comprises:**

Interest from banks on:

Deposits	<b>37,28,420</b>	19,07,628
Interest on VAT Refund	-	5,17,665
Interest on other deposits	<b>41,312</b>	-
Interest on Bond	<b>3,06,658</b>	7,644
Interest on IT Refund	-	2,892

<b>Total - Interest income</b>	<b>40,76,390</b>	<u>24,35,829</u>
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**(ii) Other non-operating income comprises:**

Liabilities / provisions no longer required written back	<b>77,250</b>	-
- Marketing Development Assistance from Ministry of Commerce & Industry	<b>4,47,112</b>	-

<b>Total - Other non-operating income</b>	<b>5,24,362</b>	<u>-</u>
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**17 EMPLOYEE BENEFITS EXPENSE**

Particulars	Currenrnt Year	Previous Year
	2016-17	2015-16
	₹	₹
Salaries and Wages	<b>13,23,250</b>	11,39,168
Gratuity	<b>18,092</b>	54,523
Staff welfare expenses	-	18,269
<b>Total</b>	<b>13,41,342</b>	<u>12,11,960</u>

**18 FINANCE COST**

Particulars	Currenrnt Year	Previous Year
	2016-17	2015-16
	₹	₹
<b>Interest expense on:</b>		
(i) Borrowings	<b>6,10,914</b>	-
(ii) Others		
- Interest on other delayed payments	<b>142</b>	-
<b>Total</b>	<b>6,11,056</b>	<u>-</u>

## 19 OTHER EXPENSES

Particulars	Current Year Previous Year	
	2016-17	2015-16
	₹	₹
Power and fuel	9,030	-
Sundry balances Written off	7,644	-
Water	7,000	-
Rent including lease rentals Refer Note No. 2.16	4,56,000	6,19,000
Insurance	-	7,044
Rates and taxes	59,817	33,479
Office Expenses	1,37,635	2,62,623
Communication	1,28,438	2,60,219
Travelling and conveyance	4,71,039	-
Printing and stationery	70,624	1,10,373
Business promotion	3,40,700	-
Legal and professional	6,65,673	6,01,235
Payments to Auditors (Refer Note (i) below)	25,000	84,700
Listing Fees	2,29,000	2,00,000
Director Sitting Fees	13,750	13,000
Miscellaneous expenses	1,551	49,876
<b>Total</b>	<b>26,22,901</b>	<b>22,41,549</b>
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	25,000	42,350
For taxation matters	-	-
For other services	-	42,350
<b>Total</b>	<b>25,000</b>	<b>84,700</b>
<b>Note:</b>		
Prior Period Expenses		
Property Charge	51,320	-
Water Charge	7,000	-
<b>Total</b>	<b>58,320</b>	<b>-</b>

## 20 PROFIT / (LOSS) FROM DISCONTINUING OPERATIONS (BEFORE TAX)

Particulars	Current Year Previous Year	
	2016-17	2015-16
	₹	₹
<b>I Revenue from operations</b>		
a. Sale of products	-	1,30,427
b. Export Incentives	-	71,817
c. Excise duty	-	(16,027)
<b>Total</b>	<b>-</b>	<b>1,86,217</b>

Particulars	Current Year Previous Year	
	2016-17	2015-16
	₹	₹
<b>II Other income</b>		
(Refer Note (ii) below)		
<b>a</b> Interest on other deposits	-	2,19,574
<b>b</b> Marketing Development Assistance from MCI	-	1,40,000
<b>Total</b>	<u>-</u>	<u>3,59,574</u>
<b>III Cost of materials consumed-</b> (Refer Note (i) below)		
Opening stock		7,64,405
Add: Purchases		9,800
	-	<u>7,74,205</u>
Less: Closing stock	-	-
Cost of material consumed	-	<u>7,74,205</u>
<b>IV Employee benefits expense</b>		
Salaries and Wages	-	2,77,547
<b>Total</b>	<u>-</u>	<u>2,77,547</u>
<b>V Finance cost</b>		
Interest expense on:		
Borrowings	-	1,83,316
<b>Total</b>	<u>-</u>	<u>1,83,316</u>
<b>VI Depreciation, amortisation and impairment</b>		
For the year	-	12,68,277
<b>Total</b>	<u>-</u>	<u>12,68,277</u>
<b>VII Other Expenses</b>		
Labor Expenses	-	3,14,160
Power and fuel	-	5,25,390
Water	-	6,92,901
Repairs and maintenance	-	45,720
Repairs and maintenance - Machinery	-	1,26,779
Freight and forwarding	-	76,779
Business promotion	-	1,97,132
Bad Debt	-	2,29,828
Travelling and conveyance	-	3,11,059
Sundry balance w/off	-	13,22,459
<b>Total</b>	<u>-</u>	<u>38,42,207</u>
<b>Total Profit from discontinuing operations (I+II-III-IV-V-VI-VII)</b>	<u>-</u>	<u>(57,99,761)</u>

Particulars	Current Year Previous Year	
	2016-17	2015-16
	₹	₹
<b>(i) Material consumed comprises:</b>		
Copper Phthalocyanine Blue	-	38,540
Other Items	-	7,35,665
<b>Total</b>	<b>-</b>	<b>7,74,205</b>
100% materials consumed is indigenous.		
<b>(ii) Details of Prior period items</b>		
Interest on Other Deposits	-	2,19,574
Duty Drawback	-	71,817
<b>Total</b>	<b>-</b>	<b>2,91,391</b>
Detail of Prior period expenses		
Frieght and Forwarding	-	13,865
Water Charges	<b>7,000</b>	3,61,693
Office Expenses	-	37,500
Property Tax	<b>51,320</b>	-
<b>Total</b>	<b>58,320</b>	<b>4,13,058</b>
<b>21 Gain on disposal of assets to the discontinuing operations</b>	-	2,53,81,836
<b>sale of factory building &amp; Machineries</b>	-	<b>2,53,81,836</b>

**22 Details Of Contingent Liability**

Particulars	Current Year	Previous Year
	2016-17	2015-16
	₹	₹
For counter guarantee given	-	10,00,000
Tax Demand raised -pending rectification/revision	-	4,22,330
For counter guarantee given to MPCB	<b>12,500</b>	12,500
Penalty raised by Customs	<b>10,00,000</b>	-
<b>Total</b>	<b>10,12,500</b>	<b>14,34,830</b>

**23** The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end date, together with interest paid / payable under this Act, have not been given. The same has been relied upon by the Auditors.

**24 Expenditure and Earnings in Foreign Currency**

Particulars	Current Year	Previous Year
	2016-17	2015-16
	₹	₹
<b>Expenditure in Foreign Currency</b>		
Travelling & Exhibition Expenses	<b>1,15,912</b>	16,675
<b>Total</b>	<b>1,15,912</b>	<b>16,675</b>
<b>Earnings in foreign exchange</b>		
Export of goods calculated on FOB basis	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**25 Details of government grants (In terms of Accounting Standard (AS) - 12)**

Government grants received by the Company during the year towards		
- Marketing Development Assistance from Ministry of Commerce & Industry	<b>4,47,112</b>	1,40,000
(Recognised under Other Income)	<b>Total</b>	<b>4,47,112</b>
		<b>1,40,000</b>

**26 The disclosures as required under the Accounting Standard 15 are as under :**

The amounts recognised in the Balance Sheet (alongwith the movement therein) and the Income Statement for each of the above are as follows :

Particulars	Gratuity ₹	Leave Salary / Wages ₹	Bonus ₹
Balance Payable as at the beginning of the year	85,385 (1,79,708)	36,273 (44,487)	32,200 (38,895)
Add : Expenses charged to the revenue	18,092 (54,523)	38,650 (47,381)	34,200 (41,158)
Total Liability	1,03,477 (2,34,231)	74,923 (91,868)	66,400 (80,053)
Less : Paid to the Employees or W/B During the year	- (1,48,846)	36,273 (55,595)	32,200 (47,853)
Balance Payable as at the end of the year	1,03,477 (85,385)	38,650 (36,273)	34,200 (32,200)

(Figures in the bracket are relating to the previous year.)

All these liabilities and more particularly that for Gratuity is financed by companies current and non-current assets / investments.

**27 As required by Accounting Standards – 18 “Related Party Disclosure” is made as under;****A. Names of Related Parties and Description of Relationship with whom there were transaction during the year :****Directors, Key Management Personnel**

- a) Mr Natwrlal R. Bagadia, Chairman & Managing Director;
- b) Mr Vilas Jagtap, Director;
- c) Mr Dattatraya M. Mehta, Director;
- d) Mrs Sangeeta Sushil Bagadia, Director,
- e) Mr Shashikant Kakade, Director;
- f) Mr Sushil N. Bagadia, Chief Executive Officer;

**B. Value of transactions : Directors & Key Management Personnel**

Sr. No.	Nature of Transactions	Current Year 2016-17 ₹	Previous Year 2015-16 ₹
1	Rent Paid	4,56,000	6,19,000
2	Salary, Remuneration & Sitting Fees	8,40,000	8,40,000
3	Deposit Given	6,50,000	6,50,000

## 28 Details of leasing arrangements

### As Lessee

The Company has entered into operating lease arrangements for office premises and vehicles. The leases are for a period varying from 11 months to 95 years and may be renewed for a further period based on mutual agreement of the parties.

Premium paid on leasehold land is amortised equally over the period of lease.

### Regarding other items

Future minimum lease payments

not later than one year	<b>4,40,000</b>	4,18,000
later than one year and not later than five years	<b>1,50,000</b>	-
later than five years	-	-
Lease payments recognised in the Statement of Profit and Loss (excluding amortisation of premium paid on leasehold lands)	<b>4,56,000</b>	6,19,000
Contingent rents recognised as expense during the year (state basis)	-	-

There are no subleases.

## 29 Earnings per Share

Particulars	Current Year 2016-17 ₹	Previous Year 2015-16 ₹
Basic & Diluted		
Profit / (Loss) After Tax	<b>(1,29,591)</b>	1,52,68,806
Number of Equity Shares	<b>36,90,000</b>	36,90,000
The nominal value of Equity Shares	<b>10</b>	10
Earnings per Share Basic & Diluted	<b>(0.04)</b>	4.14

## 30 Disclosure on specified Bank Notes

During the year, the Company has Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E) dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per notification are as follow:

Particulars	SBNs *	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1,67,000	10,02,949	11,69,949
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	(3,585)	(3,585)
(-) Amount deposited in Banks	(1,67,000)	-	(1,67,000)
<b>Closing Cash in hand as on 30.12.2016</b>	<b>-</b>	<b>9,99,364</b>	<b>9,99,364</b>

\* For the purpose of this clause, the term "specified Bank Notes" shall have the same meaning provided in the notification of the government of India, in the Ministry of Finance, Department of Economic Affairs Number S. O. 3407 (E), dated November 8, 2016.

**31** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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In witness & confirmation of facts  
For & on behalf of Board of Directors  
For Bagadia Colourchem Limited.

**N. R. Bagadia**  
Chairman &  
Managing Director  
DIN:00899960

**Sangeeta Sushil Bagadia**  
Whole Time Director  
DIN:02487334

Place : Mumbai  
Date : 26/05/2017

As per our report attached  
**For Amar Bafna & Associates**  
Chartered Accountants  
FRN : 114854W

**Mahaveer Chand**  
Partner  
Membership No. 159297

Place : Mumbai  
Date : 26/05/2017

**BAGADIA COLOURCHEM LIMITED**

Registered Office: Shaniya Enclave, 5<sup>th</sup> Floor, V. P. Road, Vileparle (W), Mumbai 400056  
 Email: bagadiacolourchem@rediffmail.com Tel. No.: 022 26111982  
 CIN: L24221MH1985PLC205386

**BALLOT FORM**

(In lieu of E-Voting)

1. Name  
Registered Address of the sole/first named Shareholder
2. Name(s) of the Joint Shareholder(s) if any
3. Registered Folio/DPID & Client ID No.
4. No. of Shares held

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of 32<sup>nd</sup> Annual General Meeting of the Company to be held on Thursday, 28<sup>th</sup> September, 2017 by conveying my/our Assent/Dissent to the said Resolution by placing the tick [✓] mark at the appropriate box below:

Resolution No	Resolutions	Voting	
		For	Against
1	<b>Ordinary Business:</b> To receive, consider and adopt the Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2017.		
2	Re-Appointment of Ms. Sneha Tekriwal [DIN: 06657740] as the Director, who retires by rotation.		
3	Ratification of Appointment of Amar Bafna & Associates, Chartered Accountants, Mumbai, having Firm Registration No. 114854 as the Statutory Auditors of the Company till the conclusion of next Annual General Meeting to be held in year 2018.		

Place:- \_\_\_\_\_

Date:- \_\_\_\_\_

Signature of the Shareholder/Proxy \_\_\_\_\_

For Scrutinizer's use only:

**Valid Vote (s) Cast**

Total No. of Eligible Votes :	
FOR	AGAINST

Signature: \_\_\_\_\_

Scrutinizer

**Note:**

Kindly read the instructions printed overleaf before filling the form, valid Ballot Forms received by the Scrutinizer by Wednesday, 27<sup>th</sup> September, 2017 upto 5.00 P.M. shall only be considered.

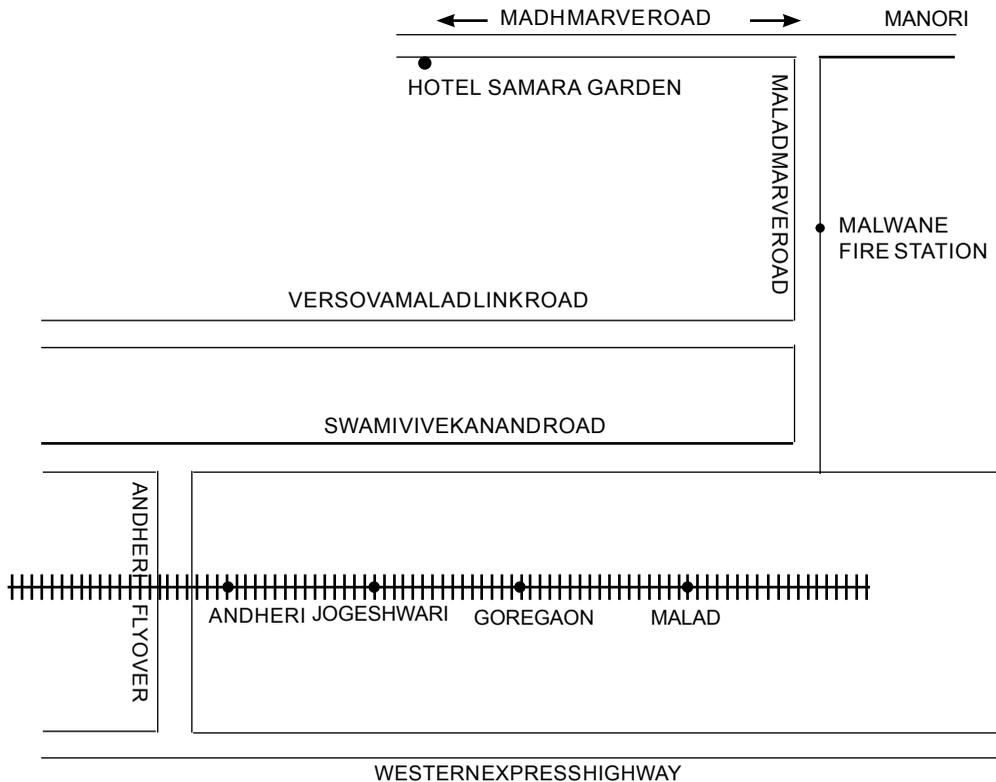
**INSTRUCTIONS**

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Shekhar S. Ghatpande Company Secretary, C/o. Bagadia Colourchem Limited Registered Office as mentioned over leaf or to Email ID at bagadiacolourchem@rediffmail.com, so as to reach on or before Wednesday, 27<sup>th</sup> September, 2017 upto 5.00 P.M. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event Member casts his votes through both the processes i.e. E-Voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a Proxy.
6. To avoid fraudulent transactions, the identity/signature of the Members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of Members holding shares in physical form is verified as per the records of the Company. Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID Client ID irrespective of the number of joint members.
8. In case of joint holder, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named Shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc a certified copy of the relevant authorization/Board Resolution to vote should accompany the Ballot Form.
10. Instructions for E-Voting procedure are available in the Notice of Annual General Meeting



**ROUTE MAP TO THE VENUE OF 32<sup>ND</sup> ANNUAL GENERAL MEETING OF THE  
BAGADIA COLOURCHEM LIMITED**  
**VENUE- CONFERENCE HALL OF HOTEL SAMRA GARDEN, NEXT TO VYAS VADI,  
MUDH MARVE ROAD, MALAD (WEST) MUMBAI 400061**

**ROUTE MAP**



***If undelivered, please return to:***  
**BAGADIA COLORCHEM LIMITED**

Shaniya Enclave, 5<sup>th</sup> Floor,  
V.P. Road, Vileparle (West)  
Mumbai – 400 056.