
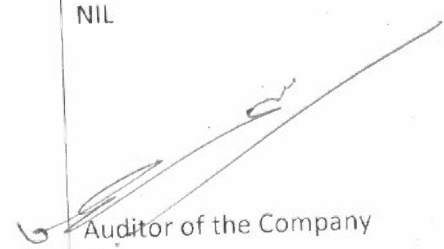
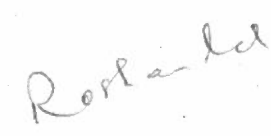


FORM A

GAGAN GASES LTD.

REGD. OFFICE: 602, SECTOR NO.3, PITHAMPUR, DISTT. DHAR (MP) Company No.524624

CIN L 24111MP1986PL004228 gagan.lubes@gmail.com

1.	Name of the Company	Gagan Gases Ltd.
2.	Annual Financial Statements for the year ended	31 st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Whether Appeared first time NIL/repetitive NIL/Since how long period NIL
5.	To be signed by- <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman 	 Managing Director NIL  Auditor of the Company  Audit Committee Chairman

ANNUAL REPORT 2013-14

GAGAN GASES LTD.

Regd office :

602 Sector 3 Pithampur Distt Dhar MP

Phone : 07292-400266

CIN No: L 24111MP1986PLC004228

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the members of Gagan Gases Limited will be held on Saturday the 27th of September 2014 at 10 AM at the Registered Office of the Company at 602, Sector 3, Pithampur, Distt. Dhar to transact the following business:

ORDINARY BUSINESS

1. To consider, approve and adopt Audited Profit & Loss Account for the year ended 31st March, 2014 and Balance Sheet as on that date and the report of the Board of Directors and Auditors thereon.
2. To appoint Auditors & to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution.
“Resolved that M/s Dilip K Neema & Associates, Chartered Accountants be and are hereby appointed as Auditors of the company, to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the company on such remuneration as will be fixed by the Board of Directors.”

SPECIAL BUSINESS.

3. To Consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:
“RESOLVED THAT” pursuant to section 149,150,152 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule IV to the Companies Act, 2013 and pursuant to clause 49 of the listing agreement, Mr. R. L. Chhabra (holding DIN 00350684), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, signifying the member’s intension to propose Mr. R. L. Chhabra, be and hereby appointed as an independent Director of the Company to hold office for 5 (five) years up to 27st September, 2019, not liable to retire by rotation.”

NOTES

1. A member entitled to attend and vote at the annual general meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective, should be duly stamped, signed, completed and deposited at the Registered office of the company not less than 48 hours before the time fixed for the meeting.
2. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
3. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.
4. Members are also requested to notify the share transfer agent M/s Link Intime India Pvt Limited, C- 13 Panna Lal Silk Mill Compound, LBS Marg, Bhandup West, Mumbai 400078 about e- mail address and or change of email address, if any, and also intimate about the correction, if any, in name, address, pin code.
5. The register of the members of the company will remain closed from Saturday the 20th September 2014 to Saturday, the 27th September 2014 (both days inclusive)
6. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).
7. Any member requiring further information on the accounts at the annual general meeting is requested to send the queries in writing to the Company by 20th of September, 2014.
8. Voting through electronic means.

Pursuant to the provisions of sec 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration Rule 2014), the Company is pleased to offer e-voting facilities to the members to cast votes electronically on all resolutions set forth in the notice. Members who do not have e-mail facility can take the benefit of Ballot Form enclosed herewith. Complete instructions on e –voting and Ballot are annexed herewith.

Rajesh Lohia Practicing Company Secretary (CP No 2694)has been appointed as the Secutinizer to secutinize the e-voting process.

By Order of the Board of Directors

Place: Indore

Dated : 19.8.2014

K.R. Maheshwary
Chairman

Statement pursuant to section 102 (1) of the Companies Act 2013

ITEM NO 3

Shri R.L.Chhabra is a Non-Executive Independent Director . He is retiring by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

In terms of the provisions of sec 149 and all other applicable provisions, if any, of the Companies Act 2013 and rules framed thereunder, Sh R.L.Chhabra is proposed to be appointed as Independent Director for a term upto 27th of September 2019, not liable to retire by rotation.

The company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Companies Act, 2013 proposing the candidature of Mr Chhabra for the office of the Director of the company.

Mr Chhabra is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Director. The Company has also received declaration from Mr Chhabra that he meets with the criteria of independence as prescribed under sub section (6) of section 149 of the Companies Act 2013.

He has wide experience in business and is associated with the company for the last 24 years as a Director. He is not a director in any other public or private company. He is also the Chairman of Audit Committee and Remuneration of the company. In view of his vast business experience and association with the company he is well versed with company's line of business.

In the opinion of the Board Mr Chhabra fullfills the conditions for appointment as independent director as prescribed in the Companies Act 2013 and the rules thereunder and he is independent of the Management.

None of the directors of the company is concerned or interested in the resolution for the appointment of Sh R.L.Chhabra as independent director of the company

The Board of Directors recommend his appointment as independent director.

Place : Indore
Dated : 19.8.2014

By Order of the Board of Directors

K.R. Maheshwary
Chairman

DIRECTORS' REPORT.

Dear members

Your Directors have pleasure in presenting the 28th Annual Report together with audited accounts for the year ended on 31st March, 2014.

FINANCIAL RESULTS	(Rs in lacs)	(Rs. in lacs)
	2013-14	2012-13
1. Income from operation	173	106
2. Other income	3	3
3. Profit / (Loss) before interest, depreciation and tax	(30)	(21)
4. Less : Interest	3	29
5. Depreciation	13	12
6. Taxation	--	--
7. Profit/ (Loss) during the year	(46)	(62)

OPERATIONS

The company has incurred net loss of Rs 46 lac as against loss of Rs.62 lac during previous year. Loss of Rs 46 lac includes Rs.28 lac paid as arrears of lease charges. The accumulated losses as on 31.3.14 are Rs 380 lacs which are more than 50 % of the capital of Rs 452 lacs. The accumulated losses are on account of losses incurred in LPG business. To cover up these losses the company is doing trading activities for marketing of industrial consumables. There is revival of LPG business in a small way because of the recent change of policy in selling LPG by Govt owned oil companies. The company has also started LPG cylinder filling for LPG Infrastructure India Ltd. The company has also restarted sale of LPG to industrial segment.

DIVIDEND.

In view of the accumulated losses, the Board of Directors regret to recommend any dividend for the year 2013-2014.

DIRECTOR

Shri R.L.Chhabra is a Non-Executive Independent Director is retiring by rotation at the ensuring Annual General Meeting and being eligible offer himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors indicate that they have taken reasonable and bonafide care that :

1. In preparation of the annual accounts, the applicable accounting standards have been followed, and in case of any deviation, necessary explanation has been given and incorporated in director's report to the members.
2. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. Directors have prepared the Annual Accounts on a "going concern" basis.

CORPORATE GOVERNANCE

The company has ensured that the Corporate Governance requirements as stipulated in clause 49 of the Listing Agreement with the Stock Exchange are complied with. A separate report on corporate governance is annexed.

The Corporate Governance Compliance Certificate obtained from M/s Dilip K Neema & Associates Chartered Accountants, the Statutory Auditors of the Company is also attached to the report.

PUBLIC DEPOSITS.

The company did not accept any deposit from the public during the year as such there is no unpaid or unclaimed deposit with the company. Company has received unsecured deposit from the Directors and related parties.

AUDITORS AND AUDITORS REPORT.

The present auditors of the company M/s Dilip K Neema & Associates Chartered Accountants are retiring at the conclusion of the annual general meeting and being eligible offer themselves for reappointment. As required under the

provisions of sec 139 of the Companies Act 2013, the company has obtained written consent from M/s Dilip K Neema and Associates that their reappointment if made would be in conformity with the limits specified in the said section. None of the directors of the company and their relative is concerned or interested financially or otherwise in the resolution for the appointment of M/s Dilip K Neema & Associates Chartered Accountants as Statutory Auditors. The Board of Directors also recommend the reappointment of M/s Dilip K Neema & Associates Chartered Accountants as statutory auditors to hold office till the conclusion of next annual general meeting.

AUDITORS' REPORT, ACCOUNTING STANDARDS AND POLICIES.

The Audit Committee and the Board of Directors have considered and approved the accounting policy. Deviation if any from the applicable Accounting Standards in the preparation of the Annual Statement, necessary observations/explanation of the Board are given. The notes to accounts referred to in the Auditor's Report are self-explanatory and therefore, do not call for any further comments.

PERSONAL RELATIONS

Your company continues to enjoy cordial relations with its employees.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNING AND OUTGO

1. Conservation of energy
Because of limited use of electricity, no additional step was taken for the conservation of energy. Power consumption during the was 17969 units costing Rs 196124 as against 18701 units costing Rs 206300 of last year.
2. Technology absorption, adoption & innovation:
For the company's existing product line there is no technical collaboration, either indigenous or imported. No new technology was absorbed or adopted during the year.
3. Foreign exchange earning and outgo:
There is no foreign exchange earning or out go during the year.

PARTICULARS OF EMPLOYEE

No person in the employment of the company was in receipt of remuneration which attracted provisions of the Companies Act and rules made there under.

Place: Indore
Dated: 19.8.2014

For and behalf of the Board of Directors

K.R.Maheshwary
Chairman

MANDATORY REQUIREMENTS

Management's discussion and analysis report

1. Industry Structure and development.

The company's main business was that of LPG marketing after bottling into cylinders and trading of lubricants. Total LPG business is in the hands of Govt. owned oil companies who are placed at a advantageous position because of sale at a subsidised price. There is revival of LPG business in a small way because of the recent change of policy in selling LPG by Govt owned oil companies.

2. Opportunities & Threats

Because of the subsidy given by Govt, oil companies have monopolized LPG business. Recently the govt. has announced new distribution policy of sale of LPG by Govt owned companies. This policy too is not open market policy and LPG Bottling plants in private sector are still facing resistance from the customers because of higher sale rate. This policy of the Govt. is a threat towards the business opportunities of LPG Bottling Plants in private sector. Company has started marketing activities in lubricants and other products during the year.

3. Outlook

Private sector LPG bottling plants cannot compete with Govt. oil companies who sell LPG at subsidized and Govt. controlled rates to domestic consumers. Since Govt owned oil companies sell at a much cheaper rate, people have tendency to take new connection and refilling from them. The future of LPG bottling plants is linked with Govt. policies. It is only when subsidy is completely abolished, and Govt. control over sale rate of LPG by public sector oil companies is lifted, the LPG bottling plants in private sector can look for some business. Untill that time, it is not possible to forecast any future prospects. Govt. has its own political compulsions to take decision for abolishing subsidy and allow the govt. owned oil companies to fix prices in line with international rates.

The company is making efforts to revive sale of LPG to commercial segment and have started marketing LPG to industrial & commercial customers but the response is not encouraging. Company has entered into an agreement with LPG Infrastructure India Ltd. for filling of their LPG cylinders on contract basis. To cover up the losses the company has also started trading activities for marketing of industrial consumables.

4. Risk and concerns.

Govt. decision to continue price control and allowing subsidy on LPG to Govt. owned oil companies to demostic consumers and fluctuations in prices of petroleum products in international market are matters of great risk and concern to the company.

1. **CORPORATE GOVERNANCE PHILOSOPHY**

Your company believes that good corporate governance measures and the disclosure of the same to the investors will besides improving the organizational efficiency, enhance long term share holder's value.

2. **BOARD OF DIRECTORS.**

The compositions of the Board and number of meetings attended by the Directors.

Name of the Director	Category of Directorship	Other Directorships #	Membership of other committees	Attendance	
				Board Meetings	AGM
Shri K.R.Maheshwary DIN- 00786402	Executive, Promoter	1	Nil	7	1
Shri Gagan Maheshwary DIN 00320425	Executive, Promoter	3	1	7	1
Shri R.L.Chhabra DIN 00350684	Non-executive, Independent	Nil	3	6	1
Shri V.K Khanna DIN 00349572	Non-executive, Independent	Nil	3	6	1

This figure is in respect of directorship held in private limited companies.

The independent directors have confirmed that they satisfy the criteria laid down for independent directors as stipulated in Companies Act and clause 49(1)(A)(iii) of the listing agreement.

Board meetings held during the year

The Board of the Company met 7 times during the financial year, on the following dates :

- (1) 20th April,13 (2) 26th May,13 (3) 30th July,13 (4) 29th Oct,13
(5) 15th Jan.,14 (6) 30th Jan.14 (7) 28th March 14

APPOINTMENT OF DIRECTOR.

Shri R.L.Chhabra independent director is retiring by rotation at the ensuring Annual General Meeting and being eligible offer himself for reappointment.

3. COMMITTEE OF DIRECTORS

i) Audit Committee

The audit committee is constituted of Sh.R.L.Chhabra(independent director) as Chairman, Sh.V.K.Khanna (independent director) as members. The terms of reference and powers are those as prescribed under clause 49 of listing agreement. All the members are non-executive and independent. During the year 5 meetings of audit committee were held on 20-4-13, 26-5-13, 30-7-13, 29-10-13 and 30-1-14.

ii) Stakeholders Relation Committee

The Board in compliance with the requirement of Section 178 of the Companies Act 2013, renamed the Investors/shareholders grievance committee as “Stakeholders Relation Committee”. This committee is headed by Sh V.K.Khanna (independent director) as Chairman and Sh. R.L.Chhabra (independent directors) and Sh.Gagan Maheshwary whole time Director as members.

The terms of reference and powers are those prescribed under provisions of Companies Act 2013 and clause 49 of the listing agreement.. The committee met 4 times.

There are no unattended pending complaints.

Mr. Gagan Maheshwary is compliance officer.

The committee composition meets with the requirements of sec 175(5) of the Companies Act 2013.

iii) Nomination and Remuneration Committee formerly Remuneration Committee.

The Board in compliance with the requirement of Section 178 of the Companies Act 2013, renamed the Remuneration Committee as “Nomination and Remuneration Committee”.

This committee is headed of Sh. R.L.Chhabra as Chairman, and Shri V.K.Khanna is other member. All the members are independent and non-executives. During the year, meeting was held to consider and approve the appointment of K.R. Maheshwary as Managing Director and payment of remuneration and other perquisites.

4. CODE OF CONDUCT.

The Board of Directors has laid down/adopted a Code of Conduct for all the Board Members and senior management as per the requirements of the clause 49 of the listing agreement. All the directors have affirmed compliance of code of conduct.

Code of conduct is available on the web site of the Company www.gagangases.com

5. REMUNERATION PAID TO DIRECTORS DURING 2013-2014.

Director	Relationship with other Directors	Salary Rs.
Shri K.R Maheshwary	Gagan Maheshwary	324000 (444000)
Shri Gagan Maheshwary	K.R.Maheshwary	340320 (671323)

None of the directors has taken loan or advance from the company nor sitting fee has been paid.

In case of Gagan Maheshwary, PF contribution is Rs 4680.

To improve the financial health of the company, the directors have drawn salary for 6 months only (from April 2013 to September 2013)and have voluntarily offered not to take salary from October 2013 to March 2014.

6 GENERAL BODY MEETINGS.

The location and time of the Annual General Meetings held during the last 3 years are as follows:

Annual General Meeting	Date	Time	Venue	No. of special resolution passed
25 th	30 th September, 2011	10 a.m.	Registered office	Nil
26 th	29 th September, 2012	10 a.m.	Registered office	1
27 th	30 th September, 2013	10 a.m.	Registered office	1

7 DISCLOSURES.

During the year the company has received deposits from the related parties (total outstanding Rs. 63.76 lac as on 31.3.14), and besides there was no materially significant related party transaction that may have potential conflict with the interest of the company at large.

8. MEANS OF COMMUNICATION.

Results are communicated through publication on the website of the company.(www.gagangases.com).

9. **SHARE HOLDERS INFORMANTION.**

9.1 Annual General meeting will be held on Saturday, the 27th September 2014, at Registered office of the Company at 602, Sector 3, Pithampur, Distt. Dhar at 10.00 AM .

9.2 Financial calendar : financial reporting for
Quarter ending 30th June (unaudited) last week of July 2014
Quarter ending 30th Sept. (unaudited) last week of Oct. 2014
Quarter ending 31st Dec. (unaudited) last week of Jan. 2015
Year ending 31st March (audited) last week of May 2015

Besides quarterly and annual results are displayed on the web site of the company.

9.3 Date of Book closure is 20.9.2014 to 27.9.2014 (both days inclusive.)

9.4 Dividend payment date :- None

9.5 Listing of stock exchanges : The equity shares of the company are listed on The Stock Exchange, Mumbai & The M.P. Stock Exchange, Indore. Annual listing fee has been paid to Bombay Stock Exchange and MP Stock Exchange for the year 2014-15.

9.6 Stock Code : B.S.E . 524624.

9.7 Dematerialisation of share : In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip less trading, the company has enlisted its share with National Securities Depository Ltd. (NSDL) and Central Depository Securities Ltd. (CDSL) No. of shares dematerialized are 3535275 as on 31st March 14 which is 78.26% (78.01 %) of total capital.

Annual custody fee has been paid to NSDL and CDSL for 2014-15.

9.8 Plant Location : The plant is located at 602 & 603, Sector 3, Pithampur, Distt. Dhar, M.P.

9.9 Address for correspondence : Gagan Gases Ltd., 602, Sector 3 Pithampur Distt Dhar M.P.

9.10 Registered office : Plot No. 602, Sector 3, Pithampur, Distt. Dhar, M.P.

9.11 Market Price Data

Monthly High and Low of Company's Equity Share (Rs.10 per share) for the year ended 31 March 2014 at the Stock Exchange, Mumbai:

Month	Low (Rs.)	High(Rs.)
April 2013	9.60	10.05
May, 2013	10.00	10.00
June,2013	9.99	9.99
July,2013	--	----
August,2013	8.56	9.50
September,2013	--	---
October,2013	6.66	8.14
November,2013	5.27	6.33
December,2013	3.80	5.50
January,2014	3.60	4.16
February,2014	4.30	5.19
March,2014	4.70	4.94

9.12 Address for correspondence for share transfer and related matters :

LINK INTIME INDIA PVT. LIMITED are Registrar & Share Transfer Agent for both physical share and electronic connectivity. Application for the transfer of shares and dematerialisation of share and other related matters may be sent to them at the following address:

Link Intime India Pvt Limited, C-13 Panna Lal Silk Mill Compound, LBS Marg ,Bhandup West, Mumbai 400078

9.13 Shareholding pattern as on 31st March,2014

Category	No. of Share held	% of Shareholding
Promoters	1496068	33.11
Bank,Financial Institutions & Insurance Company	3200	0.07
Private Bodies Corporate	768143	17.00
Indian Public	2207283	48.87
NRI/OCBs	38006	0.83
Clearing Member	5800	0.12
Total	4518500	100.00

9.14 Distribution of Shareholding as on 31st March, 2014

Shareholding of nominal value of Rs.	No of Holders	%	No of Shares	%
Upto 5000	5240	88.19	991613	21.95
5,001 to 10,000	394	6.63	332952	7.37
10,001 to 20,000	154	2.59	239258	5.30
20,001 to 30,000	53	0.89	133961	2.96
30,001 to 40,000	25	0.42	88060	1.95
40,001 to 50,000	22	0.37	99654	2.20
50,001 to 1,00,000	24	0.40	188979	4.18
Above 1,00,001	30	0.51	2443983	54.09
Total	5942	100	4518500	100

9.15 Corporate identification number (CIN No) L 24111MP1986PLC004228**9.16 E- mail ID and web site**

The company is having e mail ID : gagan.lubes @ gmail.com for Investor Grievance Redressal.

Company's Website : www.gagangases.com

For and on behalf of the Board of Directors

K.R. Maheshwary
Chairman

Place : Indore

Dated : 19.8.2014

DECLARATION BY THE MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT BY THE DIRECTORS.

I hereby confirm that all the directors have as on 31st March 14 affirmed compliance to their respective code of conduct adopted by the company and confirmation to that effect has been given by each of them.

Place: Indore

Date:19.8.2014

K.R.Maheshwary
Managing Director



CA. DILIP K. NEEMA
B. COM. ,FCA

DILIP K. NEEMA & ASSOCIATES

Chartered Accountants

406, Rounak Plaza, 8-B, South Tukoganj,
Opp. Nath Mandir, Indore (M.P.) - 452001
Tele. No.-0731-4064243 Cell: 9425062556
email : cadkneema@yahoo.co.in

To,

The Members of
GAGAN GASES LIMITED
INDORE (M.P.)

We have examined the compliance of Corporate Governance by GAGAN GASES LIMITED, INDORE (M.P.) for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the condition of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us , and based on the representation made by the Directors and the Management , we certify that the Company has complied with the condition of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountant of India , we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders / Investor's Grievance Committee.

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

For Dilip K. Neema & Associates

Chartered accountants

(CA. Dilip Neema)

FRN 05279C

Membership No.074067

INDORE, May 30, 2014



CA. DILIP K. NEEMA
B. COM. ,FCA

DILIP K. NEEMA & ASSOCIATES

Chartered Accountants
406, Rounak Plaza, 8-B, South Tukoganj,
Opp. Nath Mandir, Indore (M.P.) - 452001
Tele. No.-0731-4064243 Cell: 9425062556
email : cadkneema@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of **GAGAN GASES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **GAGAN GASES LIMITED** ('the Company') which comprise the balance sheet as at 31 March 2014, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion : In our opinion and to the best of our information and according to the explanations given to us, the 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 :

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that :
- a. we have 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 appears from our examination of those books;
 - c. the balance sheet, statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the balance sheet, statement of profit and loss and cash flow statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
 - e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Gagan Gases Limited ('the Company') for the year ended 31 March 2014. We report that :

1.
 - i. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - ii Fixed assets except LPG cylinders have been physically verified by the management at reasonable intervals during the year. LPG cylinders being in the physical possession of consumers and dealers which are verified in routine as and when these pass through the company for refilling. We have not noted any discrepancies on such verification.
 - iii No substantial part of fixed assets have been disposed off during the year.
2.
 - i As per records produced before us and in accordance with Management representation Physical verification of inventory has been conducted at reasonable intervals by the management.
 - ii The procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
 - iii The company is maintaining proper records of inventory. No Material discrepancies noticed on physical verification .
3. The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. The company has taken loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Terms and conditions were prima facie not prejudicial to the interest of the company.
- 4 There is adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory fixed assets and for the sale of goods and services. There is no continuing failure to correct major weakness in internal controls.
- 5 We are informed that transaction during the year that need to be entered into a register in pursuance of section 301 of the Act have been so entered. The transaction have been made at prices which are prima facie reasonable having regard to the prevailing market prices at relevant time.
- 6 The company has not accepted deposits from the public where the directives issued by RBI and the provisions of sec. 58A, 58AA or any other relevant provision of the Act and rule framed there under where applicable.
- 7 The company have followed in-house internal audit system commensurate with its size and nature of its business as applicable to it.
- 8 On the basis of information given to us by management of the company , maintenance of cost records has not prescribed by the central government under clause (d) of sub section (I) of section 209 of the Act.
- 9 According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income tax, Sales tax, Wealth tax, Service tax, and other material statutory dues (whichever is applicable) have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Customs duty and Excise duty . According to the information and

explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income tax, Sales tax, Wealth tax, Service tax and other material statutory dues (whichever is applicable) were in arrears as at 31 March 2014 for a period of more than six months from the date they became payable.

- 10 The company has accumulated losses as at march 31, 2014 exceeds 50% of net worth of the company. The company has incurred cash losses during the current year and in immediately preceding financial year .
- 11 As per the books and records as produced before us and in accordance with Management representation the Company has not defaulted in repayment of any dues to the bank .
- 12 The company is not involved in business of granting loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society.
- 14 The company is not dealing or trading in shares, securities, debentures and other investment.
- 15 The company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16 On the basis of books of accounts and declaration given by the management, the company has not taken terms loans during the year under audit hence clause not applicable for comment.
- 17 On the basis of books of accounts and declaration given by the management, the company has not utilized the funds raised on short terms basis for long term investment
- 18 As per the books and records as produced before us and in accordance with Management representation the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- 19 As per the books and records as produced before us and in accordance with Management representation no debentures were issued during the year by the company.
- 20 The company has not raised capital through public issue during the year.
- 21 To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the company was noticed or reported during the year.

INDORE, 30.05.2014

For Dilip K. Neema & Associates
Chartered accountants

(CA. Dilip Neema)
FRN 05279C
Membership No.074067

GAGAN GASES LIMITED
BALANCE SHEET
AS AT 31.03.2014

	Particulars	Note No.	Figures as at current reporting period as at 31.03.2014		Figures as at previous reporting period as at 31.03.2013	
I	<u>EQUITY AND LIABILITIES</u>					
	(1) Shareholders' funds					
	(a) Share Capital	A	45185000		45185000	
	(b) Reserves and Surplus	B	-37970923		-33600595	
	(c) Share warrants			7214077		11584405
	(2) Share Application Money pending Allotment			0		0
	(3) Non Current Liabilities					
	(a) Long Term Borrowings	C	6804834		3542942	
	(b) Deferred tax liabilities		0	6804834	0	3542942
	(4) Current Liabilities					
	(a) Trade payables		210462		127830	
	(b) Other current Liabilities	D	822570		351285	
	(c) Short Term Provisions	E	1656921	2689953	1562136	2041251
	TOTAL			16708864		17168598
II	<u>ASSETS</u>					
	(1) Non Current Assets					
	(a) Fixed Assets					
	Tangible Assets	F	11071854		12399299	
	(b) Deferred Tax Assets (net)		793692		517205	
	(c) Long Term loans and advances	G	297342	12162888	361116	13277620
	(2) Current Assets					
	(a) Inventories	H	669273		1750133	
	(b) Trade receivables	I	2314038		1536217	
	(c) Cash and Cash equivalents	J	803107		274713	
	(d) Short term Loans and Advances	K	388955		9655	
	(e) Other current assets	L	370603	4545976	320260	3890978
	TOTAL			16708864		17168598
See accompanying notes to the financial statements As per our report of even date annexed						
FOR GAGAN GASES LIMITED			For Dilip K. Neema & Associates			
			Chartered Accountants			
(K.R. MAHESHWARY) MANAGING DIRECTOR		(GAGAN MAHESHWARY) DIRECTOR		(CA. Dilip Neema) Prop. M. No. 074067 FRN : 005279C		
Indore Dated : 30/05/2014						

GAGAN GASES LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31.03.2014

	Particulars	Note	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
			No.	31.03.2014	31.03.2013	31.03.2013
I	Revenue from Operations -	1	17339551		10649257	
II	Other Income -	2	248763		293111	
III	Total Revenue (I+II) -			17588314		10942368
IV	Expenses					
	Material Purchased			12869720		10132533
	Change in Inventories of Stock in trade			1080860		-1181668
	Employee benefit Expenses	3		2190388		2328680
	Finance Cost	4		312824		2887177
	Depreciation			1327446		1230350
	Other expenses	5		4453891		1715954
	Total Expenses			22235129		17113026
V	Profit before exceptional and extraordinary items and Tax			-4646815		-6170658
VI	Exceptional Items			0		7598
VII	Profit before extraordinary items and Tax			-4646815		-6163060
VIII	Extraordinary Items			0		0
IX	Profit before Tax (VII-VIII)			-4646815		-6163060
X	Tax Expenses					
	(1) Current Tax			0		0
	(2) Deferred Tax Assets		276487	276487	229584	229584
XI	Profit (Loss) for the period from continuing operation			-4370328		-5933476
XII	Profit (Loss) from discontinuing operation			0		0
XIII	Tax Expenses of discontinuing operation			0		0
XIV	Profit(Loss) from discontinuing operation (After tax) (XII-XIII)			0		0
XV	Profit (Loss) for the period (XI+XIV)			-4370328		-5933476
XVI	Earning Per Equity Share					
	(1) Basic			-0.97		-1.31
	(2) Diluted					

See accompanying notes to the financial statements
As per our report of even date annexed

FOR GAGAN GASES LIMITED

For Dilip K. Neema & Associates
Chartered Accountants

(K.R. MAHESHWARY)
MANAGING DIRECTOR

(GAGAN MAHESHWARY)
DIRECTOR

(CA. Dilip Neema)
Prop.

Indore
Dated : 30/05/2014

M. No. 074067
FRN : 005279C

CASH FLOW STATEMENT

	2013-14 (Rs.In Lacs)	2012-13 (Rs.In Lacs)
<u>"A" CASH FLOWS FORM OPERATING ACTIVITIES</u>		
Net Profit before tax	-49.21	-63.99
Add: Prior Year adjustment	0.00	0.08
Add: DTA	2.76	2.29
	-46.45	-61.62
Adjustments for :		
Depreciation	13.27	12.22
Interest received	0.00	-0.54
	-33.18	-49.94
Operating profit before working capital changes adjustment for:		
(Increase) / Decrease in sundry debtors	-7.78	34.43
(Increase) / Decrease in Inventories	10.80	-11.82
(Increase) / Decrease in loan & advances	-3.15	0.21
(Increase) / Decrease in other Current assets	-0.50	0.33
Increase / (Decrease) in Other Current liabilities	5.66	2.61
Increase / (Decrease) in creditors	0.83	-20.45
	-27.32	-44.63
Cash generated from operations		
Interest paid	3.02	28.16
Direct Taxes & FBT	0.00	0.00
Net Cash from operating activities (A)	-24.30	-16.47
<u>"B" CASH FLOWS FORM INVESTING ACTIVITIES</u>		
Purchase of fixed assets	0.00	-0.63
Sales of fixed assets	0.00	0.00
Interest received	0.00	0.54
NET CASH USED IN INVESTING ACTIVITIES (B)	0.00	-0.09
<u>"C" CASH FLOWS FORM FINANCING ACTIVITIES</u>		
Interest on borrowings	-3.02	-28.16
Proceeds from new borrowings	-1.74	1.46
Unsecured Loans	34.35	24.99
NET CASH USED IN FINANCING ACTIVITIES (C)	29.59	-1.71
NET CASH FLOWS DURING THE YEAR (A+B+C)	5.29	-18.27
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	2.74	21.01
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	8.03	2.74
For M/s Dilip K. Neema & Associates	FOR AND ON BEHALF OF THE BOARD	
Chartered Accountants		
(Dilip K. Neema)	(K.R.Maheshwari)	(Gagan Maheshwari)
Proprietor	Managing Director	Director
M.No. 074067		
FRN: 005279C		
Indore, Date : 30/05/2013		

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

1. METHOD OF ACCOUNTING:

The financial statements are prepared under historical cost convention on accrual basis and comply with Accounting Standards referred to in Section 211 (3c) of the Companies Act, 1956.

2. INVENTORIES :

- I. Raw Material, Stores & Spares & other trading products are valued at cost determined on FIFO basis .
- II. Finished goods are valued at cost or net realizable value whichever is lower.

3. FIXED ASSETS AND DEPRECIATION

- i) Fixed assets are stated at historical cost of acquisition and installation.
- ii) Depreciation is provided on all depreciable assets on straight-line basis at the rates and in the manner prescribed in Schedule XIV of the Companies Act ,1956 except in case of furniture & fixture depreciation is provided at written down value basis at the rates and in the manner provided in schedule XIV to the Companies Act, 1956. Depreciation on addition / deletion is charged on pro rata basis.

4. RETIREMENT BENEFITS :

- i) The Company's contribution to recognized provident fund and employee's state insurance contribution is charged to revenue.
- ii) Provision for gratuity liability has been made .

5. CASH FLOW STATEMENT

Cash flow statement has been prepared under indirect method .

6. TAXATION

Current Tax is determined as per the current tax provisions applicable for Income Tax. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets/liabilities on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years.

7. IMPAIRMENT :

The management assesses, using external and internal recourses whether there is an indication that any asset may be impaired If an asset is impaired ,the company recognizes an impairment loss as excess of the carrying amount of the asset over recoverable amount.

NOTES TO BALANCE SHEET

NOTE A

	<u>As at</u> <u>31.03.2014</u>	<u>As at</u> <u>31.03.2013</u>						
<u>SHARE CAPITAL</u>								
<u>Authorised Share Capital</u>								
1 Equity Shares Share capital of Rs. 7500000 10/- each	7500000	7500000						
<u>Issued, Subscribed and Paid up</u>								
2 <u>Share Capital</u>								
<u>Equity Shares Share capital of Rs. 4518500 10/- each</u>								
Share Holders holding more than 5% Equity Shares	4518500	4518500						
<table border="1" style="width: 100%; border-collapse: collapse; background-color: yellow;"> <thead> <tr> <th style="width: 15%;">No of shares</th> <th style="width: 60%;">Name</th> <th style="width: 25%;">% Held</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>			No of shares	Name	% Held			
No of shares	Name	% Held						
TOTAL	<u>4518500</u>	<u>4518500</u>						

NOTE B

RESERVES AND SURPLUS

	Opening balance	Addition	Deduction	Closing Balance		
Profit and Loss Account	-33600595	-4370328	0	-37970923	-37970923	-33600595
TOTAL				<u>-37970923</u>	<u>-37970923</u>	<u>-33600595</u>

Figure of addition is inclusive of differed tax assets as per Profit and loss account

NOTE C
LONG TERM BORROWINGS

	Secured	Unsecured		
a From Bank				
HDFC Bank TATA 407 Loan	0.00	79156	79156	253158
b From Other parties				
i. <u>Deposits</u>				
a LPG connection refundable deposits	0.00	150550	150550	146200
b Dealers deposits	0.00	198566	198566	198567
ii. Loans and advances from related parties	0.00	6376562	6376562	2945017
TOTAL			<u>6804834</u>	<u>3542942</u>

HDFC bank loan is secured against Hypothecation of vehicle financed by the bank. The loan is repayable in 48 monthly instalments of Rs. 16331/- inclusive of interest.

Dealers deposits are in the nature of interest free business security deposit payable on termination of dealership.

NOTE D
OTHER CURRENT LIABILITIES

i Creditors for expenses	663044	224723
ii Advance from customer	18984	3261
ii <u>Statutory liabilities:</u>	29609	43685
<u>Other payables</u>		
i Salary payable	84022	61996
ii TDS payable	26911	0
Expenses		
iii payable	0	17620
TOTAL	<u>822570</u>	<u>351285</u>

NOTE E**SHORT TERM PROVISIONS**

I	Provision for employee benefit		
	Gratuity	1628831	1534046
ii	Others		
	Audit fees	28090	28090
	TOTAL	1656921	1562136

NOTE-F Tangible Assets											
SR. No.	Particulars	Cost as on 31.03.2013				Depreciation				Net block	
		on 01.04.12	Additions	Deletions	Total	As on 01.04.13	Additions	Deletions	Total	31.03.2014	31.03.13
1	Land (leasehold)	2490520.00	0.00	0.00	2490520.00	383511.00	0.00		383511.00	2107009.00	2107009.00
2	Building	16970284.00	0.00	0.00	16970284.00	9708348.00	566807.00		10275155.00	6695129.00	7261936.00
3	P&M	9094113.00	0.00	0.00	9094113.00	7536844.00	431970.00		7968814.00	1125299.00	1557269.00
4	F&F	1181053.00	0.00	0.00	1181053.00	1180507.00	545.00		1181052.00	1.00	546.00
5	Vehicles	1643737.00	0.00	0.00	1643737.00	687732.00	156155.00		843887.00	799850.00	956005.00
6	Others									0.00	
7	Gas Cylinders	74893750.00	1.00	0.00	74893751.00	74893749.00	0.00		74893749.00	2.00	1.00
8	Fire Fighting Equip.	1303038.00	0.00	0.00	1303038.00	985537.00	61894.00		1047431.00	255607.00	317501.00
9	Computers	934954.00	0.00	0.00	934954.00	908066.00	26887.00		934953.00	1.00	26888.00
10	Electric Installation	1751334.00	0.00	0.00	1751334.00	1579190.00	83188.00		1662378.00	88956.00	172144.00
		110262783.00	1.00	0.00	110262784.00	97863484.00	1327446.00	0.00	99190930.00	11071854.00	12399299.00
	PREVIOUS YEAR	110199187.00	63596.00	0.00	110262783.00	96640732.00	1230350.00	7598.00	97863484.00	12399299.00	13558455.00

NOTE G**LONG TERM LOANS AND ADVANCES**

	Secured considered Good		Unsecured considered Good	Doubtful		
Security Deposits	297342	0.00	0.00	0.00	297342	361116
				TOTAL	297342	361116

Security deposit given to parties against services .

NOTE H**INVENTORIES**

1	Raw Materials (LPG)	185723	1407782
2	Trading stocks (lubricants & Electircals)	468550	327351
3	Stores & Spares	15000	15000
	TOTAL	669273	1750133

Inventories of LPG are valued at cost on FIFO basis.

Inventories of Trading Stocks are valued at cost .

NOTE I**TRADE RECEIVABLES**

1	Debtors more than 6 months	1782485	570597
2	Debtors less than 6 months	531553	965620

Out of which :

a	Secured , considered good	0	0
b	Unsecured considered good	2294305	1536215
c	Doubtful	0	0

Provision for Bad and Doubtful debts Nil Nil

Debts due by directors or officers of the company Nil Nil

Debts due by firms or Private companies in which director is a partner/director/member

TOTAL **2314038** **1536217**

NOTE J**CASH AND CASH EQUIVALENTS**

1	Balances with Banks	682556	204214
2	Cash on hand	120551	70499
	TOTAL	803107	274713
	Earmark balances with banks against Bank guarantee issued	0	0

NOTE K**SHORT TERM LOANS AND ADVANCES**

I	Advance to suppliers	388955	9655
	Out of which :		
a	Secured , considered good	388955	9655
b	Unsecured considered good	0	0
c	Doubtful	0	0
	TOTAL	388955	9655
	Provision for Bad and Doubtful debts	0	0
	Debts due by directors or officers of the company	0	0
	Debts due by firms or Private companies in which director is a artner/director/member	0	0

NOTE L**OTHER CURRENT ASSETS**

	TDS AY 2014-15	27105	28599
	Service tax Credit c/f	40184	0
	Income Tax Refundable	163943	189480
	VAT a/c (net)	13375	5037
	MPAKVN receivable	0	82961
	sales tax dep.	18346	0
	Sales tax Deptt. (07-08)	64957	0
	MP Pollution control board	21000	0
	Prepaid expenses	21693	14183
	TOTAL	370603	320260

NOTE M**CONTINGENT LIABILITIES AND COMMITMENTS**

<u>Contingent Liabilities</u>			
1	<u>Claims against the company not acknowledged as debt</u>	NIL	NIL
2	<u>Bank Guarantees</u>		
	Rs.15 lacs bank guarantee issued by bank in favor of M/s. LPG Infrastructure (India) Ltd. against fixed deposit of Rs.3.75 personally given by director of the company	1500000	1500000
3	Other money for which the company is contingently liable	NIL	NIL
<u>Commitments</u>			
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
2	Other commitments	NIL	NIL

NOTES TO PROFIT AND LOSS ACCOUNT**NOTE 1****REVENUE FROM OPERATION**

1	Sale of Products	16100092	9806042
2	Sale of Services -Cylinder Test Shop receipts)	1239459	843215
	TOTAL	17339551	10649257

NOTE 2
OTHER INCOME

1	Interest Income	0	53910
2	Miscellaneous receipts	236167	232065
3	Rebate & Discounts received	642	7135
4	Interest from IT Refund	11954	0
TOTAL		<u>248763</u>	<u>293111</u>

NOTE 3

EMPLOYEE BENEFIT EXPENSES

1	Salary and wages (Including Directors remuneration)	1920666	1994425
2	Cont. to PF & other funds	70738	49197
3	Gratuity	159785	257708
4	Staff welfare expense	18199	6350
5	Bonus	21000	21000
TOTAL		<u>2190388</u>	<u>2328680</u>

NOTE 4
FINANCE COST

1	Interest expenses (on Un Secured Loan)	301739	127951
2	Interest	0	2688341
3	Bank charges	11085	70885
TOTAL		<u>312824</u>	<u>2887177</u>

NOTE 5

OTHER EXPENSES

1	Power and electricity	196124	206300
2	Repair to Building	17667	27832
3	Repair to Machinery	81896	183551
4	Repair to Electricity	2000	3000
5	Repair to Others	12405	0
5	Insurance	31434	16816
6	Fee ,Rates and Taxes	183230	179415
7	<u>Miscellaneous expenses</u>		
	Advertisement	1737	32837
	Audit fee	28090	28090
	Carriage & Cartage	115736	63300
	Conveyance	0	11925
	Lease Rent	1110011	31750
	Interest to MPAKVN	1909678	0
	Listing fee to stock exchange	27500	27500
	Miscellaneous expenses	46684	19861
	Office electric expenses	36437	33561
	Plant Security charges	0	156444
	Postage	36268	43536
	Printing and stationery	62776	48678
	Rebate and discount	14283	3736
	Repair others	0	37194
	Rent	120000	139200
	Service tax	348	1488
	Telephone	41385	34026
	Travelling	23136	151664
	Vehicle running and Maintenance	156291	128565
	Bad debts w/off	0	100045
	Pf Admin exp.	4075	5640
	Maintenance charges	194700	0
TOTAL		<u>4453891</u>	<u>1715954</u>

- Note : 1. Prior period expenses Rs. 879616/- debited in lease rent account paid to MPAKVN on account of settlement of earlier years lease rent demand .
 2. Prior period expenses Rs. 1909678/- debited in interest paid to MPAKVN on account of delayed payment of lease rent payable for earlier years as per settlement.
 2. Power and Electricity include Rs. 4075/- relating to prior period.

OTHER DISCLOSURE

Disclose in detail :

1	Value of imports calculated on CIF basis for RM, Stores, spares and capital goods	NIL	NIL
2	Expenditure in foreign currency	NIL	NIL
3	Value of imported and indigenous RM, Stores, Spares consumed and % of each to total	NIL	NIL
4	Earning in foreign exchange on account of :		
a	Export calculated on FOB basis	NIL	NIL
b	Fee	NIL	NIL
c	Interest and dividend	NIL	NIL
5	Payment to auditors for :-		
a	Audit fee	25000	25000
b	Taxation matters	NIL	NIL
c	Company law matters	NIL	NIL
d	Management services	NIL	NIL
e	Other services	NIL	NIL
f	Reimbursement of expenses	NIL	NIL
6	In the case of manufacturing company:-		
a	RM under broad heads		
	LPG (Rs. Lacs)	85.78	78.70
b	Purchases under broad heads		
	LPG (Rs. Lacs)	85.78	78.70
	In the case of trading company:-		
a	Purchases under broad heads		
	Traded goods	42.92	22.62
7	Previous year's figures have been regrouped and rearranged where ever considered necessary to make them comparable and in lines with the requirement of presentation. Figures are rounded off to nearest rupee.		

8. Quantitative information:

I. A) Capacity & Production -- LPG Bottling Plant (as certified by the management)

Lic./regd Capacity (p.a.)	Installed Capacity (p.a.)	Actual Production
4800 (4800 M.T.)	4800. (4800 M.T.)	90.T. (37 M.T.)

B) Quantitative information in respect of stocks, sales of goods and consumption of raw materials :

Product	unit	Opening Stock		Purchase		Sale		Closing Stock	
		Qty.	Value (Rs.'000)	Qty.	Value (Rs.'000)	Qty.	Value (Rs.'000)	Qty.	Value (Rs.'000)
LPG	MT	19	1406	114	8578	130	10967	3	186
Lubricants	LT/KG	4886	320	9030	796	12281	1475	1635	113
Paints	LT/KG	Nil	Nil	25170	2616	24246	2933	924	111
Misc.	NOS	20	5	533	880	516	725	22	245

9. Managerial Remuneration:

Details of payment and provisions on account of remuneration to the managing director and director (Rs.)

Particulars	K.R.Maheshwary (M.D.)	Gagan Maheshwary (Director)
Salary	324000	340320
Contribution to PF	00	4680
Reimbursement of Medical Exp.	00	00

10. Balances of Sundry debtors, creditors and advances are subject to confirmation & reconciliation.

11. Related party disclosures as required by AS – 18

A. Transactions between the Company and related parties and the status of outstanding balances as at March 31, 2014

Rs in lac

Name of Party	Nature of transaction	Opening Balance	Received during the year	Repayment during the year	Balance Carried over
Gagan Investment P.Ltd.	Unsecured loan	19.71	22.79	23.68	18.82
Rekha Maheshwary	Unsecured loan	9.74	0	1.00	8.74
Gagan Maheshwary	Unsecured loan	Nil	17.29	0	17.29
K.R. Maheshwary	Unsecured loan	Nil	18.91	0	18.91

12. Segment reporting –AS 17

There are two product wise segments of the company:- .

Rs. in lacs

S.No.	Particulars	Item	31.03.2014	31.03.2013
1	SEGMENT REVENUE	LPG	110	70
		TRADING & OTHERS	66	39
		TOTAL	176	109
2	SEGMENT RESULTS	LPG	-50	-57
	(Profit/loss)	TRADING & OTHERS	4	-5
		TOTAL	-46	-62
3	Tax			
4	PROFIT AFTER TAX	LPG	-50	-57
		TRADING & OTHERS	4	-5
		TOTAL	-46	-62

Note : The entire assets and liabilities are not allocable between these two segments because of nature of business.

13. Previous year's figures have been regrouped and rearranged wherever considered to make them comparable and in lines with the requirement of presentation. Figures are rounded to nearest rupees.

14. There are no transactions with SSI units, hence reporting for SSI units not required.

FOR DILIP K NEEMA & ASSOCIATES

FOR & ON BEHALF OF BOARD OF DIRECTORS

Chartered Accountants

(CA Dilip K. Neema)
Proprietor
M.N.074067
FRN NO 005279 C

(K.R Maheshwary)
Managing Director

(Gagan Maheshwary)
Director

Place : INDORE

Dated : 30.05.2014

**GAGAN GASES LTD.
PROXY FORM**

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and administration) Rules, 2014)

Name of the Member(S):.....

Registered address :.....

E-mail Id :.....

Folio No./Client Id No. :..... DP ID No..... No of shares held

I/We, being the member(S) of..... of Gagan Gases LTD, hereby appoint.

1 Name:.....E-mail Id:.....

Address:.....

.....Signature:.....

Or failing him.....

2. Name:.....E-mail Id:.....

Address:.....

.....Signature:.....

Or failing him.....

3 Name:.....E-mail Id:.....

Address:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company to be held on Saturday, September 27, 2014 at 10:00 a.m. at 602, Pithampur Distt Dhar and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS.

1. Adoption of statement of Profit and Loss, Balance Sheet, Report of the Directors and Auditors for the period ending 31st March 2014
2. Appointment of Dilip K Neema & Associates, Chartered Accountants as Statutory Auditors

SPECIAL BUSINESS

3. Appointment of Sh. R.L.Chhabra as independent Director of the company for a term upto 27th September 2019.

Signature of shareholder..... Signature of proxy holder(S).....

Note:

This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 602, Sector 3, Pithampur, Distt Dhar not less than 48 hours before the commencement of the meeting.

Those Members who have multiple folios with different joint holders may use copies of this form.

.....

GAGAN GASES LTD.

ATTENDANCE SLIP
(To be presented at the entrance)

28th ANNUAL GENERAL MEETING on Saturday, 27th September, 2014 AT 10 A.M. at 602, Sector 3 Pithampur Distt Dhar.

Folio No..... DP ID No..... ID No..... No of shares held

Name of the Member/ Proxy :.....

Signature of member /Proxy.....

1. Only Member /Proxy holder can attend the meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the meeting. Slip duly filled should be handed over at venue of the meeting.

Gagan Gases Ltd.

Regd. Office: 602 Sector 3, Pithampur, Distt. Dhar
Email: Gagan.lubes@gmail.com Web: www.gagangases.com
CIN: L24111MP1986PLC004228

BALLOT FORM

Name & Registered Address of the Sole/First named Shareholder	
Name(s) of the Joint Holder(s) (if any)	
Registered Folio No. / DP ID No. & Client ID No.	
Number of Share(s)	

I / We hereby exercise my / our vote(s) in respect of the Resolutions set out in the Notice of the Twenty Eight AGM of the Company by sending my / our assent or dissent to the said Resolutions by placing the tick mark at the appropriate box below:

Item no.	Resolution	No. of Shares	(FOR)	AGAINST)
			I / We assent to the Resolution	I / We dissent to the Resolution
1.	To receive, consider, approve and adopt the audited Balance Sheet as at 31 st March 2014, the statement of Profit and Loss Account of Company for the year ended March 31, 2014 and the reports of Board of Directors and Auditors thereon.			
2.	To appoint Dilip.N.Neema & Associates as Statutory Auditors.			
3.	To appoint a director in place of Mr.Roshan Lal Chhabo who retires by rotation and, being eligible, offers himself for re-appointment.			

Place:

Date:

_____ (Signature of Shareholder/Proxy holder)

Note: Please read the instructions carefully before exercising vote.

INSTRUCTIONS

- 1 This Ballot Form is provided for the benefit of Members who do not have access to e- voting facility.
- 2 A member can opt one mode of voting i.e. either through 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.
- 3 The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through ballot to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Instructions for shareholders voting through electronic means :-

- I. The e-voting period begins on Saturday, September 20, 2014 from 9:30 a.m. and ends on Monday, September 22, 2014 at 6:00 p.m. During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the cut – off date (record date) of 20-9-2014, may cast their vote electronically. The e – voting module shall be disabled by CDSL for voting thereafter.
- II. The shareholders should log on the e – voting website www.evotingindia.com during the voting period.
- III. Click on “Shareholders” tab.
- IV. Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- V. Now Enter your User Id.
 - a. For CDSL : 16 digits beneficiary ID,
 - b. Members holding shares in physical form should enter Folio Number registered with the Company.
- VI. Next enter the image Verification as displayed and Click on Login.
- VII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VIII. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha – numeric *PAN issued by income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ➤ Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence number in the PAN Field. ➤ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend bank details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. ➤ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (V.)

- IX. After entering these details appropriately, click on “SUBMIT” tab.
- X. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding Shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e – voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XI. For Members holding shares in physical form, the details can be used only for e – voting on the resolutions contained in this Notice.
- XII. Click on the EVSN for the relevant <company name> on which you choose to vote.
- XIII. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES / NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIV. Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
- XV. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on. “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XVI. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVII. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- XVIII. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as promoted by the system.
- XIX. Note for institutional Shareholders.
 - Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e – voting, you may refer the Frequently Asked Questions (“FAQs”) and e – voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.