

# BHAGAWATI GAS LIMITED

Website: [www.bhagawatigases.com](http://www.bhagawatigases.com)  
E-mail : [bhagwatigases@gmail.com](mailto:bhagwatigases@gmail.com)  
Cable : LAMERE  
CIN : L24111RJ1974PLC005789

A-27B, SECTOR-16,  
NOIDA - 201 301  
INDIA

Phone : 91-120-4749901  
Fax : 91-120-4749919  
91-11-29230698

## NOTICE

NOTICE is hereby given that the 40<sup>th</sup> Annual General Meeting of Bhagawati Gas Limited (*formerly Bhagawati Gases Limited*) will be held at Banawas, Khetrinagar-333504, Distt.- Jhunjhunu, Rajasthan on Tuesday, 30<sup>th</sup> September, 2014 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2014 including Balance Sheet as at March 31, 2014 and the Statement of Profit & Loss for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vivek Sharma (DIN 00041217), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to Section 139 (2) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s. Chaturvedi & Partners, Chartered Accountants, New Delhi (Firm Registration No. 307068E) be and are hereby re-appointed as auditors of the Company to hold the office from the conclusion of this 40<sup>th</sup> Annual General Meeting for the term of three (03) consecutive years (Financial years 2014-15, 2015-16, 2016-17) till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting to be held during the period on such remuneration as may be determined by the Board of Directors of the Company, based on the recommendation of the Audit Committee and reasonable out-of-pocket expenses actually incurred by them in connection with the audit of the Accounts of the Company for the financial year ending on March 31, 2015."

### SPECIAL BUSINESS

4. **APPOINTMENT OF MR. GANGA CHARAN AS AN INDEPENDENT DIRECTOR**  
To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ganga Charan (DIN 00387567) who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five (05) consecutive years with effect from 30<sup>th</sup> September, 2014 to 29<sup>th</sup> September, 2019."
5. **APPOINTMENT OF MR. KAILASH CHAND KEDIA AS AN INDEPENDENT DIRECTOR**  
To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Kailash Chand Kedia (DIN 01243510) who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five (05) consecutive years with effect from 30<sup>th</sup> September, 2014 to 29<sup>th</sup> September, 2019."
6. **RE-APPOINTMENT OF MR. RAKESH SAMRAT BHARDWAJ AS MANAGING DIRECTOR OF THE COMPANY**  
To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT in accordance with the provisions of Section 196, 197, 198, 200, 203 and Schedule V and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) including any statutory modification or any amendment or any

**REGD. OFFICE & WORKS :**  
Banawas, Khetrinagar-333504  
Jhunjhunu (Rajasthan)  
Phone : 91-1593-221477-80  
Fax : 91-1593-221477



**BRANCH OFFICE :**  
67, Park Street,  
Kolkata-700016  
Phone : 91-33-22298005  
91-33-22295472  
Fax : 91-33-22172990

# BHAGAWATI GAS LIMITED

Website: ~~www.bhagawati.com~~ *www.bhagawatiinternational.com* www.bhagawatigas.com  
E-mail : bhagawatigas@gmail.com  
Cable : LAMERE  
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substitution or re-enactment thereof for the time being in force, approval of the members of the Company be and is hereby accorded to the reappointment of, including remuneration, perquisites, benefits and amenities payable to Mr. Rakesh Samrat Bhardwaj having Director Identification No. (DIN: 00029757) as the Managing Director of the Company for a period of five years commencing from 01<sup>st</sup> July 2014 to 30<sup>th</sup> June 2019 as set out in the Agreement executed between the Company and Mr. Rakesh Samrat Bhardwaj, the main terms of which are set out in this notice, which agreement is hereby specifically approved with authority to the Board of Directors of the Company to alter and / or vary the terms and conditions of the said re-appointment within the limits, if any, prescribed in the Act and / or any schedules thereto.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the company will pay Mr. Rakesh Samrat Bhardwaj remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in section II of Part II of Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors.

**RESOLVED FURTHER THAT** the board be and is hereby authorized to enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Mr. Rakesh Samrat Bhardwaj in the light of the further progress of the Company which revision should be in conformity with any amendments to the relevant provisions of the Act and / or the rules and regulations made there under and/or such guidelines as may be announced by the Central Government from time to time.

**RESOLVED FURTHER THAT** the board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."

**7. AUTHORISATION TO SELL, LEASE, CHARGE AND/OR MORTGAGE OR OTHERWISE DISPOSE OFF ALL OR ANY OF THE IMMOVABLE AND MOVABLE PROPERTY. UNDERTAKING/ASSETS OF THE COMPANY**

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

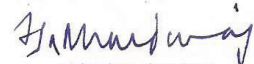
"**RESOLVED THAT** in supersession of the resolution passed under section 293(1)(a) of the Companies Act, 1956 by the members of the Company in their meeting held on 16th September, 2009, in relation to the exercise of borrowing power, consent of the Company be and is hereby accorded, under the provisions of section 180(1)(a) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, to lease, sell, transfer and/or otherwise dispose of the Company's 120TPD Oxygen Gas Plant situated at Banawas, Khetrinagar, Distt.-Jhunjhunu, Rajasthan-333504 (hereinafter referred to as "the undertaking") to any suitable party/parties at such consideration and with effect from such date as they deem appropriate.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized with the power to finalise the terms and conditions of the lease, sell, transfer and/or otherwise dispose of the above-said undertaking as well as the methods or modes thereof and to execute all the required documents including agreements, memorandum, deeds of assignments/conveyance and any other documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and/ or expedient for completion of the transaction as aforesaid in the best interest of the Company."

Regd. office:  
Banawas, Khetri Nagar,  
Jhunjhunu,  
Rajasthan-333504  
CIN: L24111RJ1974PLC005789

Date: 14<sup>th</sup> August, 2014

For Bhagawati Gas Limited

  
Rakesh S Bhardwaj  
Chairman

**REGD. OFFICE & WORKS:**  
Banawas, Khetrinagar-333504  
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67, Park Street,  
Kolkata-700016  
Phone : 91-33-22298005  
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Fax : 91-33-22172990

## NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 4,5,6,7 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of person seeking appointment/re-appointment as Director under Item No. 2 of the Notice, are also annexed.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. **The Register of Members and Share transfer books of the Company will be closed from Tuesday, September 23, 2014 to Tuesday, September 30, 2014 (both days inclusive).**
5. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the new share transfer form SH-4.
9. Non-resident Indian shareholders are requested to inform about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:-
  - (a) The change in the residential status on return to India for permanent settlement.
  - (b) The particulars of the NRE Account with a Bank in India, if not furnished earlier.

10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
11. The Registers under the Companies Act, 2013 is available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays.
12. The securities and exchange board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In Continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the company /Registrar and Share Transfer Agent for registration of such transfer of shares.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. Skyline Financial Services Pvt. Ltd. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays, up to and including the date of the Annual General Meeting of the Company.
15. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.  
**The instructions for e-voting are as under:**
  - A. **In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):**
    - i. Open the e-mail and also open PDF file namely "BGL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
    - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
    - iii. Click on Shareholder – Login.
    - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
    - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
    - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
    - vii. Once the e-voting home page opens, click on e-voting > Active Voting Cycles.
    - viii. Select "EVEN" (E-Voting Event Number) of Bhagawati Gas Limited.  
Now you are ready for e-voting as Cast Vote page opens.

- iii. Click on Shareholder – Login.
- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
- viii. Select “EVEN” (E-Voting Event Number) of Bhagawati Gas Limited.  
Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- x. Upon confirmation, the message “Vote cast successfully” will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to anjaliyadav.associates@gmail.com, with a copy marked to evoting@nsdl.co.in.
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.

**B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):**

- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

**C. Other Instructions:**

- i. The e-voting period commences on Wednesday, September 24, 2014 (9.00 a.m. IST) and ends on Friday, September 26, 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on August 29, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on August 29, 2014
- iii. Ms. Anjali Yadav, Practicing Company Secretary (Membership No. FCS 6628), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. 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, Ms. Anjali Yadav, Practicing Company Secretary (Membership No. FCS 6628), at the Registered Office of the Company on or before the date of Annual general meeting i.e. Tuesday, September 30, 2014  
Members have the option to request for physical copy of the Ballot Form by sending an e-mail bhagawatigases@gmail.com by mentioning their Folio / DP ID and Client ID No.  
**A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.**
- vi. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.bhagawatiinternational.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 40<sup>th</sup> AGM of the Company on September 30, 2014 and communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

**16. Poll at the Meeting**

**After all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for e-voting as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed. The results of the poll aggregated with the results of e-voting will be announced by the Company on its website: www.bhagawatiinternational.com within two days from the date of AGM of the Company and also informed to the stock exchanges where the securities of the Company are listed within Two (2) days of the AGM.**

**www.bhagawatiinternational.com within two day from the date of AGM of the Company and also informed to the stock exchanges where the securities of the Company are listed within Two (2) days of the AGM.**

## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No. 4**

As required by Section 149 of the Companies Act, 2013, it is proposed to appoint Mr. Ganga Charan (DIN-00387567), the existing Director liable to retire by rotation, as non-retiring Independent Director for a term of five (05) consecutive years with effect from 30<sup>th</sup> September, 2014 to 29<sup>th</sup> September, 2019.”

His brief resume and other particulars have been given under the heading ‘Information regarding the Directors proposed to be appointed / re-appointed.’

In the opinion of the Board, Mr. Ganga Charan fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Ganga Charan as Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours between Monday to Friday. In view of the fact that the proposed appointee bring with them the vast experience in the diverse fields of corporate growth, administration and management and considering their profile and exposure in the respective fields it is desirable to approve his appointment as proposed and hence his appointment is recommended for your approval.

Except the Director under appointment viz. Mr. Ganga Charan, none of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested, in the resolution set out at Item No. 4.

#### **Item No. 5**

As required by Section 149 of the Companies Act, 2013, it is proposed to appoint Mr. Kailash Chand Kedia (DIN-01243510), the existing Director liable to retire by rotation, as non-retiring Independent Director for a term of five (05) consecutive years with effect from 30<sup>th</sup> September, 2014 to 29<sup>th</sup> September, 2019.”

His brief resume and other particulars have been given under the heading ‘Information regarding the Directors proposed to be appointed / re-appointed’.

In the opinion of the Board, Mr. Kailash Chand Kedia fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Kailash Chand Kedi as Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours between Monday to Friday. In view of the fact that the proposed appointee bring with them the vast experience in the diverse fields of corporate growth, administration and management and considering their profile and exposure in the respective fields it is desirable to approve his appointment as proposed and hence his appointment is recommended for your approval.

Except the Director under appointment viz. Mr. Kailash Chand Kedia, none of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested, in the resolution set out at Item No. 5.

#### **Item No. 6**

Pursuant to section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 if any, the Company can dispose off its undertaking/property/assets through sale or lease provides security of its assets of the repayment of loan or otherwise only with the approval of the shareholder accorded by the way of special resolution.

The Company intends to sell, lease, transfer and/or otherwise dispose of the Company's 120TPD Oxygen Gas Plant situated at Banawas, Khetrinagar, Distt.-Jhunjhunu, Rajasthan-333504 (hereinafter referred to as "the undertaking") to any suitable party/parties at such consideration and with effect from such date as they deem appropriate.

The proposal outlined above is in the interest of the Company and the Board commends the resolution set out in the accompanying Notice.

None of the Director of the Company is concerned or interested in the said resolution set out at Item No. 6 except to the extent of their shareholding, if any.

#### **Item No. 7**

Mr. Rakesh Samrat Bhardwaj (DIN: 00029757) completed his term as Managing Director of the company on 30<sup>th</sup> June, 2014. Mr. Rakesh Samrat Bhardwaj aged 52 years is an industrialist who is widely traveled person with experience in business and industry over 30 years. He is a Commerce Graduate from Calcutta University. He is one of the promoters of the company and was appointed as whole time director of the company with effect from 1<sup>st</sup> July 1984 for a period of 5 years. Since then he is looking after day-to-day affairs of the company under the supervision of Board of Directors. He was appointed as Managing Director of the company with effect from 1st July 1989 and since then he is continuing as the Managing Director of the Company.

He is on the Board of the following companies, viz., (i) Bhagawati International Limited (ii) Bhagawati Combat Systems Limited (iii) Bhagawati Steel Private Limited (iv) Bhagawati Heavy Equipments Maintenance And Services Private Limited (v) Lavino Portfolios Private Limited (vi) Kamakshi Bricon Private Limited (vii) Soma Medical International Limited (viii) Flowtech Hotels Private Limited. He is also member of Shareholders' Grievance & Share Transfer Committee of the Board of Directors of Bhagawati Gases Limited.

The Board of Directors at their meeting held on 14<sup>th</sup> August, 2014 has reappointed Mr. Rakesh Samrat Bhardwaj as Managing Director of the company for a period of 5 years with effect from 1<sup>st</sup> July 2014 to 30<sup>th</sup> June, 2019 subject to the approval of the shareholders in the General Meeting.

The Board of Directors has approved following remuneration payable by the company to Mr. Rakesh Samrat Bhardwaj as Managing Director for the above mentioned period.

**Salary:** Up to a maximum of Rs.1, 25,000/-per month.

**Perquisites & Allowances:** In addition to the salary, the Managing Director shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, society charges and property tax, a telephone at residence and a hand set (including payment of local calls and long distance Official calls) medical reimbursement/allowances, club fees and leave travel concession for himself and his family, medical/accident insurance and such other perquisites and allowances in accordance with the rules of the Companies or as may be



agreed to by the Board of Directors or a Committee thereof and the Managing Director, and such perquisites and allowances will be subject to a maximum of 60% of the annual salary .

For the purposes of computation of ceilings, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost. Provision for use of telephone at residence and a hand set (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

**Reimbursement of Expenses:** The Managing Director will be entitled to reimbursement/payment of entertainment and/or other expenses, if any, actually and properly incurred for and/ on behalf of the Company and such payment shall not form part of the remuneration for the purpose of computation of ceilings, wherever applicable.

**Leave Encashment and Retirement Benefits:** The Managing Director will also be entitled for leave encashment, EPF, gratuity, and other facilities/benefits as per the applicable laws and policy of the Company and these shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

**Minimum Remuneration:** The above remuneration shall be subject to limits laid down under Section 198 and 309 of the Companies Act, 1956 or any statutory modifications and / or re-enactment thereof.

If the Company has no profits or the profits are inadequate in any financial year during the terms of his office as the Managing Director, Mr. Rakesh Samrat Bhardwaj will be entitled to receive the above remuneration and perquisites as minimum remuneration , provided that the total remuneration , of salary , perquisites and any other allowances shall not exceed the ceiling as provided in section II of the Part II of Schedule V of the Companies Act, 2013 or such other amount and perquisites as/is may be provided in the said schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

The terms and conditions of the said appointment may be revised, enhanced, altered and varied from time to time by the Board of Directors of the Company in such manner as may be agreed to by the Board within maximum amounts payable to Managing Director in terms of the provisions of the Companies Act, 2013 or any amendments made hereafter in this regard.

Copy of the Agreement executed between the Company and Mr. Rakesh Samrat Bhardwaj along with other relevant documents related to his appointment as Managing Director is open for inspection at the Registered office of the Company during business hours on any working day prior to the date of meeting.

None of the Directors except Mr. Rakesh Samrat Bhardwaj (whose interest is only to the extent of appointment as Managing Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel has any interest financial or otherwise in the said resolution.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

**Regd. office:**

Banawas, Khetri Nagar,

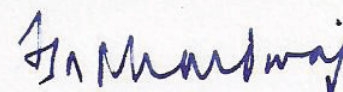
Jhunjhunu,

Rajasthan-333504

CIN: L24111RJ1974PLC005789

**Date: 14<sup>th</sup> August, 2014**

For Bhagawati Gas Limited



Rakesh Samrat Bhardwaj

Chairman