



BAGADIA

Bagadia Colourchem Ltd.

28th Annual Report

2012-2013

BOARD OF DIRECTORS :

Mr. Natwarlal R. Bagadia
Chairman & Managing Director

Mr. Sushil N. Bagadia
Joint Managing Director

Mr. Vilas B. Jagtap
Director

Mr. Dattatraya M. Mehta
Director

Mrs. Sangeeta Bagadia
Director-Marketing

Mr. Shashikant Kakade
Director

Auditors :

S.G. Shende & Co.
Chartered Accountants

Bankers :

Bank of Baroda
Camp Branch
Pune 411 001

Registered Office :

Shaniya Enclave, 5th Floor,
V. P. Road, Vileparle (West)
Mumbai 400 056.

Pune Office for Correspondence:

317 Mantri Kishor Arcade
257 Budhwar Peth,
Pune 411 002.

Factory :

Plot No. B-35,
MIDC Industrial Area,
Mahad, Dist. Raigad,
Maharashtra

28th Annual General Meeting
on Monday, 12th August, 2013
at 2.00 p.m. at Hotel Sagar,
Kharodi Marve Road, Malad (West)
Mumbai 400 095

BAGADIA COLOURCHEM LIMITED

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Shareholders of Bagadia Colourchem Limited will be held on Monday, 12th August, 2013 at 2.00 P.M. at the Meeting Hall Hotel Sagar, Kharodi Marve Road, Malad (West) Mumbai 400095 to transact the following business:-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date together with the Directors' Report and the Compliance Certificate attached thereto and the Auditor's Report thereon.
- 2) To appoint a Director in place of Mr. Sushil Bagadia, who retires by rotation.
- 3) To appoint a Director in place of Mr. Vilas Jagtap, who retires by rotation, and being eligible offers himself for reappointment.
- 4) To appoint the Auditors to hold the office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:
"RESOLVED THAT pursuant to the provisions of Section 257 and any other applicable provisions of the Companies Act, 1956, Ms. Sneha Sushil Bagadia be and is hereby appointed as the Director of the Company, liable to retire by rotation"
- 6) To consider and if thought fit, to pass with or without modification the following resolution as the Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956 or any amendments or substitutions thereof, the approval of the Company be and is hereby accorded to appoint Mr. Sushil Bagadia to hold office or place of profit under the Company as 'Chief Executive Officer [CEO]', w.e.f. 12th August, 2013, on the following terms and conditions:-
 - A) Salary & Allowances: - Salary and Allowances taken together shall not exceed Rs. 1,00,000/- (Rupees One Lac) per month.
 - B) The Company shall also provide Car with Driver to the CEO for Company's business and also telephone at his residence exclusively for the business purposes.
 - C) The remuneration comprising Salary, Perquisites and other benefits and allowances of Mr. Sushil Natwarlal Bagadia, CEO shall be as specified by the Board of Directors from time to time.RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things which are necessary and incidental to give effect to the above Resolution."

By Order of the Board of Directors

Place : Pune
Date : 15th July, 2013

N. R. Bagadia
Chairman & Managing Director

NOTES:-

1. A MEMBER ENTITLED TO ATTEND & VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Notice is also given that the Register of Members and the Share Transfer Books of the Company will remain close from Wednesday, 7th August, 2013 to Monday, 12th August, 2013 (both days inclusive).
3. Additional Information on Directors seeking re-appointment/appointment at the Annual General Meeting, pursuant to Clause No. 49 IV (G) of the Listing Agreement with the Stock Exchange is furnished in the Corporate Governance Report.
4. An Explanatory Statement pursuant to the provisions of Section 173 of the Companies Act, 1956 in respect of Item Nos. 5 and 6 is annexed herewith.

EXPLANATORY STATEMENT
(Pursuant to Section 173 of the Companies Act, 1956)

Item No. 5

Ms. Sneha Sushil Bagadia is a Bachelor in Engineering and has completed her graduation from D. J. Sanghvi College, University of Mumbai. Thereafter she has also undergone Post Graduate Degree- MSc in Management from Warwick Business School, University of Warwick, UK.

Considering her recent knowledge and qualification, the Directors propose her appointment as the Director of the Company. During the period 2008 to 2010 she has also assisted in the Company working as Trainee and has in depth knowledge of the working of the Company. The Directors are confident that her knowledge and work experience will be of help to the Company.

The Directors recommend her appointment as the Director of the Company.

Hence the resolution at Item No. 5 of the Notice has been recommended for your approval.

Mr. Natwarlal R. Bagadia, Mr. Sushil Bagadia, and Mrs. Sangeeta Bagadia, Managing Director, Joint Managing Director and Director - Marketing respectively, are interested in passing of the said Resolution.

Item No. 6

Mr. Sushil Bagadia who was working as the Joint Managing Director of the Company has informed his unwillingness to be reappointed as the Director of the Company, on his retirement by rotation.

Mr. Sushil Bagadia is associated with the Company since its inception, and the Company wants to continue with the benefit of his experience and knowledge of the working of the Company.

Hence the Board of Directors in its meeting held on 15th July, 2013 has appointed Mr. Sushil Bagadia as the CEO of the Company w. e. f. 12th August, 2013. The said appointment attracts the applicability of holding office or place of profit under the provisions of Section 314 of the Act. As remuneration payable to him is beyond the limits prescribed therein, it requires the approval of the Shareholders by way of Special Resolution under the provisions of Section 314 of the Companies Act, 1956.

Mr. Natwarlal R. Bagadia, Mr. Sushil Bagadia, and Mrs. Sangeeta Bagadia, Managing Director, Joint Managing Director and Director - Marketing respectively, are interested in passing of the said Resolution.

None of the other Directors of the Company are in any way concerned or interested in passing of the said Resolution.

Accordingly the Resolution as set out at Item No. 6 of the Notice is recommended for your approval.

By Order of the Board of Directors

Place : Pune
Date : 15th July, 2013

N. R. Bagadia
Chairman & Managing Director

BAGADIA COLOURCHEM LIMITED

DIRECTORS' REPORT

To
The Members,
Bagadia Colourchem Limited

The Board of Directors have pleasure in presenting before you the 28th Annual Report and Audited Statements of Accounts for the year ended as on 31st March, 2013.

1. FINANCIAL RESULTS

The Financial Results for the year ended on 31st March, 2013 are briefly given below:-

	2012-2013	2011-2012
	(Rs.)	(Rs.)
Sales (Net of Tax) & Other Income	10,84,11,881	12,01,56,465
Profit before Interest,		
Depreciation & Income Tax	70,96,063	69,85,645
Less : Interest	5,57,263	4,59,902
Depreciation	32,09,904	31,88,450
Profit / (Loss) for the		
Year before tax	33,28,896	33,37,293
Less : Provision for Tax	11,12,745	13,45,000
Deferred Tax	(6,01,500)	(2,50,188)
Earlier Year	(2,58,516)	15,10,568
Profit/(Loss) after Tax	30,76,167	7,31,913

2. MANAGEMENT DISCUSSION & ANALYSIS REPORT

During the year under review the Revenue from Operations of the Company was Rs.1039.36 Lacs as against Rs. 1159.49 Lacs of the previous year. The export turnover of the Company during the year under report was Rs. 768.33 Lacs as against Rs. 814.07 Lacs of the previous year. The Company has earned the Profit before Tax of Rs. 33.28 Lacs as against the Profit of Rs. 33.37 Lacs of the previous year.

However due to continued recession globally, the flow of Export Orders is affected and the Current Year i.e. 2013-2014 would be one of the difficult Years for the Company. Indian Local Market is also not encouraging, and there are almost no orders in hand, which would affect the performance and profitability of the Company.

3. DIVIDEND

The Directors regret their inability to recommend any Dividend on the Equity Shares of the Company, due to the marginal Profit earned by the Company.

4. FIXED DEPOSITS

The Company has not accepted any fixed deposits.

5. DIRECTORS

Mr. Sushil N. Bagadia and Mr. Vilas B. Jagtap, Directors of the Company retire by rotation. Mr. Vilas B. Jagtap offers himself for reappointment.

Mr. Sushil Bagadia, Joint Managing Director has informed his unwillingness and inability to continue as Director of the Company, hence did not offer himself for reappointment. Accordingly he will also cease to be the Joint Managing Director of the Company. However for the time being, he has kindly consented to work as the "Chief Executive Officer [CEO]" of the Company. Necessary Resolution for your approval u/s 314 of the Companies Act, 1956 is recommended for your approval.

Ms. Sneha Sushil Bagadia, highly-motivated Management graduate is proposed to be appointed as Director of the Company, subject to the approval of the Shareholders in ensuing Annual General Meeting. If appointed her appointment shall be subject to retirement by rotation.

6. AUDITORS

The present Auditors M/s S. G. Shende & Co., Chartered Accountants, will retire at the conclusion of the forthcoming Annual General Meeting. They have informed their willingness to continue for the Current Year.

As required per proviso to Section 224(1) of the Companies Act, 1956, a written Certificate has been obtained by the Company from the Auditors certifying that if they are appointed as the Auditors of your Company, such appointment would be within the limits specified in Section 224 (1)(B) of the Companies Act, 1956.

7. AUDITORS' QUALIFICATIONS

As regards Auditors' Qualifications in respect of non compliance of AS-28 'Impairment of Assets', and non maintenance of cost records, the Directors are of the opinion that considering the overall size of the business and Assets, observation of AS-28 is not feasible.

8. COMPLIANCE CERTIFICATE

Pursuant to the provisions of Section 383A of the Companies Act, 1956 as amended, the Compliance Certificate issued by a Company Secretary in Whole time Practice viz. Shekhar Ghatpande & Co., Company Secretaries is attached herewith.

9. ADDITIONAL INFORMATION:-

a) Under Section 217 (2A) of the Companies Act, 1956

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 has not been furnished since no employee received the remuneration beyond the limits specified therein.

b) Under Section 217 (1) (e) of the Companies Act, 1956

Wherever possible energy conservation measures have been implemented. The efforts to conserve and optimize the use of energy through improved operational methods and other means will continue. The statement pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is given in the Annexure forming part of this Report.

The Company has not imported any technology and there is no technical collaboration, with any party, for the present activities of the Company.

c) Information about Foreign Exchange

Foreign Exchange Earnings - Rs. 7,68,32,896/-

Foreign Exchange Outgo - Rs. 1,74,715/-

d) Disclosure under Stock Exchange Requirements

Disclosure under SEBI Circular dated 29th April, 1998
The Equity Shares of the Company are listed on BSE Ltd. [Formerly known as Bombay Stock Exchange Ltd.]
The Company has already paid the necessary Listing

Fees of the Exchange till the financial year 2013-2014.

10. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) as amended by the Companies (Amendment) Act, 2000 the Directors hereby state:

- a) That while preparing the Annual Accounts for the period ended 31st March, 2013, the applicable accounting standards, except AS 28 had been followed along with proper explanation relating to material departures.
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period.
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors had prepared the Annual Accounts on a going concern basis.

11. ACKNOWLEDGMENT

The Directors place on record their appreciation for the cooperation and support extended by the Bankers of the Company viz. Bank of Baroda and Employees of the Company all the times. The Directors are also thankful to the officials of Government of India, Government of Maharashtra, local authorities, MIDC for their continued help and timely assistance extended to the Company.

By Order of the Board of Directors

Place : Pune

N. R. Bagadia

Date : 15th July, 2013

Chairman & Managing Director

BAGADIA COLOURCHEM LIMITED**ANNEXURE TO DIRECTORS' REPORT**

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March, 2013.

FORM - A**A. POWER AND FUEL CONSUMPTION**

	Year ended 31/03/2013	Year ended 31/03/2012
1. Electricity		
a) Purchased units	8,42,790	11,06,472
Total Amount (Rs.)	61,44,940	67,06,840
Rate/Unit (Rs.)	7.29	6.06
b) Own Generation		
Through Diesel Generators (Rs.)	—	—
Units	—	—
Units per liter of diesel oil		
Cost/Unit (Rs.)	—	—
2. Coal		
Quantity (kg)	4,56,900	6,84,580
Total Amount (Rs.)	27,28,702	45,58,986
Average Rate (Rs.)	5.97	6.66
3. Industrial Diesel Oil		
Quantity (Ltrs.)	—	57,000
Total amount (Rs.)	—	32,78,086
Average rate (Rs.)	—	57.51
4. Other/Internal Generation	—	—

B. CONSUMPTION PER UNIT OF PRODUCTION (KG)

Electricity (Units)	2.10	1.66
Diesel/Oil (Ltrs)	—	—

By Order of the Board of Directors,

Place :- Pune

Date :- 15th July, 2013

N. R. Bagadia

Chairman & Managing Director

Compliance Certificate

To

The Members,
Bagadia Colourchem Ltd.
5th Floor, Shaniya Enclave
V. P. Road, Vileparle (West)
Mumbai - 400056.

COMPANY REG. NO: - L24221MH1985PLC205386

I have examined the registers, records, books and papers of Bagadia Colourchem Limited, having its Registered Office at the address mentioned above, (herein after referred to as the Company) as required to be maintained under the Companies Act, 1956, (herein after referred to as the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on 31st March, 2013. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:-

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in 'Annexure B' to this Certificate, with the Registrar of Companies/ Regional Director/ Central Government/ Company Law Board or other Authorities within the time prescribed under the Act and in case of delay, with the payment of additional filing fees thereon as prescribed under the Act and the rules made there under.
3. The Company is a Public Limited Company within the meaning of the provisions of the Act and as such the comments on prohibition of invitation to public and acceptance of Deposit other than its members, Directors and their relatives are not required. The Company has not accepted any deposits from General Public.
4. The Board of Directors duly met Six times on :

SR. NO.	DATE OF BOARD MEETING
1	5 th April, 2012
2	30 th May, 2012
3	13 th August, 2012
4	27 th September, 2012
5	3 rd November, 2012
6	8 th February, 2013

- in respect of which meetings, proper Notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.

5. The Company closed its Register of Members from Saturday 22nd September, 2012 to Thursday, 27th September 2012 (Both days inclusive) and the Advertisement as required under Section 154 of the Act was published.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on Thursday, 27th September, 2012 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minute Book maintained for the purpose.
7. That during the financial year under Report, no Extra Ordinary General Meeting of the Shareholders of the Company was held.
8. The Company has not advanced any loans to its Directors and/or persons or firms or companies referred in Section 295 of the Act. However the Company has placed security Deposit with Mrs. Sangeeta Bagadia & Mr. Shashikant Kakade Directors of the Company for the Office premises obtained from them on rental basis.
9. There are no transactions with the Directors/Director's Relatives/ Firms in which Director or Relative is a Partner or a Private Company of which the Director is a Member or a Director, and as such the provisions of Section 297 of the Act in respect of contracts specified in that Section did not apply, except for the contracts for taking the premises and car on

BAGADIA COLOURCHEM LIMITED

- rental basis from the Directors. As the said contract of taking the premises is for immovable property the provisions of Section 297 of the Act, are not applicable.
10. The Company has duly maintained the Register required to be maintained u/s 301 of the Act.
 11. The Company has not employed any person falling within the purview of Section 314 of the Act and as such the question of obtaining any approvals from the Board of Directors, members or Central Government did not arise.
 12. The Board of Directors or duly constituted Committee of Directors has not issued any duplicate Share Certificates during the financial year under Report, as there was no such proposal received by The Registrar & Share Transfer Agents M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents.
 13. (i) The Company during the year under Report has not issued and allotted any shares. The Equity Shares of the Company are listed on BSE Ltd., [Formerly known as The Bombay Stock Exchange Ltd.] Mumbai and the Company has appointed M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents to look after the Share Transfer work. The Equity Shares of the Company are also allowed for Dematerialisation and Transfers are also effected in Demat Form. All the Share Transfer work during the Year under Report was looked after by M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents.
 - 13 (ii) During the Financial Year under Report, the Company had not declared any Dividend on its Equity Shares.
 - 13 (iii) That there was no unclaimed or unpaid dividend which was required to be transferred to Unpaid Dividend Account of the Company.
 - 13 (iv) That the Company is not having any Unpaid Dividend Account, application money due for refund, matured Deposits, matured Debentures and the Interest accrued thereon which have remained unclaimed or unpaid for a period of Seven Years and which are required to be transferred to Investor Education and Protection Fund.
 - 13 (v) That the Company has duly complied with the requirements of Section 217 of the Act.
 14. The Board of Directors of the Company is duly constituted. During the year under Report there was no appointment of Additional Directors, Alternate Director and Directors to fill casual vacancy.
 15. The Company has appointed Mr. N. R. Bagadia, Mr. Sushil Bagadia and Mrs. Sangeeta Bagadia as the Chairman & Managing Director, Joint Managing Director and Director - Marketing respectively. Mr. N. R. Bagadia and Mr. Sushil Bagadia were reappointed as the Chairman & Managing Director and Joint Managing Director respectively w.e.f. 1st October, 2011 for a period of three years i.e. up to 30th September, 2014, on the same terms and conditions. Mrs. Sangeeta Bagadia was also re-appointed as the Director - Marketing w.e.f. 1st January, 2012 for a period of three years i.e. up to 31st December, 2014, on the revised terms and conditions.
 16. The Company has not appointed any Sole Selling Agents during the financial year under Report.
 17. During the year under the report, the Company was not required to obtain any approvals of the Central Government, Company Law Board, Registrar and/or such other Authorities prescribed under the various provisions of the Act.
 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. During the year under report the Company has not issued and allotted any shares.
 20. During the year under report the Company has not bought back any shares.
 21. The Company has not issued and allotted any Preference Shares and hence the question of redemption of Preference Shares during the financial year under report did not arise.
 22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
 23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act.
 24. The Company has not availed any additional borrowings from Bank during the Year under Report.
 25. During the Financial Year under Report, Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate.

26. During the year under the Report the Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under report.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under report.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under report.
30. The Company has not altered the provisions of the Articles of Association during the financial year under report.
31. On verification of the records of the Company and as informed to us there was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the Company.
32. The Company has not received any money as security from its employees during the financial year under report.
33. As informed to us, the provisions of the Provident Fund Act are not applicable to the Company.

For SHEKHAR GHATPANDE & CO
Company Secretaries

Place : Pune
Date : 15th July, 2013

Shekhar Ghatpande
Proprietor
FCS: 1659 CP: 782

Annexure A
Registers as maintained by the Company

01. Register of Investments u/s 49 of the Act, is not maintained as the same is not required to be maintained, since all the Investments made by the Company are in its own name.
02. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975, is not required to be maintained, as the Company has not accepted any Deposits as defined under the said Rules.
03. Register of Members u/s 150 and Index of Members u/s 151 of the Act.
04. Minutes Book of the Board of Directors.
05. Minutes Book of the General Meetings.
06. Books of Accounts u/s 209 of the Act.
07. Register of particulars of Contracts u/s 301 of the Act.
08. Register of Directors u/s 303 of the Act.
09. Register of Director's Shareholding u/s 307 of the Act.
10. Register of Investments or loans made, guarantees given or security provided u/s 372A of the Act.
11. Register of Transfers
12. Register of Director's Attendance
13. Register of Shareholder's Attendance
14. Register of Proxies
15. Register of Fixed Assets.

BAGADIA COLOURCHEM LIMITED**Annexure B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2013.

A) To the Registrar of Companies :

Sr. No	FORM NO.	PARTICULARS OF FILING	CHALLAN/ SRN NO. /DT & MODE OF PAYMENT
1	Form 32 (*)	Cessation as Director of Mr. R. R. Gune due to Death.	B38415741 Dt. 05/05/2012 Internet Banking PNB
2	Form No. 66	Filing of Compliance Certificate for the Financial Year ended as on 31/03/2012	P93222081 Dt. 30/10/2012 Internet Banking PNB
3	Form 23 AC/ACA XBRL	Filing of Annual Accounts of the Financial Year ended as on 31/03/2012	P95280509 Dt. 09/11/2012 Internet Banking PNB
4	Form 20B	Filing of Annual Return for the Financial year ended as on 31/03/2012	P97052492 Dt. 20/11/2012 Internet Banking PNB
5	Form No. 23B	Information by the Auditor to the Registrar for appointment for FY 2012-2013.	S16296329 Dt. 23/11/2012 [Filed directly by the Auditors]

Note: (*) Event of Previous Financial Year i.e. 2011-2012 filed in current financial year i.e. 2012-2013.

B) To Central Government/Regional Director/Company Law Board - NIL

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013
REPORT ON CORPORATE GOVERNANCE

(As required under Clause No. 49 of the Listing Agreement entered into with the Stock Exchange)

1. The Company's philosophy on the code of Corporate Governance

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

2. Board of Directors

The strength of the Board at the close of the financial year 2012-2013 was Six Directors, comprising of Three Executive Directors and Three Non-Executive Directors. During the financial year under review i.e. 2012-2013 Six Board Meetings were held on 5th April, 2012, 30th May, 2012, 13th August 2012, 27th September, 2012, 3rd November, 2012 and 8th February, 2013.

Details of Attendance of each Director at the Board Meeting, the Last AGM and other Indian Companies Directorships and Committee Memberships held by them are as follows.

Name of the Director	Category of Directorship	No. of Board Meeting attended	Attendance at the last AGM	No. of other Directorships held	No. of Committees of which Member of other Companies
Mr. Natwarlal R. Bagadia	Chairman & Managing Director (ED) (P)	6	Yes	Nil	Nil
Mr. Sushil N. Bagadia	Joint Managing Director (ED) (P)	6	Yes	1	Nil
Mr. Vilas Bajirao Jagtap.	Director (NED) (I)	4	No	Nil	Nil
Mr. Dattatrya M. Mehta.	Director (NED) (I)	5	Yes	Nil	Nil
Mrs. Sangeeta S. Bagadia	Director (ED) (P)	6	Yes	Nil	Nil
Mr. Shashikant B. Kakade	Director (NED) (I)	5	Yes	Nil	Nil

ED = Executive Director

NED = Non Executive Director

P = Promoter Director

I = Independent Director

As mandated by Clause 49, the Independent Directors on Company's Board:

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management which may affect independence of the Director. [Except in case of Mr. Shashikant Kakade who has given his Office premises on rent to the Company, before he became the Director of the Company.]
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the Company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or executives during the preceding three financial years of the :
 - Statutory audit firm or the internal audit firm that is associated with the company.
 - Legal firm(s) and consulting firm(s) that have a material association with the company.
- Are not material suppliers, service providers or customers or lessors or lessees of the company, which may affect independence of the Director. [Except in case of Mr. Shashikant Kakade who has given his Office premises on rent to the Company, before he became the Director of the Company.]
- Are not substantial shareholders of the company i.e. do not own two percent or more of the block of voting shares.
- Is not less than 21 years of age.

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Information supplied to the Board:

Among others, information supplied to the Board includes:

- Annual operating plans, budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the Company and operating divisions or business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Materially important show cause, demand prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluents or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payments of goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Significant labour problems and their proposed solutions. Any significant development in human resources / industrial relation front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service.

3. Audit Committee

The Audit Committee was constituted in June 2002. At close of financial year 2012-2013 i.e. as on 31st March, 2013 it comprised of Mr. Shashikant B. Kakade, Mr. Vilas Bajirao Jagtap and Mr. Dattatray Mehta. Mr. Shashikant B. Kakade was Chairman of Audit Committee, since he was appointed as the Director.

Audit Committee held total Four Meetings during the Financial Year under review on 30th May, 2012, 13th August 2012, 3rd November, 2012, and 8th February, 2013.

The Members were present to all the Meetings. The terms of reference of the Audit Committee includes the matters specified in Clause 49 (II) of Listing Agreement with Stock Exchanges.

4. Remuneration Committee

The Remuneration Committee was constituted in June 2002. At close of Financial Year 2012-2013 i.e. as on 31st March, 2013 it comprised of Mr. Shashikant B. Kakade, Mr. Vilas Bajirao Jagtap and Mr. Dattatray Mehta. Mr. Shashikant Kakade was appointed as the new Chairman of Committee on 11th February, 2012. During the Year no meeting of the Remuneration Committee was held.

Details of Remuneration paid / payable to all the Directors for the Financial Year 2012-2013 are as follows.

Name of the Director	Remuneration (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. Natwarlal R. Bagadia	12,00,000	NIL	12,00,000
Mr. Sushil N. Bagadia	12,00,000	NIL	12,00,000
Mr. Vilas Bajirao Jagtap	NIL	1,000	1,000
Mr. Dattatrya M. Mehta	NIL	1,250	1,250
Mrs. Sangeeta S. Bagadia	6,00,000	NIL	6,00,000
Mr. Shashikant B. Kakade	NIL	1,250	1,250

5. Shareholder's / Investor's Grievance Committee

The Shareholder's / Investor's Grievance Committee was constituted in June 2002. At close of financial year 2012-2013 i.e. as on 31st March, 2013 it comprised of Mr. N. R. Bagadia, Mr. Vilas Bajirao Jagtap and Mr. Shashikant Kakade. Mr. N. R. Bagadia was Chairman of the Shareholder's / Investor's Grievance Committee. The details of complaints received and resolved are NIL. The numbers of pending share transfers are NIL.

6. CEO/CFO Certification

The Chief Executive Officer i.e. the Chairman & Managing Director has certified to the Board of Directors that:

- a) He has reviewed financial statements and the cash flow statement for the year and that to the best of his knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading
 - ii) These statements together present a true and fair view of the companies affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of his knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violating of the Company's code of Conduct.
- c) He accepts responsibility for establishing and maintaining internal controls for financial reporting and he has evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and he has disclosed to the Auditors and Audit Committee, Deficiencies in the design or operation of such internal controls, if any, of which he was aware and steps he has taken or proposed to take to rectify these deficiencies.
- d) He has indicated to the Auditors and Audit Committee :
 - i) significant change, if any, in Internal Control over financial reporting during the year;
 - ii) significant change, if any, in accounting policies during the year and that the same have been disclosed in the Notes to the Financial statements; and
 - iii) Instance of significant fraud, of which he has become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

The above certificate was place before the meeting of Board of Directors held on 23rd May, 2013.

7. General Body Meetings

Details of Last Three Annual General Meetings held:

The 25th, 26th & 27th Annual General Meetings were held by the Company on 20th September 2010 (at Hotel Sagar, Kharodi Marve Road, Malad (W), Mumbai at 2.00 p.m.) and 15th September 2011 (at Hotel Sagar, Kharodi Marve Road, Malad (W), Mumbai at 2.00 p.m.), 27th September 2012 (at Hotel Sagar, Kharodi Marve Road, Malad (W), Mumbai at 2.00 p.m.). During the Year under Report, there was no Special Resolutions required to be passed through Postal Ballot at any of the above Annual General Meetings.

8. Disclosures

There are no materially significant transactions made by the Company with its Promoters, Directors, Relatives or the Management which have potential conflict with the Interest of the Company at large. There were no penalties strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter relating to Capital markets during the last three years.

BAGADIA COLOURCHEM LIMITED

9. Particulars of Directors eligible for reappointment / appointment

Mr. Vilas B. Jagtap who seeks reappointment in the ensuing Annual General Meeting is the businessman, and has rich and vast experience in the field of business.

The appointment of Ms. Sneha Sushil Bagadia is proposed at ensuing Annual General Meeting.

Additional Information on Directors seeking re-appointment / appointment at the Annual General Meeting, pursuant to Clause No. 49 IV (G) of the Listing Agreement with the Stock Exchange is furnished below:-

Sr. No.	Name of the Director / Qualification (Age)	Shareholding in the Company (No. of Equity Shares held)	Committee Positions in the Company	Relationship with other Directors, if any	Directorships held in other companies/ Committee positions held in other companies
1	Mr. Vilas B Jagtap Age : 56 Years	Nil	Nil	Nil	Nil
2	Ms. Sneha Sushil Bagadia Age : 24 Years	100	Nil	Daughter of Mr. Sushil Bagadia and Mrs. Sangeeta Bagadia. And Grand-daughter of Mr. Natwarlal R. Bagadia.	Nil

Note: - 1) Appointments of Mr. Vilas B Jagtap and Ms. Sneha Sushil Bagadia are on retirement by rotation basis.

10. Means of Communication

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

11. General Shareholder Information

AGM :- Date, Time and Venue

28th Annual General Meeting on Monday 12th August, 2013 at 2.00 P.M at Meeting Hall, Hotel Sagar, Kharodi Marve Road, Malad (West) Mumbai 400095.

Financial Calendar	April - March
Date of book closure	Wednesday, 7 th August, 2013 to Monday, 12 th August, 2013 (Both days inclusive)
Dividend Payment Dates	Not Applicable since Company has not declared any Dividend
Listing on Stock Exchanges	The Company's Shares are presently listed on BSE Ltd. [Formerly known as Bombay Stock Exchange Ltd.]. The Annual Listing Fees have been paid up to date.
BSE Stock Code	530197
ISIN Number	INE 365H01014
Market Price Data & Price Performance in comparison to BSE Sensex	During the Financial Year under Report, no major transaction were recorded on the Stock Exchange at Mumbai, during the Period April, 2012 to March, 2013
Share Transfer Agents	Satellite Corporate Services Pvt. Ltd B- 302, Sony Apartments, Off. St. Jude High School, Off. Andheri Kurla Road, Jarimari Sakinaka, Mumbai 400072. Email Id :- service@satellitecorporate.com Phone :- 022 2852061/62, Fax: 022 28511809
Distribution of shareholding & shareholding pattern	The shareholding pattern as of 31/03/2013 is as follows:

Category	No. of Shares	%
Promoters & their Relatives	17,53,852	47.53
Resident Individuals & HUFs	13,36,592	36.23
Mutual Funds & UTI	24,900	0.67
Private Corporate Bodies	1,97,956	5.36
Banks / Financial Institutions	-	-
NRIs / OCBs	3,76,700	10.21
TOTAL	36,90,000	100.00

Plant Location B-35, MIDC Industrial Area,
Mahad, Dist Raigad, Maharashtra.

12. Monthly High and low quotations along with the volume of shares traded at BSE Ltd. [Formerly known as Bombay Stock Exchange Ltd.,] during 2012-2013:

Month & Year	BSE		
	High (Rs.)	Low (Rs.)	Volume (Nos.)
April 2012	5.05	4.56	4,300
May 2012	4.36	4.01	1,900
June 2012	4.51	3.81	2,754
July 2012	5.09	3.85	3,065
August 2012	8.61	4.85	15,200
September 2012	6.13	3.99	21,136
October 2012	5.12	3.41	5,185
November 2012	5.36	4.19	3,186
December 2012	8.79	4.93	4,214
January 2013	10.05	8.76	380
February 2013	8.68	8.25	2,010
March 2013	8.66	7.84	155
TOTAL			63,485

BAGADIA COLOURCHEM LIMITED

13. The Company's Depository Registrar for Shares in Physical and Electronic Form:

Satellite Corporate Services Pvt. Ltd
B- 302, Sony Apartments, Off. St. Jude High School,
Off. Andheri Kurla Road, Jarimari Sakinaka, Mumbai 400072.
Email Id :- service@satellitecorporate.com
Phone :- 022 2852061/62, Fax : 022 28511809

14. Share Transfer System

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

The Shares transferred (in physical Form) during 2012-2013

	2012-2013
Shares Transferred (No of Transfers 5 excluding Transmission 2 Cases)	1,800
Total No. of Shares as on 31 st March, 2013	36,90,000
% on Share Capital	0.05%

15. Categories of Shareholders as on 31st March, 2013

Category	No. of Shareholders	Voting Strength %	No. of shares held
Individuals	3,683	35.10	12,95,120
Companies	26	5.36	1,97,956
FIs	NIL	NIL	NIL
OCBs and NRIs	92	10.21	3,76,700
Promoters	7	47.53	17,53,852
Directors and Relatives	2	0.07	2,600
Mutual Funds, Banks, FIs	3	0.67	24,900
Hindu Undivided Families	9	1.05	38,872
TOTAL	3,822	100%	36,90,000

16. Distribution of Share Holdings :

No. of Equity Shares held	As on 31.03.2013			
	No. of Share holders	% of Share holders	No. of Shares	% of Share holding
Up to - 250	2,860	74.83	3,65,625	9.91
251 - 500	449	11.75	1,75,362	4.75
501 - 1,000	252	6.59	2,16,147	5.86
1,001 - 2,000	109	2.85	1,73,171	4.69
2,001 - 3,000	81	2.12	2,04,350	5.54
3,001 - 4,000	17	0.44	56,014	1.52
4,001 - 5,000	12	0.31	56,600	1.53
5,001 - 10,000	21	0.55	1,46,600	3.97
10,001 and above	21	0.55	22,96,131	62.23
TOTAL	3,822	100%	36,90,000	100%

17. Dematerialization of Shares: 23,79,200 Shares working out to 64.48% of the total Shares have been Dematerialized up to 31st March 2013 and balance 13,10,800 shares working out to 35.52% are in physical form.

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

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,
The Members of
Bagadia Colourchem Limited.

We have examined the compliance of the conditions of Corporate Governance by Bagadia Clourchem Limited for the year ended on 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and explanations given to us the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement in all material respect.

We state that no investor grievance are pending for period exceeding one month against Company as per the record maintained by the Share Holders/ Investors grievance Committee.

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

For S. G. Shende & Co.,
Chartered Accountants

Place : Pune
Date : 15th July, 2013

Shreepad G. Shende
Proprietor
M. No. 041692

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Bagadia Colourchem Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Bagadia Colourchem Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2013, and the Statement of Profit and Loss and 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

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'. 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. 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 our information and according to the explanations given to us, the financial statements, *subject to Note No. 2.8 regarding non following of Accounting Standard (AS) 28, 'Impairment of Assets', its impact on profits is not ascertained*, 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; (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013 and (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and (c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2003 ('the Order') 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 purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company, so far as 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. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956, *except for the fact that Accounting Standard (AS) 28, 'Impairment of Assets' has not been followed by the company, its impact on the profits is not known;*
 - e. On the basis of written representations received from the Directors, as on 31st March 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. G. Shende & Co.
Chartered Accountants
FRN : 120915 W

Shreepad G. Shende
Proprietor
Membership No. 041692

Place : Pune
Date : 23/05/2013

Annexure to the Auditors' Report referred to in Paragraph 3 of our report of even date on the Accounts for the year ended on 31st March, 2013 of Bagadia Colourchem Limited.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were said to be noticed on verification.
- (c) During the year the Company has not disposed off a substantial part of its fixed assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.
- (iii) (a) According to the information and explanations given to us, The Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, clauses (iii) (b), to and (iii) (g) of paragraph 4 of the Companies (Auditors Report) Order, 2003, are not applicable to the Company for the current year.
- (iv) According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services if any as per information given to us, no major weaknesses in the internal control system have been identified by the management or the internal auditors of the Company during the year. During the course of our audit, nothing had come to notice that may suggest a major weaknesses in the internal control system of the Company.
- (v) (a) On the basis of the audit procedures performed by us and according to the information and explanations given to us on our enquiries in this behalf and the record produced before us for our verification, the particulars of contracts and arrangements required to be entered into the register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
- (vii) According to the information and explanations given to us, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) *We were informed that the Company has not maintained cost records prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.*
- (ix) (a) According to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Investor Education and Protection Fund dues, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities in India. We have been informed that the Company is not liable to pay Provident Fund and Employees State Insurance & Service Tax.
- (b) According to the records of the Company examined by us, there are no dues of Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions during the year.
- (xvi) As informed to us, the Company has not raised any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) As informed to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For S. G. Shende & Co.
Chartered Accountants
FRN : 120915 W

Shreepad G. Shende
Proprietor
Membership No. 041692

Place : Pune
Date : 23/05/2013

BAGADIA COLOURCHEM LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2013**

PARTICULARS	Note No.	As At 31 st March, 2013 Rs.	As At 31 st March, 2012 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	36,900,000	36,900,000
(b) Reserves and Surplus	4	14,547,482	11,471,315
(c) Money received against share warrants	—	—	—
(2) Share application money pending allotment			
(c) —	—	—	—
(3) Non-current Liabilities			
(a) Long-term Borrowings	5	3,897,522	7,536,816
(b) Deferred Tax Liabilities (Net)	6	3,453,351	4,054,851
(c) Other Long-term Liabilities	—	—	—
(d) Long-term Provisions	—	—	—
(4) Current Liabilities			
(a) Short-term Borrowings	7	4,264,582	6,049,244
(b) Trade Payables	8	4,883,029	9,184,852
(c) Other Current Liabilities	9	1,980,156	1,263,778
(d) Short-term provisions	10	777,641	944,487
TOTAL		70,703,763	77,405,343
II. ASSETS			
(1) Non-current Assets			
(a) Fixed assets			
(i) Tangible assets	11	25,115,699	28,325,603
(ii) Intangible assets	—	—	—
(iii) Capital work-in-progress	—	—	—
(iv) Intangible assets under development	—	—	—
(b) Non-current investments	12	285,820	455,820
(c) Deferred tax assets (net)	—	—	—
(d) Long-term loans and advances	—	—	—
(e) Other non-current assets	—	—	—
(2) Current Assets			
(a) Current investments	—	—	—
(b) Inventories	13	5,715,594	8,818,656
(c) Trade receivables	14	10,910,208	15,857,706
(d) Cash and cash equivalents	15	11,349,340	8,963,469
(e) Short-term loans and advances	16	17,327,102	14,984,089
(f) Other current assets	—	—	—
TOTAL		70,703,763	77,405,343
See accompanying notes to the financial statements	1 to 33		

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

N. R. Bagadia
Chairman &
Managing Director

Sushil N. Bagadia
JT. Managing Director

Place : Pune
Date : 23/05/2013

As per our report attached
For S. G. Shende & Co.
Chartered Accountants
FRN : 120915W

Shreepad G. Shende
Proprietor
Membership No. 041692

Place : Pune
Date : 23/05/2013

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Note No.	Current Year 2012-2013 Rs.	Previous Year 2011-2012 Rs.
A CONTINUING OPERATIONS			
1 Revenue from operations (Gross)	17	106,921,214	119,482,213
Less: Excise duty	17	2,985,192	3,532,821
Revenue from operations (net)		103,936,022	115,949,392
2 Other Income	18	4,475,859	4,207,073
3 Total Revenue (1+2)		108,411,881	120,156,465
4 Expenses			
(a) Cost of materials consumed	19A	73,182,441	89,660,928
(b) Changes in inventories of finished goods	19B	5,152,257	(3,918,414)
(c) Employee benefits expense	20	5,555,262	5,236,646
(d) Finance costs	21	557,263	459,902
(e) Depreciation and amortisation expense	11	3,209,904	3,188,450
(f) Other expenses	22	17,425,858	22,191,660
Total Expenses		105,082,985	116,819,172
5 Profit / (Loss) before exceptional & extraordinary items & tax (3 - 4)		3,328,896	3,337,293
6 Exceptional items	—	—	—
7 Profit / (Loss) before extraordinary items & tax (5 ± 6)		3,328,896	3,337,293
8 Extraordinary items	—	—	—
9 Profit / (Loss) before tax (7 ± 8)		3,328,896	3,337,293
10 Tax Expense:			
(a) Current tax expense for current year		1,112,745	1,345,000
(b) (Less): MAT credit (where applicable)		—	—
(c) Current tax expense relating to prior years		(258,516)	1,510,568
(d) Net current tax expense		854,229	2,855,568
(e) Deferred tax		(601,500)	(250,188)
11 Profit / (Loss) from continuing operations (9 ± 10)		3,076,167	731,913
B DISCONTINUING OPERATIONS			
12 i Profit / (Loss) from discontinuing operations (before tax)	—	—	—
12 ii Gain / (Loss) on disposal of assets/settlement of liabilities attributable to the discounting operations	—	—	—
12 iii Add / (Less): Tax expense of discontinuing operations	—	—	—
(a) On ordinary activities attributable to the discontinuing operations		—	—
(b) On gain / (loss) on disposal of assets / settlement of liabilities		—	—
13 Profit / (Loss) from discontinuing operations (12 i ± 12 ii ± 12 iii)	—	—	—
C TOTAL OPERATIONS			
14 Profit / (Loss) for the year (11 ± 13)		3,076,167	731,913
15 Earnings per share (of Rs. 10/- each):			
Basic = Diluted			
Continuing operations = Total operations	32	0.83	0.20
See accompanying notes to the financial statements	1 to 33		
In witness & confirmation of facts For & on behalf of Board of Directors For Bagadia Colourchem Limited.			As per our Report attached For S. G. Shende & Co. Chartered Accountants FRN : 120915W
N. R. Bagadia Chairman & Managing Director	Sushil N. Bagadia JT. Managing Director		Shreepad G. Shende Proprietor Membership No. 041692
Place : Pune Date : 23/05/2013			Place : Pune Date : 23/05/2013

BAGADIA COLOURCHEM LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

PARTICULARS	Current Year 31st March, 2013 Rs.	Previous Year 31st March, 2012 Rs.
A. Cash Flow from Operating Activities		
Net profit before tax	3,328,896	3,337,293
Adjusted for		
Depreciation and amortisation	3,209,904	3,188,450
Finance costs	557,263	459,902
Interest income	(858,375)	(700,001)
Dividend income	(63,636)	(78,386)
Net (gain) / loss on sale of investments	(1,403,468)	(872,686)
Net unrealised exchange (gain) / loss	(61,047)	(97,111)
	<u>1,380,641</u>	<u>1,900,168</u>
Operating profit / (loss) before working capital changes	4,709,537	5,237,461
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	3,103,062	(662,878)
Trade receivables	4,947,498	(5,081,290)
Short-term loans and advances	(2,343,013)	1,774,111
Long-term loans and advances	—	—
Other current assets	—	—
Other non-current assets	—	—
<i>Adjustments for increase / (decrease) in operating liabilities:</i>	—	—
Trade payables	(4,301,823)	1,920,573
Other current liabilities	716,378	558,777
Other long-term liabilities	—	—
Short-term provisions	(166,846)	(4,905)
Long-term provisions	—	—
	<u>1,955,256</u>	<u>(1,495,612)</u>
Cash generated from operations	6,664,793	3,741,849
Net income tax (paid) / refunds	(854,229)	(2,855,568)
Net cash flow from / (used in) operating activities (A)	<u>5,810,564</u>	<u>886,281</u>
B Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	—	(2,537,847)
Proceeds from sale of long-term investments		
– Others	1,573,468	957,685
Interest received		
– Others	858,375	700,001
Dividend received		
– Others	63,636	78,386
Cash flow from extraordinary items	—	—
Net income tax (paid) / refunds	—	—
Net cash flow from / (used in) investing activities (B)	<u>2,495,479</u>	<u>(801,775)</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

PARTICULARS	Current Year 31 st March, 2013 Rs.	Previous Year 31 st March, 2012 Rs.
C Cash flow from financing activities		
Addition / (Repayment) of long-term borrowings	(3,639,294)	(1,435,328)
Net increase / (decrease) in other short-term borrowings	(1,784,662)	2,163,186
Finance cost	(557,263)	(459,902)
Cash flow from extraordinary items	—	—
Net cash flow from / (used in) financing activities (C)	<u>(5,981,219)</u>	<u>267,956</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	<u>2,324,824</u>	<u>352,462</u>
Cash and cash equivalents at the beginning of the year	8,963,469	8,513,896
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	(61,047)	(97,111)
Cash and cash equivalents at the end of the year	<u>11,349,340</u>	<u>8,963,469</u>
	<u>2,324,824</u>	<u>352,462</u>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 15)	11,349,340	8,963,469
Less : Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	—	—
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>)	<u>11,349,340</u>	<u>8,963,469</u>
Add : Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	—	—
Cash and cash equivalents at the end of the year *	<u>11,349,340</u>	<u>8,963,469</u>
* Comprises:		
(a) Cash on hand	772,490	473,255
(b) Balances with banks		
(i) In Current Accounts	411,173	675,004
(ii) In EEFC Accounts	3,880,387	18,174
(iii) In Deposit Accounts	6,285,290	7,797,036
(c) Current investments considered as part of Cash and cash equivalents	—	—
	<u>11,349,340</u>	<u>8,963,469</u>

For **Bagadia Colourchem Limited**

This is the Cash Flow Statement referred to in our Report of even date

N.R. Bagadia
Chairman & Managing Director**Sushil N. Bagadia**
Jt. Managing DirectorFor **S.G SHENDE & CO.**
Chartered Accountants
FRN : 120915W**Shreepad G. Shende**
Proprietor
Membership No. 041692Place : Pune
Date : 23/05/2013Place : Pune
Date : 23/05/2013

BAGADIA COLOURCHEM LIMITED

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT AND THE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

1 CORPORATE INFORMATION

Bagadia Colourchem Limited is a Public Limited Company listed on BSE Limited (formerly known as the Bombay Stock Exchange Limited). It is in the field of manufacturing of dye intermediates, having its manufacturing facilities at MIDC, Mahad.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

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

2.3 Inventories

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

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

Work in Process is treated as respective raw materials since they are in a mixed state and it is impracticable to assess its cost as well as the realisable value.

The quantities of Raw Materials and Finished Goods including valuation thereof, are as certified by the management.

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

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

2.5 Cash Flow Statement

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

2.6 Fixed Assets

Tangible Assets are stated at cost of acquisition or cost of construction less depreciation. All costs, relating to the acquisition and installation of fixed assets have been capitalised and include financing costs relating to borrowed funds upto the date the assets are ready and put to use. The said expenditure is capitalised by allocating the same to the various Fixed Assets, except land, on the basis of cost of the assets before such allocation.

Accounting Standard (AS) 28, 'Impairment of Assets' has not been followed by the Company. Its impact on the profits is not known.

There are no intangible assets.

2.7 Depreciation & Amortisation

Depreciation has been provided for on Straight-Line-Method (SLM) at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956.

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

2.8 Impairment of Assets

Accounting Standard (AS) 28, 'Impairment of Assets' has not been followed by the Company. Its impact on the profits is not known.

2.9 Revenue Recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include Excise Duty but exclude Sales Tax and Value Added Tax.

There is no income from services

2.10 Other Income

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

2.11 Foreign Currency Transactions

Transactions in foreign currency are accounted for at exchange rates prevailing at the time of the transactions. All exchange gains/losses arising out of such transaction are taken to profit and Loss account. Foreign currency monetary Assets and Liabilities are translated at the exchange rates prevailing on the last working day of the accounting year. There were no forward exchange contracts during the year.

2.12 Export Incentives

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

2.13 Investments

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

2.14 Employee Benefits

Please refer note number 28 below.

2.15 Segment Reporting

The Company identifies primary segments based on the geographical source as domestic and export sale.

No secondary segment is identified as the Company operates in a single business segment of manufacturing of dye intermediates.

Segment revenue and segment results have been identified to segments on the basis of their relationship to the sale in domestic or export markets respectively.

Revenue, expenses, Assets and Liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/Assets/Liabilities.

2.16 Leases

There are no transactions where the Company is a lessor. Premium paid on leasehold land is amortised equally over the period of lease.

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

2.17 Taxes on Income

Tax expense for the year comprises of current tax and deferred tax. Current taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been or substantively enacted as of Balance Sheet date. The effect on deferred tax Assets and Liabilities of a change in tax rates is recognized in the Profit and Loss Account in the year of change. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing Assets and Liabilities and their respective tax bases and operating loss carry forwards.

BAGADIA COLOURCHEM LIMITED

2.18 Provisions and Contingencies

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

2.19 Service Tax Input Credit

Service Tax Input Credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

3 SHARE CAPITAL

1	Particulars	Par Value	As at	As at	As at	As at
		(Rs.)	31/03/2013 Nos	31/03/2012 Nos	31/03/2013 Rs.	31/03/2012 Rs.
	Authorised					
	Equity Shares	10	3,750,000	3,750,000	37,500,000	37,500,000
	Issued, Subscribed & Fully Paid Up					
	Equity Shares	10	3,690,000	3,690,000	36,900,000	36,900,000
	Total				<u>36,900,000</u>	<u>36,900,000</u>

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

2 The reconciliation of the number of shares outstanding is set out below:

Particulars	Par Value	As at	As at	As at	As at
	(Rs.)	31/03/2013 Nos	31/03/2012 Nos	31/03/2013 Rs.	31/03/2012 Rs.
Equity Shares					
Shares outstanding at the beginning of the year	10	3,690,000	3,690,000	36,900,000	36,900,000
Shares Issued during the year	10	—	—	—	—
Shares bought back during the year	10	—	—	—	—
Shares outstanding at the end of the year	10	<u>3,690,000</u>	<u>3,690,000</u>	<u>36,900,000</u>	<u>36,900,000</u>

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

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

5 The Company has not declared or paid any dividend during the year or in respect of the year ended on 31st March, 2013.

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

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

8 The details of shareholder holding more than 5% shares are set out below :

Name of the Shareholder	Par Value (Rs.)	As at	As at	As at	As at
		31/03/2013	31/03/2013	31/03/2012	31/03/2012
Equity Shares		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sushil Natwarlal Bagadia	10	957,452	25.95%	938,000	25.42%
Sangeeta Sushil Bagadia	10	734,900	19.92%	734,600	19.91%

9 Details of paid-up capital

Particulars	Per Share (Rs.)	As at	As at	As at	As at
		31/03/2013	31/03/2012	31/03/2013	31/03/2012
		Nos	Nos	Rs.	Rs.
Equity Shares :					
Fully paid up by way of Bonus Shares	10	180,000	180,000	1,800,000	1,800,000

4 RESERVES AND SURPLUS

Particulars	As at	As at
	31/03/2013	31/03/2012
	Rs.	Rs.
a Capital Reserve	4,000,000	4,000,000
b General Reserve		
Opening Balance	2,313,447	2,313,447
Total	2,313,447	2,313,447
c Surplus- Opening Balance	5,157,868	4,425,955
Add : Net profit after tax transferred from Statement of Profit and Loss	3,076,167	731,913
Amount available for appropriation	8,234,035	5,157,868
Appropriations:		
Amount transferred to General Reserve	—	—
Surplus- Closing Balance	8,234,035	5,157,868
Grand Total	14,547,482	11,471,315

5 LONG-TERM BORROWINGS

Particulars	As at	As at
	31/03/2013	31/03/2012
	Rs.	Rs.
Unsecured		
Deferred payment liabilities		
Deferred Liability for Sales Tax	3,897,522	7,536,816
(None of the above, is guaranteed by Directors and / or others)		
Total	3,897,522	7,536,816

In case of continuing default as on the Balance Sheet date in repayment of loans and interest with respect to

1. Period of default	1 years	3 years
2. Amount	1,537,172	3,639,292

BAGADIA COLOURCHEM LIMITED**6 DEFERRED TAX LIABILITIES**

Particulars	As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
a Tax effect of items constituting deferred tax liability		
(i) Depreciation	3,619,003	4,195,892
b Tax effect of items constituting deferred tax assets		
(i) Gratuity	(165,652)	(141,041)
Total	3,453,351	4,054,851

7 SHORT-TERM BORROWINGS

Particulars	As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
Secured		
Loans repayable on demand		
From Banks		
From Bank of Baroda	4,264,582	6,049,244
(Overdraft secured by fixed deposit receipts with Bank)		
Total	4,264,582	6,049,244

8 TRADE PAYABLES

Particulars	As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
Trade Payables	4,883,029	9,184,852
Total	4,883,029	9,184,852

Refer Note No. 24 for disclosure under the
Micro, Small and Medium Enterprises Act, 2006

9 OTHER CURRENT LIABILITIES

Particulars	As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
Other payables		
(i) Statutory remittances		
Withholding Taxes	77,337	89,448
Excise Duty	-	566,767
(ii) Others (specify nature) - Liabilities for Expenses	1,902,819	607,563
Total	1,980,156	1,263,778

10 SHORT-TERM PROVISIONS

Particulars	As at	As at
	31/03/2013	31/03/2012
	Rs.	Rs.
a Provision for employee benefits:		
(i) Provision for bonus	155,425	144,150
(ii) Provision for compensated absences	36,692	153,249
(iii) Provision for gratuity (net) Refer Note No. 28	550,522	468,730
b Provision - Others :		
(i) Provision for tax (net of advance tax)	35,002	178,358
Advance Tax		
As at Current Year end Date		Rs. 1,077,743
As at Earlier Year end Date		Rs. 1,166,642
Total	777,641	944,487

11 FIXED ASSETS**(i) Tangible Assets**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Depr. %	As at 01.04.2012 Rs.	Additions Rs.	Sale Rs.	As at 31.03.2013 Rs.	As at 01.04.2012 Rs.	For the Year Rs.	Adjusted on Sale Rs.	As at 31.03.2013 Rs.	As at 01.04.2012 Rs.	As at 31.03.2013 Rs.
Land	-	1,224,200	-	-	1,224,200	98,034	13,507	-	111,541	1,126,166	1,112,659
		(1,224,200)	-	-	(1,224,200)	(84,527)	(13,507)	-	(98,034)	(1,139,673)	(1,126,166)
Building	3.34	22,939,830	-	-	22,939,830	9,298,467	766,191	-	10,064,658	13,641,363	12,875,172
		(22,939,830)	-	-	(22,939,830)	(8,532,276)	(766,191)	-	(9,298,467)	(14,407,554)	(13,641,363)
Plant & Machinery	5.28	49,060,238	-	-	49,060,238	36,116,716	2,268,169	-	38,384,885	12,943,522	10,675,353
		(46,660,972)	(2,399,266)	-	(49,060,238)	(33,879,299)	(2,237,417)	-	(36,116,716)	(12,781,673)	(12,943,522)
Electric Installation	5.28	2,722,249	-	-	2,722,249	2,446,688	99,284	-	2,545,972	275,561	176,277
		(2,722,249)	-	-	(2,722,249)	(2,345,990)	(100,698)	-	(2,446,688)	(376,259)	(275,561)
Furniture	6.33	913,868	-	-	913,868	647,565	36,334	-	683,899	266,303	229,969
		(775,287)	(138,581)	-	(913,868)	(603,704)	(43,861)	-	(647,565)	(171,583)	(266,303)
Vehicle	9.50	119,822	-	-	119,822	99,824	8,026	-	107,850	19,998	11,972
		(119,822)	-	-	(119,822)	(91,798)	(8,026)	-	(99,824)	(28,024)	(19,998)
Computer	16.21	330,736	-	-	330,736	278,047	18,393	-	296,440	52,689	34,296
		(330,736)	-	-	(330,736)	(259,297)	(18,750)	-	(278,047)	(71,439)	(52,689)
Total		77,310,944	-	-	77,310,943	48,985,341	3,209,904	-	52,195,245	28,325,602	25,115,699
		(74,773,096)	(2,537,847)	-	(77,310,943)	(45,796,891)	(3,188,450)	-	(48,985,341)	(28,976,205)	(28,325,603)

(Figure in the bracket are relating to the Previous Year.)

BAGADIA COLOURCHEM LIMITED

12 NON-CURRENT INVESTMENTS

Particulars				As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
Non trade / Quoted / At Cost		No of	Cost		
Fully Paid Equity Shares in		Shares	per Share		
Bank of Baroda	of Rs. 10 each	2,500	85.00	212,500	382,500
Punjab National Bank	of Rs. 10 each	188	390.00	73,320	73,320
Total				<u>285,820</u>	<u>455,820</u>
Market Value - Current Year		No of	Market Value		
Equity Shares in		Shares	per Share		
Bank of Baroda	of Rs. 10 each	2,500	677.80	1,694,500	–
Punjab National Bank	of Rs. 10 each	188	717.50	134,890	–
Market Value - Earlier Year		No of	Market Value		
Equity Shares in		Shares	per Share		
Bank of Baroda	of Rs. 10 each	4,500	793.65	–	3,571,425
Punjab National Bank	of Rs. 10 each	188	926.05	–	174,097

13 INVENTORIES

Particulars				As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
a	Raw Material Valued at lower of cost price on FIFO basis or net realisable value.			5,715,594	3,666,399
b	Finished Goods Valued at cost or net realisable value whichever is lower.			–	5,152,257
Total				<u>5,715,594</u>	<u>8,818,656</u>

Work in Process is treated as respective raw materials since they are in a mixed state and it is impracticable to assess its cost as well as the realisable value.

14 TRADE RECEIVABLES

Particulars				As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
Trade receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good				10,910,208	15,857,706
				<u>10,910,208</u>	<u>15,857,706</u>
Less: Provision for doubtful debts				–	–
Total				<u>10,910,208</u>	<u>15,857,706</u>

15 CASH AND CASH EQUIVALENTS

Particulars	As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
a Cash on hand	772,490	473,255
b Balances with banks		
(i) In current accounts	411,173	675,004
(ii) In EEFC accounts	3,880,387	18,174
(iii) In deposit accounts (Refer Notes (i) & (ii) below)	6,285,290	7,797,036
Total	<u>11,349,340</u>	<u>8,963,469</u>

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

	11,349,340	8,963,469
--	-------------------	-----------

Notes:

(i) Balances with banks include deposits amounting to Rs. Previous Year Rs. and margin monies amounting to Rs. Previous Year Rs. which have an original maturity of more than 12 months.	Nil	Nil
	Nil	Nil
	Nil	Nil
	Nil	Nil
(ii) Balances with banks in deposit account include Security against borrowings	6,285,290	7,797,036

16 SHORT-TERM LOANS AND ADVANCES

Particulars	As at 31/03/2013 Rs.	As at 31/03/2012 Rs.
a Loans and advances to related parties Refer Note No. 30 Unsecured, considered good Tenancy deposits - Directors	650,000	650,000
b Balances with government authorities Unsecured, considered good (i) CENVAT credit receivable (ii) VAT credit receivable (iii) Income-tax refund receivable	4,765,533 9,243,170 177,154	3,588,610 8,797,433 96,996
c Other Deposits, Loans & Advances Unsecured, considered good Tenancy deposits Utility & other services deposits Interest accrued but not due Advances to Suppliers Export Incentive Receivable	5,000 1,096,025 544,437 310,101 516,852	5,000 1,074,425 549,312 200,864 -
d Prepaid expenses Unsecured, considered good Insurance Other Expenses	9,587 9,243	12,206 9,243
Total	<u>17,327,102</u>	<u>14,984,089</u>

BAGADIA COLOURCHEM LIMITED

17 REVENUE FROM OPERATIONS

Particulars	Current Year	Previous Year
	2012-2013 Rs.	2011-2012 Rs.
a Sale of products (Refer Note (i) below)	103,969,946	113,677,601
b Other operating revenues (Refer Note (ii) below)	2,951,268	5,804,612
Less :		
c Excise duty	2,985,192	3,532,821
Total	103,936,022	115,949,392
(i) Sale of products comprises :		
<u>Manufactured goods</u>		
Pigment Alpha Blue	9,994,878	23,599,383
Pigment Beta Blue	93,975,068	90,078,218
Total - Sale of manufactured goods	103,969,946	113,677,601
Total - Sale of products	103,969,946	113,677,601
(ii) Other operating revenues comprise:		
Sale of scrap	537,000	420,000
Export Incentives	2,414,268	5,384,612
Total - Other operating revenues	2,951,268	5,804,612

18 OTHER INCOME

Particulars	Current Year	Previous Year
	2012-2013 Rs.	2011-2012 Rs.
a Interest income (Refer Note (i) below)	858,375	700,001
b Dividend income :		
from long-term investments		
others	63,636	78,386
c Net gain on sale of :		
long-term investments	1,403,468	872,686
d Net gain on foreign currency transactions and translation (other than considered as finance cost)	1,260,432	2,020,829
e Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	889,948	535,171
Total	4,475,859	4,207,073
Notes :		
(i) Interest income comprises :		
Interest from banks on :		
Deposits	777,426	666,415
Interest on VAT Refund	80,949	33,586
Total - Interest income	858,375	700,001
(ii) Other non-operating income comprises:		
Liabilities / provisions no longer required written back	587,300	81,671
Miscellaneous income		
- Marketing Development Assistance from Ministry of Commerce & Industry [net of expenses directly attributable Rs. Nil (Previous Year ended Rs. Nil)]	302,648	453,500
Total - Other non-operating income	889,948	535,171

19 A COST OF MATERIALS CONSUMED

Particulars	Current Year 2012-2013 Rs.	Previous Year 2011-2012 Rs.
Opening stock	3,666,399	6,921,935
Add : Purchases	75,231,636	86,405,392
	<u>78,898,035</u>	<u>93,327,327</u>
Less : Closing stock	5,715,594	3,666,399
Cost of material consumed	<u><u>73,182,441</u></u>	<u><u>89,660,928</u></u>
Material consumed comprises :		
Copper Phthalocyanine Blue	35,681,175	3,324,652
Other Items	37,501,266	86,336,276
Total	<u><u>73,182,441</u></u>	<u><u>89,660,928</u></u>
100% materials consumed is indigenous.		

B CHANGES IN INVENTORIES OF FINISHED GOODS

<u>Inventories at the end of the year :</u>		
Finished goods	—	5,152,257
<u>Inventories at the beginning of the year :</u>		
Finished goods	5,152,257	1,233,843
Net (increase) / decrease	<u><u>5,152,257</u></u>	<u><u>(3,918,414)</u></u>

20 EMPLOYEE BENEFITS EXPENSE

Particulars	Current Year 2012-2013 Rs.	Previous Year 2011-2012 Rs.
Salaries and wages	5,132,413	4,813,068
Gratuity	141,030	129,883
Staff welfare expenses	281,819	293,695
Total	<u><u>5,555,262</u></u>	<u><u>5,236,646</u></u>

21 FINANCE COST

Particulars	Current Year 2012-2013 Rs.	Previous Year 2011-2012 Rs.
Interest expense on:		
(i) Borrowings	542,663	454,645
(ii) Others		
- Interest on other delayed payments	14,600	5,257
Total	<u><u>557,263</u></u>	<u><u>459,902</u></u>

BAGADIA COLOURCHEM LIMITED

22 OTHER EXPENSES

Particulars	Current Year	Previous Year
	2012-2013	2011-2012
	Rs.	Rs.
Consumption of stores - Lubricants	833,755	965,768
Laboratory Expenses	159,131	237,838
Increase / (decrease) of excise duty on inventory	—	451,549
Subcontracting	2,222,739	1,653,154
Power and fuel	6,144,940	6,706,840
Water	890,670	2,239,490
Rent including lease rentals Refer Note No. 2.16	942,000	921,000
Repairs and maintenance - Buildings	28,350	240,411
Repairs and maintenance - Machinery	1,174,412	2,059,902
Insurance	23,448	22,728
Rates and taxes	40,942	40,942
Office Expenses	320,255	404,631
Communication	215,637	215,917
Travelling and conveyance	695,072	931,440
Printing and stationery	84,043	90,682
Freight and forwarding	1,733,555	2,046,809
Sales discount	20,639	19,883
Business promotion	344,782	485,326
Legal and professional	1,264,348	1,586,001
Payments to Auditors (Refer Note (i) below)	70,000	70,000
Bad trade and other receivables, loans and advances written off	4,623	9,919
Prior period items (net) (Refer Note (ii) below) (Sales tax Assessed Dues)	—	639,666
Miscellaneous expenses	212,517	151,764
Total	17,425,858	22,191,660

Notes :

(i) Payments to the Auditors comprises (net of service tax input credit, where applicable) :		
As Auditors - Statutory Audit	35,000	35,000
For taxation matters	12,000	12,000
For other services	23,000	23,000
Total	70,000	70,000
(ii) Details of Prior period items (net)		
Prior period expenses MVAT	—	639,666
(MVAT assessed dues as per Assessment Order dated 28.11.2011 liability, crystallised during the year.)		
Prior period income	—	—
Total	—	639,666

23 Contingent Liability for counter guarantee given for obtaining Bank Guarantee Rs. 12,500/- (Previous Year Rs. 12,500/-)

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

25 EXPENDITURE IN FOREIGN CURRENCY

Particulars	Current Year	Previous Year
	2012-2013	2011-2012
	Rupees	Rupees
Travelling & Exhibition Expenses	174,715.00	177,258.00
Total	174,715.00	177,258.00

26 EARNINGS IN FOREIGN EXCHANGE

Particulars	Current Year 2012-2013 Rupees	Previous Year 2011-2012 Rupees
Export of goods calculated on FOB basis	76,832,896.00	81,407,366.00
Total	76,832,896.00	81,407,366.00

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

Government grants received by the Company during the year towards

– Duty drawback (recognised as reduction in liability for output Excise Duty on Export of goods)	7,341,161.00	7,529,280.00
– Export Incentive (recognised under Revenue from Operations)	2,414,268.00	5,384,612.00
– Marketing Development Assistance from Ministry of Commerce & Industry (recognised under Other Income)	302,648.00	453,500.00

28 The disclosures as required under the Accounting Standard 15 are as under :

a) Defined Benefit Plan

The Company has obligations towards the following under Defined Benefit Plans:

- 1 Gratuity :
Gratuity has been provided for on the basis of "full value of company's liability on the year end day".
- 2 Leave Salary / Wages :
No leave is accumulated beyond one year. Provision is made for leave accumulated at the end of every year and is paid generally in the next year.
- 3 Bonus :
Provision for bonus is made for every year and is paid generally in the next year.
- 4 Medical Allowance :
A pre determined allowance for Medical Expenses is paid / provided on a monthly basis.

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

Particulars	Gratuity Rs.	Leave Salary/Wages Rs.	Bonus Rs.	Medical Allowance Rs.
Balance Payable as at the beginning of the year	468,730 (338,847)	153,249 (121,017)	144,150 (114,000)	— —
Add : Expenses charged to the revenue	141,030 (129,883)	36,962 (153,249)	155,245 (144,150)	70,440 (63,952)
	609,760 (468,730)	190,211 (274,266)	299,395 (258,150)	70,440 (63,952)
Less : Paid to the Employees During the year	59,238 —	153,249 (121,017)	144,150 (114,000)	70,440 (63,952)
Balance Payable as at the end of the year	550,522 (468,730)	36,962 (153,249)	155,245 (144,150)	— —

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

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

c) Defined Contribution Plan

The Company insures no expenditure under any defined contribution plan.

BAGADIA COLOURCHEM LIMITED

29 Segment Information

29.1 Information about Primary Geographical Segments

Particulars	Domestic		Export		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Revenue						
– External	27,103,126	34,542,026	76,832,896	81,407,366	103,936,022	115,949,392
– Inter Segment	—	—	—	—	—	—
Total Revenue	27,103,126	34,542,026	76,832,896	81,407,366	103,936,022	115,949,392
Result						
Segment Result	6,756,793	3,755,210	14,781,826	6,638,132	21,538,619	10,393,342
Unallocated Exp net of Unallocated Income					18,574,471	7,374,534
Operating Profit					2,964,148	3,018,808
Interest Expense					557,263	459,902
Interest & Dividend Income					922,011	778,387
Non-cash expenses other than Depreciation					—	—
Profit before tax					3,328,896	3,337,293
Prior Period Adjust					—	—
Extra Ordinary Charge					—	—
Provision for tax					252,729	2,605,380
Profit after tax					3,076,167	731,913
Other Information						
Assets	64,660,918	67,069,063	6,042,845	10,336,280	70,703,763	77,405,343
Liabilities					70,703,763	77,405,343
Capital Expenditure					—	2,537,847
Depreciation & Amortisation					3,209,904	3,188,450
Non-cash other than Depreciation & Amortisation					—	—

29.2 Information about Secondary Business Segments :

Not applicable since no secondary segment is identified as the Company operates in a single business segment of manufacturing of dye intermediates.

30 As required by Accounting Standards – 18 “Related Party Disclosure” is made as under;

A. Names of Related Parties and Description of Relationship with whom there were no transactions during the year.

Associates & Joint Ventures :

- Sandeep Electronics Private Limited;
- City Cloth Stores

B. Names of Related Parties and Description of Relationship with whom there were transaction during the year. :

Directors & Relatives

- Mr. Natwrlal R. Bagadia, Chairman & Managing Director;
- Mr. Sushil N. Bagadia, Joint Managing Director;
- Mr. Vilas Jagtap, Director;
- Mr. Dattatraya M. Mehta, Director;
- Mrs. Sangeeta Sushil Bagadia, Director;
- Mr. Shashikant Kakade, Director.

C. Value of transactions : Directors & Relatives

Sr. No.	Nature of Transactions	Current Year 2012-2013 Rs.	Previous Year 2011-2012 Rs.
1	Sales & Other Income		
2	Purchase & Other Services		
	Mrs Sangeeta Sushil Bagadia Office Rent	360,000	360,000
	Mr Shashikant Kakade Office Rent	60,000	45,000
	Mrs Sangeeta Sushil Bagadia Car Rent	480,000	480,000
		900,000	885,000
3	Salary, Remuneration & Sitting Fees		
	Mr N. R. Bagadia Remuneration	1,200,000	1,200,000
	Mr Sushil Bagadia Remuneration	1,200,000	1,200,000
	Mrs Sangeeta Sushil Bagadia Remuneration	600,000	375,000
	Mr R. R. Gune Sitting Fees	—	1,000
	Mr Vilas Jagtap Sitting Fees	1,000	1,000
	Mr Dattatraya M. Mehta Sitting Fees	1,250	1,000
	Mr Kakade Shashikant Sitting Fees	1,250	1,250
		3,003,500	2,779,250
4	Interest Received	—	—
5	Interest Paid	—	—
6	Purchases of Fixed Assets	—	—
7	Deposit Received	—	—
8	Deposit Given		
	Mrs Sangeeta Sushil Bagadia Premises	600,000	600,000
	Mr Shashikant Kakade Premises	50,000	50,000
		650,000	650,000
9	Investment	—	—
10	Guarantees Given	—	—
11	Outstanding Payable – Net	—	—
12	Outstanding Receivable – Net	—	—
13	Provision for doubtful debt	—	—
14	Amounts written off	—	—
15	Amounts written back	—	—

BAGADIA COLOURCHEM LIMITED

31 Details of leasing arrangements

As Lessee

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

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

Regarding other items

Future minimum lease payments not later than one year	942,000.00 per year	
later than one year and not later than five years	942,000.00 per year	
later than five years	942,000.00 per year	

Lease payments recognised in the Statement of Profit and Loss (excluding amortisation of premium paid on leasehold lands)	942,000.00	921,000.00
Contingent rents recognised as expense during the year (state basis)	—	—

There are no subleases.

32 Earnings per Share

Particulars	31/03/2013 Rs.	31/03/2012 Rs.
<u>Basic & Diluted</u>		
Profit / (Loss) After Tax	3,076,167	731,913
Number of Equity Shares	3,690,000	3,690,000
The nominal value of Equity Shares	10	10
Earnings per Share Basic & Diluted	0.83	0.20

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

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

N. R. Bagadia
Chairman &
Managing Director

Sushil N. Bagadia
JT. Managing Director

Place : Pune
Date : 23/05/2013

As per our Report attached
For S. G. Shende & Co.
Chartered Accountants
FRN : 120915W

Shreepad G. Shende
Proprietor
Membership No. 041692

Place : Pune
Date : 23/05/2013

BAGADIA COLOURCHEM LIMITED

Regd. Office : Shaniya Enclave, 5th Floor, V. P. Road, Vileparle (West), Mumbai 400 056.

FORM OF PROXY

I/We
of
being a Member(s) of Bagadia Colourchem Limited hereby appoint
..... of
or failing him of
as my/our proxy to attend and vote for me/us on my/our behalf at the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Company to be held on **Monday, 12th August, 2013, at 2.00 p.m.** at the Meeting Hall, Hotel Sagar, Kharodi Marve Road, Malad (West), Mumbai 400 095 at any adjournment thereof.

Signed this day of2013.

Signature



Note : The Proxy must be returned so as to reach the Registered Office not less than 48 hours before the time for holding the meeting.

A Proxy need not be a member of the Company.

BAGADIA COLOURCHEM LIMITED

Regd. Office : Shaniya Enclave, 5th Floor, V. P. Road, Vileparle (West), Mumbai 400 056.

ATTENDANCE SLIP
28th Annual General Meeting

Regd.Folio No.

I certify that I am a Shareholder/Proxy for the registered Shareholder of the Company.

I hereby record my presence at the **28th ANNUAL GENERAL MEETING** of the Company at the Registered Office.

.....
Member's/Proxy's name in BLOCK Letters

.....
Member's/Proxy's Signature

Note : Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

BOOK POST

If undelivered, please return to:
BAGADIA COLOURCHEM LIMITED
317 Mantri Kishor Arcade, 257 Budhwar Peth,
Pune 411 002

PRABODH
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